



September 3, 2013

Arizona Department of Water Resources  
Groundwater Management Section  
Attn: Jeff Tannler  
3550 North Central Avenue  
Phoenix, AZ 85012

RE: Comments to the Draft Working Copy – Prescott Active Management Area Fourth Management Plan, July 31, 2013

Dear Mr. Tannler,

Thank you for the opportunity to comment on the Draft Working Copy of the Fourth Management Plan (4MP) for the Prescott Active Management Area (PrAMA). The Town of Prescott Valley (Town) is a committed partner to achieving safe-yield in the PrAMA and is looking forward to working with the Arizona Department of Water Resources (ADWR) and other water users to reach this goal.

Overall, the Draft 4MP report represents a well written “users manual” for regulated water users in the PRAMA that explains the regulatory programs, limitations and ADWR’s intent. The Town applauds ADWR for the approach apparent in the 4MP to work cooperatively with water users to achieve safe-yield rather than through a strict regulatory approach. The analysis showing that the PRAMA can reach safe-yield in 2025 is a major step forward and outlines a path to success.

The Town of Prescott Valley (Town) would like to provide some comments to the report both in general and with some specific items as follows:

1. The report analysis combines municipal pumping and exempt well pumping as “Municipal Demand”. However, these two types of uses are distinctly different in regulatory terms, with one group (municipal water providers) being regulated and the other group (exempt wells) being exempt from regulations. The management approaches will necessarily be very different. Unless the State Legislature is willing to place the same regulatory environment around exempt well users as exists for municipal providers, these use types should be separately accounted.
2. In the report, ADWR should explain how the PRAMA and ADWR have made significant strides toward reaching safe-yield to-date. Without the moratorium on agricultural uses, implementation of conservation programs and the assured water supply program, providing incentives for extinguishment of water rights and use of reclaimed water and encouraging plans to import water, the PrAMA would have no hope of reaching safe-yield by 2025. ADWR should develop a technical

analysis of what the PrAMA's projected overdraft would be today had these programs not been implemented to help the public understand the effectiveness of water management.

3. It appears that the modeling assumptions in Chapter 11 provide for a total of about 3,000 acre-feet per year of groundwater pumping for exempt wells and small water providers, 1,500 acre-feet per year for industrial users, 30 acre-feet per year for the agricultural users, and no net groundwater pumping for Prescott and Prescott Valley.

a. Does this total (e.g. 4,530 acre-feet/year) equal the allowable amount of groundwater pumping under a safe-yield condition?

b. Although it is understood that these are modeling projections and not policy statements by ADWR, the Town is concerned about the concept leading to unfair distribution of resources where citizens who live in Prescott or Prescott Valley are paying for the most expensive water sources while other individuals (many of whom are exempt well owners) are allowed to access cheap local groundwater.

4. On page 11-5, the report states that "it is assumed that local entities undertake efforts to limit the number of new exempt wells in the PRAMA as a water management strategy for the fourth management period and continuing thereafter." Exempt wells are a creation of the State's legal system and not subject to local jurisdiction. The Town hopes that ADWR and the State Legislature will help to address an issue that is the state's responsibility. As local entities, the best we can do is to provide a better housing choice than homes on exempt wells and septic systems. Currently, affordable homes on a centralized water distribution and wastewater collection system are the only competition to the exempt well home market. In order to provide this alternative product, cities and towns need affordable water supplies that meet the requirements of the Assured Water Supply Program.

5. On page 1-5, the report states that there are currently no water management provisions, infrastructure, or financing in place to ensure that safe-yield will be achieved by the year 2025. However, the City of Prescott, and more recently, the Town of Prescott Valley have spent millions of dollars to attain alternative water supplies for the PRAMA. In the early 1980's, the City and Yavapai Prescott Indian Tribe (YPIT) were issued an allocation of CAP water as an alternative water source to meet the safe-yield goal by 2025. However, unlike communities in other AMAs, a federally subsidized delivery mechanism was not constructed to the PRAMA. Instead, the CAP allocation for Prescott and YPIT was supposed to have been fulfilled by a direct diversion from the upper Verde River (personal communication with Larry Linser, former ADWR Assistant Director, 1997). Environmental regulations passed in the late 1980s made a direct river diversion impractical. Instead, Prescott purchased several ranch properties near Paulden in 1990 for the purpose of pumping groundwater from the Big Chino sub-basin. In 1991, the Groundwater Transportation Act was passed and an exception was made for Prescott in order for it to make whole its CAP allocation from Big Chino groundwater (ARS §45-555(E)) rather than from the Colorado River. In 1994, the YPIT settlement was signed and in 1995, the City of Scottsdale purchased Prescott's and YPIT's CAP allocation, increasing the water available to downstream right holders. The money was transferred into a fund administered by ADWR for the purpose of developing a replacement supply for Prescott and YPIT. After hydrologic studies and public concern made pumping groundwater from the Paulden

