



ARIZONA DEPARTMENT OF WATER RESOURCES

3550 North Central Avenue, Second Floor
PHOENIX, ARIZONA 85012-2105

(602) 771-8426

ADWR Monthly Scorecard & Outlook

NOVEMBER/DECEMBER 2009

PROGRAMS & INITIATIVES

Water Management staff was very busy throughout the month on a variety of programmatic activities. On November 6th, staff from throughout ADWR attended a workshop sponsored by the Arizona Water Institute (AWI), Decision Center for a Desert City (DCDC) and the Decision Theater (DT) at ASU. This is part of a series where professionals and scientists jointly address the challenge of using climate change data for watershed and water resource planning. This workshop focused on exploring sources of uncertainty, including those in climate change projections, and approaches to making decisions in the face of uncertainty. ADWR is including within its water assessments and planning for the 4th Management Plan scenarios relating to climate change effects and the workshop and continuing partnership is important for the Department's long term planning efforts.

On November 19th, Deputy Director Smith and Deputy Assistant Director of the Water Management Division Doug Dunham with attended a Global Water Utility, Tonopah hearing at the Arizona Corporation Commission, concerning their Certificate of Convenience & Necessity extension. The ACC Open Meeting considered the elimination of the CC&N for Global Water. ADWR was concerned that would disrupt the careful and difficult water planning now underway in the Hassayampa sub-basin where Global plays a key role. The fundamental policy issue for ADWR was the need for water providers such as Global to obtain Designations of Assured Water Supply to serve this water deficient area and that scale of water planning takes time. The ACC unanimously agreed to extend the period of time for Global to comply with certain development conditions until 2012 and was appreciative of the Department's testimony.

On November 24th, Director Guenther, and Assistant Director of the Water Management Division, Sandra Fabritz-Whitney met with Director Benjamin Grumbles and Senior Policy Adviser Mike Fulton of the Arizona Department of Environmental Quality, Arizona Corporation Commission Chairman Kris Mayes and Arizona Corporation Commission Utilities Director Steve Olea to continue planning the Blue Ribbon Task Force on Reclaimed Water. The group agreed on a scope of work, task force purpose and general membership list. The Task Force will formally "kick-off" its work after the start of the new year.

MODIFIED NON-PER CAPITA CONSERVATION PROGRAM

The Modified Non-Per Capita Conservation Program is a new AMA municipal regulatory program that requires participating providers to implement water conservation measures that result in water use efficiency in their services areas. A water provider regulated under the program must implement a required Public Education Program and choose one or more additional Best Management Practices (BMPs) based on its size as defined by its total number of water service connections. The program is required for large providers that do not have a Designation of Assured Water Supply and is optional for designated providers. The 43 providers that were required to enter the program have been approved and will begin implementation January 1, 2010. The 2009 Program Report was sent to the Muni BMP advisory committee on November 2nd and posted to the ADWR website. The report covers details about the providers from the five AMAs that are in the program and the BMPs they selected.

ADWR staff met with staff from the Arizona Corporation Commission (ACC) about the ACC's requirements for some water companies to implement BMPs from the ADWR list. Although ACC and ADWR regulations are separate, the two agencies have a cooperative relationship, and water companies with ACC BMP requirements are directed to the ADWR website.

In December, 16 non-designated "small" municipal providers will be notified that they are "large" (deliver more than 250 acre feet of water annually) and will be required to enter the Modified Non-Per Capita Conservation Program within six months.

As of November 24th, the Compliance Program has received signatures on the final four outstanding "Total Gallons Per Capita per Day to MNPCCP Transition Agreements" from Adaman Mutual Water, Rio Verde Utilities, Valley Utilities and the City of Tolleson. Resolution of these four providers represents a conclusion to this project as all 21 providers issued the transition agreement for past GPCD program non-compliance have successfully enrolled in the MNPCCP.

