# APPENDIX C: SUMMARY OF ARIZONA WATER LAW AND MANAGEMENT

# APPENDIX C: SUMMARY OF ARIZONA WATER LAW AND MANAGEMENT

Water management in Arizona is a complex system of laws, rules and management authorities that differ for each type and source of water. Surface water regulations are distinct from those governing groundwater. Arizona's Colorado River water apportionment is governed by interstate compact, federal Congressional acts and U.S. Supreme Court decisions, referred to as the "Law of the River". Indian water rights claims and settlements are an important component in water management in Arizona and are discussed in Appendix G. Effluent is regulated under a law separate from those that pertain to surface water or groundwater. There are also laws that regulate underground water storage, water exchanges and dams. The Arizona Department of Water Resources (Department) administers water management and water rights but several other Arizona governmental agencies, authorities and districts also affect aspects of water management and utilization.

# C.1 Surface Water

Arizona has adopted the doctrine of prior appropriation to govern the use of surface water. This doctrine is based on the tenet of "first in time, first in right" which means that the person who first puts the water to a beneficial use acquires a right that is better than later appropriators of the water. Beneficial use is the "basis, measure and limit to the use of water" A.R.S. § 45-141(B). Prior to June 12, 1919, a person could acquire a surface water right simply by applying the water to a beneficial use and posting a notice of the appropriation at the point of diversion. On June 12, 1919, the Arizona surface water code was enacted. Known as the Public Water Code, this law requires that a person apply for and obtain a permit in order to appropriate surface water. Surface water is defined by statute as:

"Waters of all sources, flowing in streams, canyons, ravines or other natural channels, or in definite underground channels, whether perennial or intermittent, floodwaters, wastewater, or surplus water, and of lakes, ponds and springs on the surface." A.R.S. § 45-101.

Water may be appropriated for domestic, municipal, irrigation, stock watering, water power, recreation, wildlife, including fish, nonrecoverable water storage or mining uses. A.R.S. § 45-151(A). Water cannot be wasted, and if not used by the senior appropriator, it must be allowed to flow to the next senior appropriator. Non-diversionary appropriation of surface water for recreation and wildlife, including fish, use is recognized as a beneficial use. (Arizona Court of Appeals decision, *Phelps Dodge Corp v. Arizona Dep't of Water Res.*, 211 Ariz.146, 118 P.3d 1110 (App.2005)). These rights are referred to as "instream flow rights."

The Department administers the surface water permit system, including permits for instream flow. Permits are issued for a specific location and amount of water. Surface water rights for municipal, domestic or irrigation may be severed and transferred to a new location but only pursuant to statutory procedures. A.R.S. § 45-172.

# Adjudication of Surface Water Rights

A general stream adjudication is a judicial proceeding in which the nature, extent, and relative priority of the rights of all persons to use water in a river system and source are determined. Two general stream adjudications are in progress involving the Gila River and Little Colorado River systems. The Gila River Adjudication includes the Salt, Gila, San Pedro, and Verde River watersheds, which include most of southeastern and central Arizona. The Little Colorado River

Adjudication includes the Little Colorado River system in northeastern Arizona.

The Department provides technical and administrative support to the adjudication court and special master, "in all aspects of the general adjudication with respect to which the director possesses hydrological or other expertise." A.R.S. § 45-256(A). Thousands of claimants and water users are joined in these cases that will result in the Superior Court issuing a comprehensive final decree of water rights for both the Gila and Little Colorado river systems.

## Surface Water Decrees

Decreed surface water rights are those that have been determined through judicial action in a state or federal court. Major court determinations in Arizona include the Kent, Benson-Allison, Norviel, Concho and Globe Equity decrees.

The Kent Decree (*Hurley v. Abbott* 1910) established rights to the Salt and Verde rivers for diversion by downstream landowners based on diversions occurring at that time from Granite Reef and Joint Head diversion dams. These lands are generally the Salt River Project service area, along with portions of the Salt River Pima-Maricopa and Fort McDowell Indian reservations. Rights to the lower Agua Fria River, the Salt River and the Gila River below the confluence were determined in the Benson-Allison Decree in 1917 for the Buckeye Irrigation District and a portion of the Gila River Indian Reservation. The Norviel Decree, which is comprised of four judicial actions (between 1914 and 1923) determined rights of landowners to divert surface water in and around St. Johns to the headwaters of the Little Colorado River. The Concho Decree (1927) determined the relative rights to use surface water from Concho Springs and Concho creek in Apache County. In 1935 the U.S. District Court entered a consent decree (Globe Equity No. 59) for all diversions of the mainstem of the Gila River from confluence with the Salt River to the headwaters in New Mexico, including the Gila River and San Carlos Apache reservations, and non-Indian landowners below and above Coolidge Dam.

