

Tohono O'odham Nation Office of the Chairman & Vice Chairwoman

COMPASSION FAITH TRADITION RESPECT

Ned Norris, Jr. Chairman

Wavalene M. Romero Vice Chairwoman



February 24, 2015

Virginia O'Connell Manager Arizona Water Banking Authority 3550 North Central Avenue Phoenix, Arizona 85012

Re: Tohono O'odham Nation - Offer to Sell Storage Credits

Dear Ms. O'Connell:

In accordance with A.R.S. § 45-841.01.F.3., the Tohono O'odham Nation hereby offers to sell to the Arizona Water Banking Authority (AWBA) a total of 3,665 long-term storage credits accrued to the Nation during the years 2011 through 2014 for a total purchase price of \$579,842.00, as further explained below.

This offer relates to a number of years because the calculations of the Arizona Department of Water Resources (ADWR) as to the accruable credits in each year were only recently available. I will outline below the years in which water storage occurred, the year accruable credits were calculated by ADWR, the total number of credits accrued for each year, the total cost per credit, and the total credit purchase price for each of the years referenced above.

The accruable credits for the water stored during 2009 were calculated in 2011, and ten percent of those accrued credits totals 782. The total price per credit on that amount is \$152.00 per credit, resulting in a total credit purchase price of \$118,864.00.

The accruable credits for the water stored during 2010 were calculated in 2012, and ten percent of those accrued credits totals 729. The total price per credit on that amount is \$152.00 per credit, resulting in a total credit purchase price of \$110,808.00.

The accruable credits for the water stored during 2011 were calculated in 2012, and ten percent of those accrued credits totals 854. The total price per credit on that amount is \$152.00 per credit, resulting in a total credit purchase price of \$129,808.00.

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The accruable credits for the water stored during 2012 were calculated in 2013, and ten percent of those accrued credits totals 679. The total price per credit on that amount is \$159.00 per credit, resulting in a total credit purchase price of \$107,961.00.

The accruable credits for the water stored during 2013 were calculated in 2014, and ten percent of those accrued credits totals 621. The total price per credit on that amount is \$181.00 per credit, resulting in a total credit purchase price of \$112,401.00.

The overall accrued credits hereby offered by the Nation to the AWBA total 3,665 credits and the overall purchase price for those credits is \$579,842.00.

Please advise at your earliest convenience whether the AWBA would like to purchase these long-term storage credits. If so, we will make proper arrangements with the Department of Water Resources to make the transfer of the credits upon receipt of funds totaling \$579,842.00.

If you have any questions or would like to discuss this matter further, please feel free to contact Jonathan Jantzen, Attorney General of the Tohono O'odham Nation, at (520) 383-3410 or at jonathan.jantzen@tonation-nsn-gov.

Sincerely,

Dr. Ned Norris, Jr., Chairman Tohono O'odham Nation

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