PHOENIX AMA

On November 4th, there was a meeting of the Phoenix AMA Groundwater User's Advisory Council. Agenda items included a presentation of the Arizona Water Banking Authority (AWBA) 2010 Draft Plan of Operations by Kim Mitchell, AWBA Manager, and Mike Hutchinson, former city manager for the City of Mesa and currently Project Manager for East Valley Partnership, gave a presentation on Superstition Vistas Project, a vast area east of Apache Junction comprised of state trust land proposed to be master planned for smart growth.

On November 9th, Phoenix AMA Area Director Scott Miller and Assistant Director for Water Management Sandy Fabritz-Whitney facilitated a meeting between ADWR staff and representatives from several cities located within the Phoenix AMA, Salt River Project and the Central Arizona Project to discuss the results of the groundwater modeling to determine physical availability for the Phoenix AMA re-designation process.

On November 10th, Mr. Miller and Water Resources Specialist Laura Grignano met with representatives from Fallbrook, a company out of California, to discuss a proposed solar power plant that would be located in the Phoenix AMA.

On November 17th, Ruth Greenhouse, conservation coordinator, attended an Arizona Municipal Water Users Association Conservation meeting and provided an update on the progress of Xeriscape On Line, a cooperative project between ADWR and Arizona Municipal Water Users Association.

On November 23rd, Mr. Miller met with the City of Mesa to discuss the results of the modeling effort and supply scenario for the Phoenix AMA re-designation process, and on the 25th, Mr. Miller also met with the City of Scottsdale, City of Avondale, and City of Glendale individually to discuss the results of the modeling effort and supply scenario for the Phoenix AMA re-designation process. On November 30th, he met with the City of Peoria, El Mirage, and Chandler individually to discuss the results of the modeling effort and supply scenario for the Phoenix AMA re-designation process.

PRESCOTT AMA

On November 5th, Prescott AMA Area Director, Gerry Wildeman met with staff from Yavapai College to discuss issues associated with the General Industrial Use permit for the college's Chino Valley location. On November 18th, Ms. Wildeman attended the Yavapai County Water Advisory Council meeting to answer questions regarding ADWR's budget.

In November, the Upper Verde River Watershed Protection Coalition printed 12,000 *WaterSmart* Cards for regional distribution. The content of the landscape and irrigation-related cards was developed by the ADWR Prescott Active Management Area Plant List Advisory Committee.

PINAL AMA

On November 3rd, Deputy Assistant Director of the Water Management Division Doug Dunham and Pinal AMA Area Director Joe Singleton attended the Governor's Regulatory Review Council meeting during which an amendment to the Pinal AMA's Assured Water Supply Rules was approved by the Council.

On November 17th, Pinal AMA Water Resource Specialist Patricia Smith attended Pinal County's Arizona Project WET (Water Education for Teacher's) meeting as the local department representative. Also on November 17th, Pinal AMA Area Director Joe Singleton attended a pre-application meeting with other Department staff and Southwest Groundwater consultants, working for the Town of Florence, concerning the Town's intention to modify its Designation of Assured Water Supply. The purpose of this meeting was to discuss groundwater modeling, existing and projected water demand, proposed expansion to waste water treatment plant, recharge and recovery and proposed additional wells.

On November 30th, Mr. Singleton attended the Pinal County Water Augmentation Authority (PCWAA) monthly meeting. PCWAA serves as a resource and partner for the development and augmentation of water resources for the benefit of all users in Pinal Active Management Area.

SANTA CRUZ AMA

On November 18th, there was a meeting of the Santa Cruz AMA Groundwater User's Advisory Council. Agenda Items included an update from Assistant Director for the Water Management

Division Sandra Fabritz-Whitney on potential cuts to the Department's Budget including the possible closing of the Santa Cruz AMA office.