Indian Water Rights Claims and Settlements (See Appendix G)

## Federal Reserved Rights

The United States Supreme Court's decision in Winters v. United States, 207 U.S. 564 (1908) established that when the federal government creates an Indian reservation, it impliedly reserves for the reservation a right to an amount of water sufficient to effectuate the purposes of the reservation (this doctrine is know as the "Winters Doctrine"). This concept of "federal reserved rights" has been claimed for other federal lands. Federal Reserved right claims have been filed in the Gila and Little Colorado River adjudications for national parks and monuments, national forests and for military bases.

# C.2 Groundwater

The withdrawal, use and transportation of groundwater in the state are regulated under the Arizona Groundwater Code (Code), Title 45, Chapter 2, Arizona Revised Statutes. The Code has three primary goals: 1) to control groundwater overdraft in certain parts of the state; 2) to provide a means to allocate groundwater to meet the needs of the state; and 3) to augment groundwater supplies through the development of renewable water supplies. The Code established the Arizona Department of Water Resources to administer the Code provisions.

The Code contains regulatory provisions applicable statewide, such as well drilling requirements and restrictions on groundwater transportation. It also contains provisions applicable only in certain designated areas of the state. The most intensive regulation of groundwater is in the five areas of the state designated as active management areas (AMAs), where the focus is on conservation and achievement of the AMA's management goal. Outside of the AMAs, persons may generally withdraw and use groundwater for any reasonable and beneficial use, subject to the groundwater transportation laws. However, in areas designated as irrigation non-expansion areas (INAs), irrigation acreage expansion is prohibited and metering and reporting requirements apply to certain groundwater withdrawals.

## Statewide Provisions

Statewide, all wells must be registered with the Department and new wells must be drilled by a licensed well driller and comply with well construction standards. With certain exceptions, wells proposed to recover water stored or saved underground pursuant to a storage permit must comply with well spacing requirements.

Arizona has been divided into hydrologic groundwater basins and sub-basins within some of those basins. Statutes governing the transportation of groundwater within and between basins are designed to protect hydrologically distinct sources of groundwater supplies and the economies in rural areas by ensuring the groundwater is not depleted in one groundwater basin to benefit another. In general, groundwater cannot be transported between groundwater basins outside of the AMAs or from a groundwater basin outside an AMA into an AMA except for certain transfers specified in statute. A.R.S. §§ 45-544 and 45-551 through 45-555. Groundwater can legally be transported within a sub-basin, or within a basin that has not been divided into sub-basins, without payment of damages. A.R.S. § 45-541 and A.R.S. § 45-544. Groundwater may also be transported between sub-basins in the same basin but is subject to payment of damages, except under certain conditions in AMAs. A.R.S. §§ 45-542 through 45-545.

## Active Management Areas

The magnitude of overdraft in certain areas of the state led to the designation of four initial AMAs: the Prescott, Phoenix, Pinal and Tucson AMAs. In 1994, a southern portion of the Tucson AMA was separately designated as the Santa Cruz AMA. The geographic boundaries of AMAs are defined by groundwater basins and subbasins. The Phoenix, Prescott and Tucson AMAs have a management goal of safe-yield by 2025. A.R.S. § 45-562(A). Safe-yield, as defined in the Code, means "a groundwater management goal which attempts to achieve and thereafter maintain a long-term balance between the annual amount of groundwater recharge in the active management area and the annual amount of natural and artificial groundwater recharge in the active management area." A.R.S. § 45-561(12). The management goal of the Pinal AMA is to allow development of non-irrigation uses and to preserve existing agricultural economies in the AMA for as long as feasible, consistent with the necessity to preserve future water supplies for non-irrigation uses. A.R.S. § 45-562(B) The goal of the Santa Cruz AMA is to maintain a safe-yield condition and prevent local water tables from experiencing long-term declines. A.R.S.§ 45-562(C). General water management requirements within AMAs include:

- Groundwater rights and permits including metering, reporting and fees
- Well regulations
- Agricultural land development restrictions
- Groundwater management plans, which include agricultural, municipal and industrial

water conservation programs, an augmentation program, groundwater quality assessment, and a water management assistance program

• Assured water supply program requirements for new subdivisions to have long-term dependable water supplies consistent with the management goal.