area impractical, Prescott began looking for a property further away from the Verde River, settling on a property now known as the Big Chino Water Ranch, located about 20 miles northwest of Paulden. At the same time (2004), Prescott signed an agreement with Prescott Valley to share costs of the ranch purchase and transportation infrastructure in exchange for water. In 2008, Prescott applied for a modification to its Assured Water Supply Designation to include water from the Big Chino Water Ranch, which ADWR approved in 2009, recognizing Prescott's claim to the earlier CAP allocation. In 2010, Prescott, Prescott Valley and Salt River Project signed an Agreement in Principle that recognized ADWR's Decision and Order on Prescott's Designation and jointly the parties changed ARS §45-555(E) to reflect the allowable quantity in the Decision and Order. This agreement also set out Prescott and Prescott Valley's commitment to not impact the upper Verde River with groundwater pumping from the Big Chino Water Ranch. In 2012, Prescott, Prescott Valley and Salt River Project signed a subsequent agreement (Comprehensive Agreement #1) to establish a hydrologic monitoring network in the Big Chino sub-basin to act as an early warning network for pumping impacts and to improve the existing groundwater flow model. In all, approximately \$36 million has been spent by the two communities to reach safe-yield in the Prescott AMA, and another \$4 million has been committed by the communities to the monitoring and modeling project described by Comprehensive Agreement #1. There has been an incredible amount of work, water management plans developed, financing and money spent in order to be sure that the PRAMA can reach safe-yield by 2025.

6. On page 3-1, the report states "In 1948, the City of Prescott began withdrawing groundwater as a supplement to the surface water supply that had been the predominant supply since the City's founding in 1864." Prescott has a long history of water development since being founded in 1864, first relying on surface water from creeks in Prescott, followed soon after by shallow wells. In 1900, Prescott was essentially burned to the ground due in large part to a lack of water to fight the fire because the main well along Granite Creek was out of commission. In 1901, Prescott began pumping water from shallow wells at Del Rio springs, using a wood-fired stream pumping plant and a 12" diameter wire-wrapped cedar pipeline to bring the water 20 miles and 400+ feet up-hill into Prescott. Del Rio springs was the main source of water until the 1930's when Banning Creek was dammed creating the two Goldwater Lakes. Then, in 1948, Prescott began developing wells in Chino Valley.

7. On page 3-3, the report states that the Bond Ranch used surface water from Del Rio Springs in 2001 and 2002. Water from Del Rio Springs is used for irrigation every year and has been consistently used to its maximum extent for irrigation and other uses since 1867 (see comment about Prescott's municipal use). Surface water with a senior appropriative right and a gravity-fed irrigation system is seldom abandoned in Arizona. In winter months, Del Rio Springs water is stored in large reservoirs for use during the growing season. The PRAMA boundary bisects the land irrigated with this source.

8. On page 4-6, 1<sup>st</sup> full paragraph, second sentence, add "...with a stipulation that the water be put to use within the Town of Prescott Valley."

9. Table 5-1, units are missing; values appear to be in acre-feet.

10. On page 5-10, the report should mention the regional "Water Smart" water conservation education program developed by Prescott and adopted by Prescott Valley and Chino Valley. This

education program is available to other water providers by contacting the Upper Verde River Watershed Protection Coalition, refer to [www.yavapaiwatersmart.org](http://www.yavapaiwatersmart.org).

11. On page 6-5, the report states that reclaimed water use has not been put to use in the industrial sector in PRAMA historically. However, 4 out of 6 golf courses are watered with reclaimed water.

12. On page 7-13, last paragraph in section 7.5.2.2 – Prescott Valley has a constructed underground storage facility permit.

13. On page 8-3, section 8.3.1 the report states that groundwater overdraft has been increasing. However in the recent 5 years, overdraft has been decreasing and historical pumping in the 1940's through 1970's was probably higher than now. Depending on the time scale in the comparison, overdraft may be increasing or decreasing.

14. On page 8-4, section 8.4, last paragraph, the report states that “imported groundwater is not a renewable water supply”. Groundwater is a renewable water supply if it is not being overdrafted.

15. On page 8-4, section 8.4.1, first paragraph, the report states that Prescott has been recharging reclaimed water into the Upper Agua Fria basin since the late 1980s. Prescott has been recharging the Little Chino basin.

16. Page 8-5, Table 8-2. The “year” column header contains the description “Treatment Plant”.

17. On page 8-7, section 8.4.2, second paragraph. Prescott Valley wastewater treatment plant capacity is 4,200 acre-feet per year (3.75 MGD).

18. On page 8-8, first paragraph, the report states that “base flows at Del Rio Springs currently exits the PRAMA”. Although the PRAMA boundary bisects the irrigated lands, Del Rio Springs base flows are put to use on irrigated land and consumed. The statement should be “base flows at Del Rio Springs are used to irrigate land both inside and outside of the PRAMA.”

Thank you for the opportunity to comment on the draft report.

Sincerely,

*John Munderloh* (via email)

John Munderloh  
Water Resources Manager