On November 16th, Deputy Assistant Director of the Water Management Division Doug Dunham, Alejandro Barcenas Santa Cruz AMA Area Director, Assured and Adequate Water Supply staff and Hydrology staff met with Greg Hess with Clear Creek Associates, Flavio Gonzalez City of Nogales Public Works Director, Steve Weatherspoon, legal counsel for the City of Nogales and Kara Festa with Westland Resources to discuss a proposal for a hydrogeologic study of the Santa Cruz River microbasins. This will be done as part of the City's matching funds for the Bureau of Reclamation's Santa Cruz AMA water augmentation study. Results of the modeling efforts may be useful for the City's Designation of Assured Water Supply. On November 23rd, Santa Cruz AMA Area Director Alejandro Barcenas participated in a meeting and a field trip to the microbasin area in the Santa Cruz River, the purpose of these events were to help determine the need for a potential recharge project for this area. This recharge project would be part of the Bureau of Reclamation, City of Nogales and ADWR Water Storage study.

TUCSON AMA

On November 4th, Tucson AMA Water Resources Specialist Diane Kusel participated in a discussion of local planning and sustainability issues at a monthly meeting of the City of Tucson Citizen's Water Advisory Committee. On November 5th, Tucson AMA Conservation Specialist Christina Bickelmann participated in the monthly City of Tucson (COT) Stormwater/Water Harvesting Standards Subcommittee meeting. The group has been working toward implementation of the COT Commercial Water Harvesting Ordinance, which will require new commercial and development site plans to include a rainwater harvesting plan beginning in June 2010. On November 18th Tucson AMA Conservation Specialist Christina Bickelmann participated in a City of Tucson Landscape Advisory Committee meeting. Christina serves on the Stormwater/Water Harvesting Standards Subcommittee, which is working toward implementation of Tucson's water harvesting ordinance in 2010.

On November 6th, Tucson AMA Area Director Jeff Tannler met with members of the Southern Arizona Water Users Association (SAWUA) to discuss efforts to update the ADWR Tucson AMA Groundwater Model. On November 9th, Mr. Tannler met with Tucson Groundwater Users Advisory Council Chairman John Mawhinney and Green Valley area activist Nancy Freeman to discuss Ms. Freeman's plan to hold an educational workshop for Southern Arizona state legislators on water resource issues.

On November 18th Mr. Tannler met with Sidney Smith of Cortaro Marana Irrigation District / Cortaro Water Users Association to discuss possible future delivery of non-potable water supplies within the Town of Marana service area boundaries.

On November 24th Tucson AMA Water Resources Specialist Laura Grignano met with Amanda Ormand of Ormand Group LLC to discuss designation of land for solar development.

ASSURED & ADEQUATE WATER SUPPLY

On November 10th, staff from the Office of Assured and Adequate Water Supply and Hydrology Division met with representatives of Sacramento Valley Services (SVS) to continue a discussion

of water availability in the Sacramento Valley Basin and a possible application for a Physical Availability Determination. SVS previously met with ADWR on August 14, 2009, and stated that they plan to eventually be the water provider for 18,000 lots. SVS also reported that they had previously met with the Arizona Corporation Commission (ACC) and the ACC recommended that they establish a water company. In order to obtain a Certificate of Convenience and Necessity (CC&N) from the ACC for the water company, SVS must demonstrate that water will be physically available to serve their customers. The ACC requires a Physical Availability Demonstration from ADWR to demonstrate physical availability before they will issue a CC&N.

RECHARGE PROGRAM

On November 3rd, Recharge Program Staff met with representatives from Salt River Project (SRP) to discuss an application to renew SRP's Granite Reef Underground Storage Facility permit. On November 4th, they met with the Town of Florence to discuss ongoing issues with the operation and reporting relative to their effluent recharge project. On November 10th, Recharge Program staff met with representatives from Central Arizona Water Conservation District and Department of Environmental Quality to discuss continued elevated nitrate levels in the vicinity of the Hieroglyphics Mountain Underground Storage facility. On November 24th, staff met with the City of Peoria to discuss the monitoring plan and the use of Basins twelve and thirteen of the Beardsley Road Water Reclamation Facility.

Assistant Director for Statewide Planning Tom Carr and Regional Strategic Planning Manager Tom Whitmer attended the Upper San Pedro Water District (USPWD) Work Sessions in November. Discussions continued on the detailed plan of organization for the Upper San Pedro Water District and the financial plan by which adequate revenues will be generated to support the district's activities. Also on November 16th, by unanimous vote, the Organizing Board approved entering into a professional services contract that will provide public outreach in informing voters of the need to create a permanent board.