In the AMAs there are regulatory distinctions between wells that can pump more than 35 gallons per minute (gpm), "non-exempt wells" and those that pump less, "exempt wells." Withdrawal of groundwater from a non-exempt well requires a legal authority. The Code established grandfathered groundwater rights, service area rights and groundwater withdrawal permits to provide legal withdrawal authority. With certain exceptions, drilling a non-exempt well requires a drilling permit and is subject to well spacing requirements adopted by the Department to prevent unreasonably increasing damage to surrounding land and other water users. Also, with a few exceptions, any person withdrawing groundwater from a non-exempt well in an AMA must meter and report water use annually to the Department and is assessed an annual withdrawal fee based on the amount withdrawn and beneficially used. Withdrawal fees are used to fund conservation and augmentation programs and Arizona Water Banking Authority activities (described below). Information from the annual water recovered in an AMA. Water budgets are constructed from these data to determine the relationship between water supply and demand and to gage progress toward meeting AMA management goals.

A person may withdraw groundwater from an exempt well for a non-irrigation use without a groundwater right or permit. However, a right or permit is required to withdraw more than 10 acre-feet of groundwater per year for non-irrigation uses other than domestic or stockwatering if the exempt well was drilled on or after April 28, 1983. Except under specific circumstances, not more than one exempt well can be drilled to serve the same purpose at the same location. Additionally, beginning on January 1, 2006, with certain exceptions, an exempt well may not be drilled on land if any part of the land is within 100 feet of the operating water distribution system of a municipal provider with an assured water supply designation as shown on a digitized service area map provided to the Department by the municipal provider. A.R.S. § 45-454. These restrictions do not apply outside AMAs as long as the groundwater is put to reasonable and beneficial use.

To help achieve the water management goal of each AMA, the Code directs the Department to develop and implement water conservation requirements for the agricultural, municipal and industrial water use sectors in five consecutive management periods (1980-2025). The Code generally requires that each consecutive management plan contain more rigorous water conservation requirements. These requirements are published in separate management plans for each AMA. A.R.S. §§ 45-564 through 45-568. In addition to conservation requirements, the management plans contain a water quality assessment and management program, an augmentation and recharge program and conservation assistance programs. Management plans contain water demand information and data and provide the framework for implementation of Code mandates and Department policies for each AMA.

Within the AMAs, new subdivisions must demonstrate to the Department that a 100-year water supply exists before the local platting authority (typically City or County Planning Departments) can approve a plat and before the Arizona Department of Real Estate will issue a public report allowing the land to be sold. The demonstration criteria include physical, legal and continuous availability of water of adequate quality for 100-years, the groundwater use must be consistent with the AMA

management goal and management plan conservation requirements, and the developer must have the financial capability to construct the necessary delivery, storage and treatment systems.

## Outside of the Active Management Areas

Outside of the AMAs, groundwater may generally be withdrawn and used for any reasonable and beneficial use, subject to the statewide provisions described above. In areas designated as INAs, however, additional restrictions and requirements apply (see *Irrigation Non-Expansion Areas* section below.

In 1973, the Arizona Legislature enacted a statewide water adequacy statute as a consumer protection measure. A.R.S. § 45-108. The law was passed in response to incidences of land fraud involving the sale of subdivision lots that were later found to have insufficient water supplies. This law required developers to obtain a determination from the State Land Department regarding the availability of water supplies prior to marketing new subdivision lots. When the Code was adopted in 1980, the provisions of A.R.S. § 45-108 were amended and now apply only to subdivisions located outside AMAs. Under A.R.S. § 45-108, the Department must evaluate a developer's water supply plans and determine whether there is an adequate water supply, unless the development will be served by a water provider that has been designated by the director as having an adequate water supply for its service area. The developer must provide a copy of the Department's evaluation to the State Real Estate Commissioner for disclosure to the public if water supplies are determined to be inadequate. However, the Department's evaluation does not affect whether lots may be platted or sold.

