



## **FOREWORD**

Arizonans should be proud of our long history of confronting our water supply challenges and successfully meeting the needs of our agricultural, industrial and domestic water users. Arizona has long demonstrated the resolve to take the necessary actions to ensure that sufficient and dependable water supplies are available for its long-term economic stability. While diverse, these actions have shared a common premise of being solution-oriented to meet not only the immediate needs of the state, but more importantly address future challenges the state would face.

Over the last five years, the Arizona Department of Water Resources (ADWR), in partnership with many in Arizona's water community has participated in the development of a comprehensive water supply and demand analysis for Arizona through the Water Resources Development Commission (WRDC). At the same time, ADWR and its partners have also been actively working with the U.S. Bureau of Reclamation (Reclamation) and the other six Colorado River Basin States (Basin States) to identify projected supply and demand imbalances on the entire Colorado River system, culminating in the *Colorado River Basin Water Supply and Demand Study* (Basin Study). Through the work of the WRDC and the Basin Study, we have identified long-term imbalances, which may result if no action is taken. Given the strong growth in the region, particularly in Arizona, these imbalances are not surprising. Even with the recent economic downturn, vibrant economic growth is expected to continue in the southwest. Our challenge is to explore and develop viable solutions to address these projected imbalances.

The process to meet these challenges has already begun on two fronts. First, in cooperation with Reclamation and the Basin States, ADWR (along with several Arizona stakeholders) is actively participating in a process to identify and analyze multiple Basin-wide strategies, including: demand management; reuse of reclaimed or recycled water; the viability of water transfers; alternative water management strategies (e.g., Water Banking in the Upper Basin); watershed management; and importation of water supplies from outside of the Colorado River Basin. Secondly, thanks to the foresight and leadership of Governor Brewer, we have initiated a parallel process within Arizona - starting with the development of this Strategic Vision - that identifies possible strategies and projects similar to those described in the Basin Study. While we will all have a part to play, much of what needs to be done to meet these imbalances is beyond the scope of what any individual may be able to accomplish alone. This Strategic Vision creates the framework for analysis of potential strategies and provides context for maximizing them to address the needs of multiple water uses.

This Strategic Vision for Arizona is the necessary next step in this process. We have completed the initial analysis of the problems we face and have organized the State into solution oriented "Planning Areas." The next logical step is to identify possible strategies to address the imbalances, not just walk away and leave it to individuals, industries and local communities to meet their future water needs in a vacuum. While many of the mechanisms necessary to address our future imbalances are available today, there are still limited supplies. As currently structured, it is largely left to individual entities and communities to try to obtain the supplies and finance the necessary infrastructure to put these to use. Additionally, increased competition for water supplies may lead to much higher costs to water users and rate payers and possible negative impacts to the areas from which supplies are derived. A comprehensive Strategic

Vision that identifies viable strategies will assist all water users in Arizona to come together to address many needs, as opposed to a less constructive and potentially divisive piecemeal approach.

However, just addressing the needs is not enough. As Arizona's policy leaders, we must also identify the priorities of the State in the arena of water development including, whether in-state supplies are to be the limit of Arizona's development, or if we should explore larger-scale importation (new water supplies from outside of Arizona) that has the potential to meet the water demands of multiple water users and secure our state's economy and quality of life into the future. Putting this strategy together gives policy makers an opportunity to comprehensively explore what is possible, and the pros and cons of a combination of efforts, rather than addressing these issues across the state on a project-by-project basis. This Strategic Vision is not intended to be a regulatory tool. Instead, it is intended to serve as a guide for our policy leaders to make informed decisions about: (1) where we want to focus our efforts, (2) if we want to further explore a suite of potential strategies, and (3) the potential economic consequences of action or inaction. The purpose of this Strategic Vision is to help guide Arizona through the coming decades on steps that Arizona can take to secure water supplies to meet current and anticipated demands and provide a stable economy for our future.

*Sandy Fabritz-Whitney*  
*Director*  
*Arizona Department of Water Resources*

