

Straw Proposal
RURAL WATER SUPPLY DEVELOPMENT AND MANAGEMENT

I. Introduction

One Regional Water Management and Development District (District) is proposed based on Committee discussions. The District would have the authority manage water supplies within the region as well as develop, operate and maintain M&I water supply projects. The creation of a District is strictly voluntary and at the discretion of the registered voters within a specifically defined region that is based on hydrologically defined boundaries. ADWR would be responsible for water rights and permits.

Prior to the establishment of a District the goals and objectives and the management authorities of the proposed District must be defined. The addition of management authorities not originally approved at the creation of the District requires approval of the registered voters within the District boundaries.

II. Powers and Duties of the District (Mandatory)

- a. Acquire water rights, permits and water supply contracts
- b. Construct infrastructure for water resources projects
- c. Wholesale water
- d. Own and operate infrastructure including waste water reuse facilities
- e. Enter into contracts, memorandums of understanding or intergovernmental agreements
- f. Authority to assess water resource availability and prepare water resources plans consistent with the goals and objectives established for the District at the time of its creation
- g. Authority to collect annual water use reports (information must be shared with ADWR)
- h. Authority to impose and collect fees to meet the goals and objectives of the district
- i. Authority to develop water adequacy standards that are consistent with the goal and objective of the District. (These standards would be used by cities and counties for subdivision plat approval within the District boundaries)
- j. Issue revenue bonds and repay debts
- k. May levy taxes if authorized by the Legislature
- l. Hire staff
- m. Acquire real and personal property
- n. Acquire energy resources to operate project facilities
- o. Receive funds and donations from developers
- p. Borrow or receive grants from the state development fund if established
- q. Receive funding and grants from the federal government.

III. Powers and Duties of the District (Optional with the approval of the registered voters within the District)

- a. Authority to meter all wells
- b. Authority to develop and implement conservation and management programs, including wastewater reuse. May, as needed:
 - i. Establish well spacing requirements
 - ii. Establish conditions on permits for new wells and withdrawals permits
 - iii. Establish wastewater reuse programs
 - iv. Establish replenishment requirements and take action to perform replenishment or recharge in cooperation with the Water Conservancy and Development District
- c. Authority to set conditions on recharge and recovery permits
- d. Authority to impose mandatory conservation requirements

IV. Formation

- a. By petition of x% of the registered voters or by all of the councils of the cities and towns within a proposed district to the county board of supervisors
- b. If more than one county is involved, the Board of Supervisors of the county with largest plurality of voters must agree to the petition
- c. The county board of supervisors will call for an election by the resident voters within the proposed district
- d. If more than one county is involved, the minority counties must also call for an election within the district boundaries
- e. Approval by the majority of votes in the proposed district will form a district
- f. The governing body will be selected by district election
- g. Boundaries of the district would be based on some hydrologic criteria (TBD)

V. Governance

- a. Board of Directors should consist of one elected official from each city and county(s), and _____ elected members at large that reside within the District boundaries.

VI. Funding

- a. Water sales
- b. User fees
- c. Taxes – as determined and approved by the legislature
- d. Withdrawal fees
- e. Bonds and debt repayment

- f. State water development fund
- g. Development impact fees
- h. Water replacement fees (for exempt wells, or recharge/replenishment activities)

VII. ADWR Role and Responsibility

- a. After establishment of a District, ADWR would establish groundwater rights within the District boundaries and impose a limitation on new agricultural lands.
- b. ADWR would establish service area rights and maps
- c. ADWR would receive annual reports from the District and would receive a portion of the withdrawal fees for administration purposes
- d. ADWR would establish well permit and withdrawal permit standards based on the District's requirements
- e. ADWR would establish groundwater recharge and recovery permit standards based on the District's requirements
- f. ADWR would establish exchange permit standards based on the District's requirements

VIII. Water Supply Adequacy Requirements

- a. Give cities, towns, and counties the authority to approve or disapprove subdivisions based on water supply adequacy as determined by ADWR rules consistent with standards adopted by the Regional Water Management and Development District. A city, town or county can choose to approve a subdivision with an inadequate water supply determination by ADWR based on a locally established set of criteria, such as anticipation of a future water project under development by a District, which will provide water to the subdivision.
- b. ADWR would be responsible for determining that the water supply of adequate quantity and quality would be continuously available for 100 years. ADWR's determination and impact report would be provided to the city, town, county, or District and the ADRE
- c. Public notice should be made available declaring the subdivision was approved without an adequate water supply. The ADWR determination of inadequacy must be disclosed by any seller of the property to all potential buyers.

Straw Proposal for Water Development Fund

- I. A State Water Development fund is proposed to be established and administered through WIFA.
- II. Regional Water Management and Development Districts (District) and all municipal providers, private water companies, domestic water improvement districts, within a District or an AMA are eligible to apply for a loan. Criteria should be developed to rank submitted applicants. Total funds available to water providers in the three county CAP service area may not exceed a combined X % of the total annual funds available for loans.
- III. The fund should primarily be a revolving loan fund. Grants of limited size may be offered in certain cases. The criteria for issuing a grant have yet to be determined.
- IV. The preferred sources of funding are annual general fund appropriation and or a general sales tax. Private water companies can easily pass through a general sales tax to customers without the need for a rate case with the ACC.