Legislation adopted in June 2007 (SB 1575) authorizes a county board of supervisors to adopt a provision by unanimous vote that requires a new subdivision to have an adequate water supply in order for the subdivision to be approved by the platting authority. If adopted, cities and towns within the county may not approve a subdivision unless it has an adequate water supply. If the county does not adopt the provision, the legislation allows a city or town to adopt a local adequacy ordinance that requires a demonstration of adequacy before the final plat can be approved. As of August, 2010 Cochise County, Yuma County, the Town of Patagonia and the Town of Clarkdale had adopted the provisions of SB 1575.

#### Irrigation Non-Expansion Areas

There are three INAs: Douglas, Joseph City and Harquahala. In an INA, irrigation is restricted to lands that were irrigated during the five-year period preceding designation of the INA. A.R.S. § 45-434. This restriction is intended to protect the remaining groundwater supply. Groundwater withdrawals for agricultural irrigation on more than 10 acres and non-irrigation withdrawals of more than 10 acre-feet per year from a non-exempt well must be measured and annually reported to the Department. A.R.S. § 45-437. Statewide provisions and the provisions applicable outside of the AMAs mentioned above also apply within INAs.

# C.3 Colorado River Water and the Central Arizona Project

The Colorado River is a critical water supply for Arizona. Use of Colorado River water is primarily under the jurisdiction of the federal government and is discussed in more detail in Appendix D. The development of Colorado River water law is described in the "Law of the River", which includes a number of Congressional acts, Supreme Court decisions and multi state compacts, as well as an international treaty.

The "Law of the River" includes: the 1922 Colorado River Compact, which apportioned 7.5 million acre-feet (maf) per year to the Upper Basin States and 7.5 maf per year to the Lower Basin States; the Boulder Canyon Project Act of 1928, which authorized construction of Hoover Dam and established the individual lower basin state apportionments; the 1944 Water Treaty with Mexico, which guaranteed delivery to Mexico of 1.5 maf per year; the Upper Colorado River Compact of 1948 that divided the water apportioned to the Upper Basin between the five states with territory in the Upper Basin (including Arizona); the Colorado River Storage Project Act of 1956, which authorized several dams including Glen Canyon Dam in Arizona; the United States Supreme Court's decision in *Arizona v. California* (1964) that confirmed Arizona's apportionment under the Boulder Canyon Project Act and assigned any surplus; the Colorado River Basin Project Act (CRBPA) of 1968 which authorized the Central Arizona Project (CAP); and the Coordinated Operations and Shortage Criteria adopted in 2007 (see Appendix D). Ratification and text of the 1944 Lake Mead Delivery Contract, the Colorado River Compact and the Upper Colorado River Basin Contract are found at A.R.S. §§ 45-1301 to 1331.

## Central Arizona Water Conservation District

Under provisions of the CRBPA, Arizona authorized the Central Arizona Water Conservation District (CAWCD) in 1971 to provide a means for Arizona to repay the federal government for the reimbursable costs of construction and to manage and operate the CAP. The CAP transports about half of Arizona's Colorado River water entitlement of 2.8 million acre-feet per year to central Arizona.

The CAP brings Colorado River water through a 336–mile system of aqueducts, pumping plants and siphons designed to carry 1.5 million acre-feet of water each year from Lake Havasu through Phoenix to south of Tucson. One reservoir, Lake Pleasant, located in the Phoenix AMA, provides storage. CAP delivers untreated water to cities and water utilities, industrial users, agricultural users and Indian communities.

CAWCD is a tax-levying public improvement district of the state responsible for system maintenance and operations, repayment obligations, and creating water resource management programs. Operations are managed by the General Manager and senior management team. The General Manager reports to the 15-member CAWCD Board of Directors who are popularly elected from the CAP three-county service area that includes Maricopa, Pima, and Pinal counties. Board members serve staggered six-year terms and are responsible for establishing policy. (See: www. cap-az.com).

#### Arizona Department of Water Resources

The director of the Department is authorized to "consult, advise and cooperate with the secretary of the interior of the United States" on behalf of the state of Arizona in several areas: the secretary's authorities under the Boulder Canyon Project Act; contracts for delivery of main stream Colorado river water for use within Arizona; powers and duties of the secretary under provisions of the 1944 treaty with Mexico; exercise by the secretary of any authority conferred by any legislation enacted by Congress; and in respect to the development, negotiation and execution of interstate banking agreements. A.R.S.§ 45-107.