The Bureau of Reclamation (BOR) transmitted the Basin Study proposal developed collaboratively among the seven Colorado River Basin States and the BOR. The proposed study will analyze the water supply and demand imbalances throughout the Colorado River Basin and the adjacent areas of the Basin States that receive Colorado River water through 2060, assess options for resolving imbalance, and develop recommendations for future consideration to address current and projected imbalances. The study will be cost-shared 50-50 between the seven Colorado River Basin States and BOR. Colorado River Program Manager Perri Benemelis attended a Basin Study Program meeting to discuss the status of the Memorandum of Agreement and Public Involvement Plan. Also discussed was the status of the subcommittee's work to develop a plan of study for water demand assessment, system reliability analysis and the development and evaluation of opportunities. Staff also attended the biweekly coordination meeting with the BOR and the Basin States to complete the Basin Study Program Memorandum of Agreement and Plan of Study, with project work scheduled to begin in January 2010. Ms. Benemelis also met with Central Arizona Project to coordinate comments on Basin Study Program water demand assessment plan of study and bi-national modeling effort. Ms. Benemelis also attended a meeting in El Paso with the BOR, upper basin representatives, IBWC, CILA and Mexico City representatives to begin work on binational modeling. And lastly, Ms.

Benemelis attended the technical meeting with US Binational representatives to discuss modeling assumptions for the binational modeling workshop.

The 2009 Arizona Drought Preparedness Annual Report was made available on the ADWR's Drought Program web site (<http://www.azwater.gov/dwr/drought/>). The report covers drought conditions and preparedness activities, including conservation efforts, for water year 2009 (October 2008 through September 2009). Nearly half of the state is currently in a severe drought. Short- and long-term drought conditions have rapidly worsened this past year. This month's drought impact information was added from various volunteer monitors across the state (pg. 6). The impact reports were obtained through AZDroughtWatch, Arizona's online drought impact reporting system. These impact observations are critical to characterizing and monitoring changes in drought conditions across Arizona. Lastly, a new drought evaluation tool, VegDRI - Vegetation Drought Response Index, is being introduced in the month of December. This report (coming soon) and past reports will be online at <http://www.azwater.gov/AzDWR/StatewidePlanning/Drought/DroughtStatus.htm>.

The Community Water Planning Program sent a 2008 Water Use Summary Report to all water providers in the Community Water System Program. The report is tailored to each community water system and contains water demand and GPCD data for 2006-2008 for each individual system as well as for other systems in their groundwater basin. The report will also serve as a reminder to those that have not submitted an annual water use report or still need to produce a system water plan that meets requirements.

For the month of November, Adjudication and Planning Support staff attended a hearing regarding the San Pedro Riparian Conservation Area (SPRNCA) land ownership (ADWR report due Spring 2010); received and copied amended claims filed by the Hopi Tribe and United States for the Hopi Indian Reservation; worked on final well catalog specified by the Zuni Indian Water Rights Settlement; developed alternative fee source to fund adjudications program; continued to address comments received on Preliminary Hopi Hydrographic Survey Report; continued development of methodology to identify new agricultural lands in the Gila River Maintenance Area (GMA), a condition of the Gila River Indian Community (GRIC) Water Rights Settlement; continued to research new Statement of Claimants (SOCs) filed in the San Pedro River Watershed; and continued to process new SOCs and maintain the SOC database.

Staff attended the Transboundary Aquifer Assessment Program (TAAP) - Arizona Workshop in Tucson. This federally funded program to study specific transboundary aquifers includes two in Arizona; the Santa Cruz and the San Pedro. The goal of the workshop is to review progress and evaluate priorities in the draft work plans for the aquifers. In addition to ADWR and the University of Arizona, invited participants included representatives from the USGS, UNESCO, the Upper San Pedro Partnership, IBWC, CILA, and several Mexican Commissions. Representative Raul Grijalva, U.S. Congress, was invited as well.