## Arizona Water Banking Authority

The Arizona Water Banking Authority (AWBA) was created in 1996 to protect Arizona's Colorado

River interests and to provide for interstate banking opportunities. A.R.S. § 45-2401 et.seq. The primary functions of the AWBA are: to provide a stored reserve of water to communities dependent on the CAP during times of drought on the Colorado River; to assist Colorado River communities during times of shortage by providing water exchange mechanisms; to replenish depleted aquifers with CAP water to meet water management goals; and to provide a pool of water for use in Indian water rights settlements. The AWBA can also contract with similar authorities in California and Nevada to allow these states to annually store unused Colorado River water in Arizona. In the future, Arizona users can recover (pump) the stored water (less a 5% "cut to the aquifer") and the interstate partner will draw a similar quantity directly from the Colorado River. The AWBA, the in-lieu recharge program and CAP pricing structures for agricultural users have promoted CAP utilization since the mid-1990s. Information about the Water Banking Authority is found at www. awba.state.az.us.

# C.4 Effluent

Effluent is defined in A.R.S. § 45-101(4) as "water that has been collected in a sanitary sewer for subsequent treatment in a facility that is regulated pursuant to title 49, chapter 2. Such water remains effluent until it acquires the characteristics of groundwater or surface water." The determination that effluent is a separate kind of water was a result of an Arizona Supreme Court Decision in 1989, *Arizona Pub. Serv. Co. v. Long*, 160 Ariz. 429, 773 P.2d 988 (1989), in which the court held that, until it is returned to the ground as surface water or groundwater, effluent is neither surface water nor groundwater, and therefore a city that produces effluent is free to use it without regard to the laws governing surface water and groundwater. Because the supply is not groundwater, if 100% effluent is used to serve a use within an AMA, the use is not subject to regulations applicable to groundwater, such as conservation requirements and groundwater transportation laws. AMA management plans contain a number of regulatory incentives for effluent use, which is considered a renewable water supply.

# C.5 Underground Water Storage

Underground water storage or recharge is a means of storing excess renewable water supplies (surface water, including CAP and Colorado River water, and effluent) for future use. The goals of the recharge program are to promote the use of renewable water supplies by allowing for storage and recovery, to allow water to be "transported" by storing water in one location but recovering a like quantity elsewhere, to reduce overdraft by storing water to prevent further water level declines, to use underground storage to address seasonal water demands and to augment the water supply. The Underground Water Storage and Recovery program was established in 1986 by the Arizona Legislature. In 1994, the Legislature enacted the Underground Water Storage, Savings, and Replenishment Act, which further defined the recharge program must apply to the Department for the appropriate permits. Permit holders are required to file annual reports with the Department in which they must report the volume of water stored and/or recovered pursuant to the permit. A.R.S. §§ 45-801.01 through 45-898.01. Recharge and recovery is an increasingly important tool in the management of Arizona's water supplies, especially in meeting the goals of the Code.

# C.6 Water Exchanges

Flexibility in accessing water supplies through exchanges can provide water management benefits.

The 1992 Water Exchange Act authorizes and regulates water exchanges with certain exceptions. A.R.S. § 45-1001 et seq. "Water exchange" is defined as "a trade between one or more persons, or between one or more persons and one or more Indian communities, of any water for any other water, if each party has a right or claim to use the water it gives in trade. This definition applies whether or not water is traded in equal amounts or other consideration is included in the trade." A.R.S. § 45-1001(6). The Act establishes four classifications of exchanges with different conditions applicable to each class. Regardless of the classification, every exchange is subject to the "giver rule", which generally provides that a person who receives water pursuant to an exchange: (1) may use the water without holding a right to that water; and (2) may use the water only in the same manner in which the person had the right to use the water that the person gave in the trade. Currently, water exchanges are most common within the Phoenix AMA.

# C.7 Dams and Reservoirs

The director of the Department is responsible for supervision of the safety of dams in Arizona. A.R.S. § 45-1202(A). The statutory authority for the tasks performed under the Dam Safety Program is found in A.R.S. § 45-105(B)(3) and 45-1201, et seq. Rules for dam safety procedures are found in the Arizona Administrative Code, R12-15-1201 et seq. Statutes and rules define a jurisdictional dam as an artificial barrier over 25 feet in height or capable of storing more than 50 acre-feet of water, with certain exceptions. Dams owned and/or operated by the Federal government are generally exempt from state jurisdiction. Major dam safety program areas are rehabilitation of unsafe dams, inspection and oversight of existing dams, review of applications to construct, enlarge, alter or remove a dam and construction monitoring. Another responsibility is to review and assist dam owners in development of Emergency Action Plans.

# C.8 Arizona Drought and Conservation Programs

Governor Napolitano signed Executive Order 2003-12 in March 2003 to address the impact of prolonged drought conditions that began in 1998. The Executive Order established the Governor's Drought Task Force (Task Force) to develop a drought plan for Arizona, adopted in October 2004. The *Arizona Drought Preparedness Plan* (Plan) established a process to allow for ongoing drought monitoring, planning and response, and established state drought and conservation programs administered by the Department.

# Drought Program

The Department's Drought Program coordinates implementation of the Plan and three groups formed to address drought preparedness efforts in Arizona - a State Drought Monitoring Technical Committee, local drought impact groups and the Governor's Drought Interagency Coordinating Group. Water use reporting and drought planning requirements for water providers located outside of the state's AMA are also administered through this program.

# Drought Program Groups

The Plan focuses on drought planning by rural communities that often have fewer water supply options during drought. Ongoing drought monitoring is critical to the planning process and the State Drought Monitoring Technical Committee meets regularly for this purpose. The Committee gathers and evaluates climate data and distributes drought information to land managers, policy-makers and the public, and produces monthly drought status updates and a quarterly long-term drought status map (Figure C-1) to show drought levels by watershed (see ADWR's Drought

Status webpage). Percentile values for precipitation and streamflow are used to determine drought status in each of Arizona's watersheds. The long-term drought status map incorporates 24-, 36- and 48-month precipitation and streamflow percentiles.



Figure C-1 Long Term Drought Status Map

County-level local drought impact groups (LDIGs) monitor drought status and impacts in their area, increase drought public awareness, and develop local mitigation and response options. LDIGs provide important local information to the Monitoring Technical Committee that is used to determine drought conditions. In cooperation with county extension agents, county emergency managers, and other local coordinators, planning efforts for ten local drought impact groups have begun. Due to resource constraints, only two groups are currently active - Mohave County and Pima County.

The Governor's Drought Interagency Coordinating Group is an advisory body to the governor on Arizona drought issues. Comprised of state, federal, tribal and non-governmental organizations, this group meets in the spring and fall to evaluate drought conditions and consider recommendations to the governor for improving drought monitoring, implementation and response in Arizona.

## Community water systems drought planning

Drought planning requirements for community water systems were established by H.B. 2277 passed by the Arizona legislature in 2005 and codified in A.R.S. Title 45, Chapter 1, Article 14. Community water system (CWS) is defined as a public water system that serves at least 15 service connections used by year-round residents or that regularly serves at least 25 year-round residents. The annual reporting and drought planning requirements were part of a larger set of recommendations made by the governor's Drought Task Force.

Every five years, CWS's are required to develop and submit a water system plan, which includes a water supply plan, drought preparedness plan and water conservation plan. Required components of the system water plan are found on the Department's CWS webpage. Each year, a water use report must be submitted that includes information on water pumped or diverted, water received, water delivered to customers, and effluent used or received. Annual water use data was first obtained from water providers outside the State's AMAs in 2006.

The reports and plans are intended to reduce community water systems' vulnerability to drought and ensure that water providers are prepared to respond to drought or water shortage conditions. The information submitted by the water systems will also allow the State to provide regional assistance for drought planning, mitigation and response.

#### Conservation Program

The Department's Conservation Program was created to provide an integrated approach to water conservation by combining regulations, assistance, outreach and education. ADWR staff coordinate efforts to meet the vision of creating a "culture of conservation" through activities that promote and encourage the wise and efficient use of water by providing assistance and resources throughout Arizona. Conservation staff develop conservation tools and resources, assist communities and water providers, collaborate with regional and national partners, and participate in outreach activities.