The final version of Arizona Water Atlas Volume 7, Lower Colorado River Planning Area, was posted on the Department website. The Arizona Water Atlas is a compilation of water resource information for the state for planning and informational purposes. Finalization of this volume completes the non-AMA Atlas Volumes. Still to be completed is Volume 8-Active Management Areas, Volume 1-Executive Summary and Volume 9- Resource Sustainability Assessment.

On November 17th, ADWR met with the City of Scottsdale and Freeport McMoRan Copper & Gold. Freeport was to file applications to sever and transfer several certificates of water rights that it will acquire with its purchase of the Planet Ranch from the City of Scottsdale. Freeport was to also be filing an application to sever and transfer a water right appurtenant to a property it owns known as the Lincoln Ranch. They intended to file these applications prior to the end of the calendar year.

The Dam Safety Section performed safety inspections of twelve dams. Willow Creek, Granite Creek, Upper Goldwater and Lower Goldwater Dams, owned by the City of Prescott, and are used for recreation, irrigation and water supply purposes. Privately-owned Fenceline, Haumont, Patterson and Dad Patterson Dams are primarily used for irrigation, wildlife and fire protection located in Apache County. Tailings Water Reclaim Dam located in Greenlee County owned by Freeport-McMoRan Copper & Gold Morenci Operations is about 24 miles upstream of Safford and used in industrial mining operations. Sunridge Canyon Dam located in Maricopa County is owned by the Town of Fountain Hills and used for flood control and storm water management purposes. Privately-owned Walnut Canyon Dam is located upstream of the community of Winona, east of Flagstaff and is considered to be in an “unsafe” condition pending results of engineering safety analyses recently submitted by the owner. The inflatable rubber Rio Salado Dams are owned by the City of Tempe and form recreational Tempe Town Lake.

OUTREACH

On November 4th, Director Guenther spoke to the Arizona County Directors of Environmental Health Services Association (ACDEHSA) to update them on water issues around the state. On November 12th, Director Guenther addressed the Greater Phoenix Chamber of Commerce Agricultural and Natural Resource Committee to answer questions concerning the next legislative session. On November 13th, Director Guenther was the featured speaker before the Agri-Business Council, discussing water resource issues and the Department’s budget situation. That same day, he participated as a member of a panel of former legislators to speak and answer questions at the Greater Phoenix Chamber of Commerce Board Meeting.

On November 5th, Assistant Director of the Water Management Division Sandra Fabritz-Whitney along with Deputy Legal Counsel Fred Breedlove met with Robert Schuler, William Staudenmaier, and Shawn Leonard to discuss potential legislation.

On November 6th, Deputy Director Smith, Assistant Director for Water Management Sandra Fabritz-Whitney, and Deputy Counsel Fred Breedlove attended the Water Utility Association Luncheon at the Phoenix Marriott. Deputy Director Smith spoke to the group about the Department’s budget issues and Ms. Fabritz-Whitney and Mr. Breedlove answered questions informally at the close of the program.

On November 10th, Steve Dolan and Brian Cosson conducted a workshop at the Tucson Main Library Conference Room on how to properly complete the FEMA “Elevation Certificate”. The Elevation Certificate is an important administrative tool of the National Flood Insurance Program. It is used to provide elevation information for structures located in floodprone areas, to document compliance with local floodplain management ordinances, to determine the

proper insurance premium rate, and to support a request for changes to flood insurance rate maps.

On November 12th, Deputy Director Smith and Assistant Director of the Water Management Division Sandra Fabritz-Whitney attended a City Manager's meeting at the Arizona Municipal Water Users Association. Discussion items included the ADWR budget and proposed reduction plan as well as efficiency efforts initiated within the Department's groundwater permitting programs. On November 19th, Director Guenther addressed the mayors and other elected officials of AMWUA member cities, talking about the water resource challenges the state faces in the future, including within the Phoenix AMA, and the importance of water planning, both within the AMAs and throughout Arizona.