# C.9 Statewide Water Resource Assessments

Prior to publication of this Atlas, the only Department document that provided a broad overview of water supply and demand conditions as well as an analysis of water resource management issues statewide was the Arizona Water Resources Assessment, 1994 (Assessment). The Assessment is composed of two Volumes: Volume I; Inventory and Analysis and Volume II; Hydrologic Summary (ADWR 1994a,b). The Assessment discusses statewide water issues and water supply, demand and management issues for six planning areas. The Atlas partially retains the purpose and content of the Assessment.

The 1994 Assessment was built upon the State Water Plan prepared by the Arizona Water Commission, the predecessor to the Department. The State Water Plan was published in three phases from 1975 to 1978 and was intended to provide necessary water resource information for

water management decision-making. The three phases included: Phase I, Inventory of Resource and Uses; Phase II, Alternative Futures; and Phase III-Part 1, Water Conservation. Other Phase III reports were envisioned but not produced. The Plan pre-dates the formation of the AMAs and presented information on a state and county basis.

## C.10 Water Replenishment Districts and Water Authorities

## Central Arizona Groundwater Replenishment District

In 1993, the Central Arizona Groundwater Replenishment District (CAWCD) was given groundwater replenishment authority within the Phoenix, Pinal and Tucson AMAs. The division of CAWCD responsible for replenishing groundwater is the Central Arizona Groundwater Replenishment District (CAGRD). Membership in the CAGRD provides a mechanism for developers and water providers to satisfy the management goal criteria of the Assured Water Supply (AWS) rules. The CAGRD must replenish (recharge) the amount of groundwater used by members in excess of that allowed by the AWS rules. Water used for replenishment is primarily excess CAP water.

#### Mohave County Water Authority

The Mohave County Water Authority was formed in 1994 pursuant to legislative authorization. A.R.S. §§ 45-2201 through 45-2283. The Authority is authorized to acquire Colorado River water allocations on behalf of its members. Members of the Authority must have had a Colorado River contract as of January 1, 1993. The legislation approved the transfer of the right to delivery of 18,500 acre-feet per year of Colorado River water from a member for allocation to municipal and industrial uses.

## Upper San Pedro Water District (proposed)

State legislation passed in 2007 (HB 2300) authorizes formation of an Upper San Pedro Water District whose purpose is to maintain the aquifer and base-flow conditions needed to sustain the upper San Pedro River and to help meet the water supply needs and water conservation requirements for the communities within the district. The legislation allows the District and a District Board to be established if approved by qualified voters of the District. A District Organizing Board has been formed to prepare organizational, financial and election plans for the District. If approved, the District could acquire water supplies and water rights and operate augmentation projects. It could issue revenue bonds, impose fees and other taxes and receive loans or grants from the State Water Infrastructure Finance Authority to finance necessary projects. The date of the election is scheduled for November 2<sup>nd</sup>, 2010.

## C.11 Water-Related Agencies and Commissions

## Arizona Department of Environmental Quality

The mission of the Arizona Department of Environmental Quality (ADEQ) is to protect and enhance public health and environment in Arizona. Established by the Arizona Legislature in 1986 in response to growing concerns about groundwater quality, ADEQ administers a variety of programs to ensure that the quality of Arizona's air, land and water resources meets regulatory standards.

ADEQ has a programmatic Water Quality division. Core responsibilities include pollution control, monitoring and assessment, compliance management, cleanups of contaminated soil and water, education, outreach and financial assistance and policy development. Its programs influence water

supply planning and operations at the local level. Effluent reuse, recharge projects and discharge of water to aquifers or stream beds must meet water quality standards. The Water Quality Assurance Revolving Fund (WQARF) was established to investigate and cleanup hazardous waste sites in Arizona. The Department has certain responsibilities under this program, including the adoption of provisions in its management plans and AWS rules to encourage the beneficial use of groundwater withdrawn pursuant to a remedial action project. (See: www.azdeq.gov)

## Arizona Corporation Commission

The Arizona Corporation Commission (ACC) is a constitutionally formed commission with an elected 5- member board. It oversees the process of incorporating or registering companies to do business in the state, registers and oversees securities offerings and dealers, and enforces railroad and pipeline safety. Among its responsibilities is regulatory authority over private water and sewer companies. It regulates rates and authorizes curtailment tariffs that allow utilities to request that customers reduce water consumption when the demand is greater than the production. (See: www. cc.state.az.us)

## Arizona Water Protection Fund Commission (See Appendix F)

# This Page Intentionally Left Blank