On November 17th, Ms. Fabritz-Whitney was on the agenda to speak at the Southern Arizona Water Users Association Board of Directors Meeting where she spoke in regards to the Tucson/Pima County InSAR, which is an ADWR Subsidence Monitoring Program in the Tucson AMA and the possible closing of Tucson AMA Office.

On November 18th-20th, Maureen Towne participated in meetings with FEMA representatives and community officials in Yuma, La Paz and Mohave Counties to discuss levees, flooding issues and future flood hazard mapping.

During November, a Community Assistance Visit (CAV) report that identified floodplain management program deficiencies and potential violations with state and federal floodplain regulations was mailed to the Mayor of El Mirage and the Mayor of Avondale. A CAV report is required to implement the 2009 Community Assistance Program for compliance with the National Flood Insurance Program and the Arizona Revised Statutes.

The Regional Strategic Planning unit has provided substantial planning assistance to rural areas with expanding populations, limited groundwater resources and unique environmental features. The Regional Strategic Planning staff has also assisted citizen organizations and local governments by providing technical information, water investigation reports, advice on water issues and attending various meetings throughout the state. The staff attended the Upper Agua Fria Watershed Partnership meeting in Cordes Junction; a Picture Canyon Site Visit for Surface Water Rights Determination in Flagstaff; the Feasibility Scoping Meeting in Sierra Vista; the Upper San Pedro Executive Committee Meeting; the Yavapai Appraisal Study Technical Work Group Meeting in Prescott; Yavapai Technical Advisory Committee Meeting in Prescott; A presentation to Upper Verde Watershed Coalition Safe Yield Work Group in Prescott Valley; a Show Low Creek Watershed Enhancement Partnership Meeting in Pinetop; Gila Watershed Partnership Meeting in Safford; the Upper San Pedro Partnership meetings in Sierra Vista and Bisbee; made a presentation to the Mohave County Board of Supervisors in Kingman; a presentation at Kingman/Golden Valley Association of Realtors in Kingman; the Verde Watershed Association meeting in Cottonwood; the Northwest Watershed Council meeting in Kingman; the Yavapai Water Advisory Committee meeting in Prescott; the Upper Little Colorado River Watershed Partnership Meeting in Eager; the Northern Arizona Municipal Water Users Association meeting in Flagstaff; and the Community Watershed Partnership Meeting in Benson.

LEGISLATION & EXECUTIVE ORDERS

On November 2nd, Director Guenther addressed the legislative Ad Hoc Committee on Mining and attended the Ad Hoc Committee on Agriculture, both chaired by Representative Russ Jones. On November 16th, Director Guenther addressed the Ad Hoc Water & Energy Committee chaired by Senator Al Melvin. His topic: "Arizona's Water Resources: Now and Into the Future". Director Guenther answered many questions posed by the committee ranging from future water supplies, possibilities for desalination and the nexus between energy use and water production.

WHAT'S NEXT DECEMBER 2009

PROGRAMS AND INITIATIVES

On December 1st, Phoenix AMA Area Director Scott Miller and Assistant Director for Water Management Sandy Fabritz-Whitney will facilitate the second meeting between ADWR staff and representatives from several cities located within the Phoenix AMA, Salt River Project and the Central Arizona Project to continue discussion on the results of the groundwater modeling to determine physical availability for the Phoenix AMA re designation process.

On December 2nd, Tucson AMA Water Resources Specialist Laura Grignano and Phoenix AMA Director Scott Miller will participate in a monthly meeting of cooperating agencies involved in reviewing the Environmental Impact Statement (E.I.S.) for the proposed Sonoran Solar Project. The project is a utility scale concentrated solar power plant located in Rainbow Valley in the Phoenix AMA.

On December 3rd, Recharge Program Staff will meet with the City of Tucson, Tucson Water, and the U.S Bureau of Reclamation to discuss a proposal to modify the calculation for recharge in 2009 due to the discharge from the Orange Grove Pit dewatering.

On December 3rd, 4th and 5th, Director Guenther will be attending the Arizona Mexico Commission Plenary meeting in Hermosillo. He chairs the Water Committee meeting which meets on December 4th from 9:00 a.m. - 3:00 p.m. to discuss the following: Bi-national Water Priorities for the Arizona-Sonora Region, Pilot Scale Operations of the Yuma Desalting Plant, Transboundary Aquifer Assessment Program, Analysis of Flood Control Options for Douglas and Agua Prieta, Water Quality Characterization of the Santa Cruz River Watershed.

On December 8th and 9th, Michael Johnson, Assistant Director for Surface Water, will attend a meeting in Washington D.C. of the National Dam Safety Review Board, of which he is a member. The 11-member Review Board includes representatives from the five federal agencies that own and/or regulate dams - the U.S. Department of Agriculture, the Department of Defense, the Department of the Interior, FEMA and the Federal Energy Regulatory Commission. The Board also includes five state dam safety officials and one private-sector member. The responsibilities of the Review Board include advising the administrator of FEMA, consulting with FEMA on funding for states participating in the National Dam Safety Program, and monitoring state implementation of the assistance program. During the meeting, the Board will consider adoption of a guidance document intended to assist dam owners

nationwide in reducing costs for preparing the required Emergency Action Plans for which Johnson is the primary author. All travel costs are paid by FEMA.

On December 7th and 21st, Assistant Director for Statewide Planning Tom Carr and Regional Strategic Planning Manager Tom Whitmer will attend the Upper San Pedro Water District (USPWD) Work Sessions. Discussions will continue on the detailed plan of organization for the Upper San Pedro Water District; and the financial plan by which adequate revenues will be generated to support the district's activities.

On December 8th, Colorado River Program manager Perri Benemelis and staff will attend the Seven Basin States Technical Committee Meeting in Las Vegas. Agenda items will include the runoff forecast and probability of equalization in 2010; the update on Lake Powell mass balance method findings; discussion of equalization monthly volumes and plan to mitigate effects in Grand Canyon, update to the Yuma Desalting Plant; the Mexican shortage/augmentation issues and the status of the Intentionally Created Surplus (ICS) and the Inadvertent Overrun and Payback Policy (IOPP).

On December 9 – 11, Director Guenther will attend the Colorado River Water Users Annual meeting. His is on the Board of Directors. While there, the Seven Basin States Principal Representatives will meet to discuss bi-national issues.

On December 11th, Statewide Planning Assistant Director Tom Carr, Colorado River Program manager Perri Benemelis and deputy legal counsel Nicole Klobas will attend the US/Mexico Binational Process meeting in Las Vegas. Discussions will continue on the update of binational modeling work, binational pilot projects, New Water Group feasibility study and plans for a January meeting to take place in San Diego.

On December 15th, Director Guenther will host a meeting to discuss CAP's A.D.D. Water Program as it relates to rural communities. We have invited representatives from Coconino Plateau Water Advisory Committee, Northern Arizona Municipal Water Users Association, and the Upper San Pedro Partnership. The CAP initiated a process more than a year ago to discuss with communities and water interests within its 3 county service area ideas and issues related to finding, acquiring, transporting and delivering new, additional water supplies.

On December 16th, Director Guenther will chair the quarterly meeting of the Arizona Water Bank.

On December 17th, Colorado River Program manager Perri Benemelis will be attending a Binational Modeling work group meeting in El Paso, TX. This work group will begin the development of a pilot environmental and conservation project program.

ATLAS: Progress on completion of the Arizona Water Atlas continues. Still to be finalized (in the following order) are Volumes 8, AMA Planning Area, Volume 1, Executive Summary, and Volume 9, Resource Sustainability Evaluation which lays the groundwork for statewide water resource planning. The final versions of the Atlas include updated water demand data and additional information to the in the draft volumes, including the location and number of surface water right claims in the planning area. The interactive web format provides quick access to

water resource information. Print documents of complete Atlas volumes will be available in the future.

For the month of December, the Adjudication Planning and Support staff will give a presentation on ADWR's subflow zone report at an attorney CLE class in Tucson; review the final draft report from the AZ Geological Survey (AZGS) on their mapping of surface geology along the mainstem of the Verde River; complete the Zuni well catalog; continue to process new Statement of Claims (SOC) and maintain the SOC database; and continue to research new SOC's filed in the San Pedro River Watershed.

The Department expects to send two Stipulation and Consent Orders via certified mail during the first week of December to S&T Dairy (Pinal AMA) and Josal Enterprises, Inc. (Prescott AMA). S&T Dairy involved issues pertaining to an unmetered well and groundwater withdrawals since 2007. Josal Enterprises, Inc. involved issues of groundwater exceedance of Type 1 Non-Irrigation Grandfathered Right in 2006 and 2007 and violation of the bodies of water statute.

The Phoenix and Tucson AMAs (with assistance from Compliance staff) will notify via first class mail, nine small, undesignated municipal providers of their new large provider status. The letter will explain the new conservation requirements and timeline of MNPCCP enrollment. The nine providers to be noticed in Phoenix AMA are Clearwater Utilities, Diversified Water Utility, New River Water Co. and Valencia Water and in the Tucson AMA, Los Cerros, Metro DWID – Hub System, Quail Creek, Ridge View and Saguaro Water Company. Later in December, staff will notice AWS designated providers that are currently small providers of their new large provider status. Designated providers are not required to enroll in the MNPCCP and may choose to opt in to the new conservation program or the Total GPCD Program.

OUTREACH

On December 2nd, the Coordinated Resource Management State Task Group will be holding a "Training Workshop for Watershed Partnering" at the BLM National Training Center in Phoenix. The workshop was developed for those employees who regularly take part in coordinated conservation efforts that include working with partnering agencies, resource managers and watershed partnership groups. ADWR staff will attend this workshop.

On December 3rd, Tucson AMA Area Director Jeff Tannler will participate in a presentation to the Sahuarita Well Owners Group regarding requirements for obtaining a mineral extraction groundwater withdrawal permit. The Sahuarita Well Owners Group has been meeting with Rosemont Copper Company regarding possible future impacts to their wells resulting from future withdrawals for mining activities.

On December 4th, the Department will host a stakeholder meeting to discuss a menu of funding options for the Department, ranging from enhanced service fees for permitting programs to a variety of additional revenue streams that would enable the Department to "self-fund". The Department will invite written comments on its draft proposals through January 4th.

Also on December 4th, Laura Grignano will give a presentation at the monthly Pima Association of Governments (PAG) Environmental Planning Advisory Committee meeting; Ms. Grignano will provide an overview of solar technologies currently being proposed in Arizona including

information about their water use. She will also describe ADWR's role in permitting large scale solar power plants throughout the state.

On December 7th, the Tucson AMA will hold a Groundwater Users Advisory Council meeting. Among items on the agenda will be the presentation of the Draft 2010 Arizona Water Bank Plan of Operation; discussion of the Tucson AMA Demand and Supply Assessment; and an informational presentation by ADEQ staff on water quality concerns in the Tucson AMA and Pima County.

On December 8th, Director Guenther will present an overview of our budget to the members of the Arizona Chamber of Commerce "Water Rump Group." These meetings are held at the Association of General Contractors building and include representatives from the major water interests in Arizona. The primary reason for these meetings is to discuss potential water legislation in advance of its introduction.

On December 14th, Director Guenther will attend the Water Resources Research Center External Advisory Council meeting. The meeting will be held at the SRP offices in Tempe.

Also on December 14th the Tucson AMA will hold an Institutional Policy Advisory Group (IPAG) meeting to discuss possible opportunity/need for additional underground storage capacity within the Tucson AMA, and recommendations from the Tucson AMA GUAC regarding the upcoming 4th Management Plan process.

On December 15th, Susan Craig and Emily Wunder with the Community Water Planning Program will attend the Master Watershed Steward DroughtWatch training class. The meeting will be held at the offices of the Maricopa Audubon Society.

On December 16th, Ms. Wunder will attend the Mohave County Local Drought Impact Group monitoring subcommittee meeting via phone.

Also on December 15th, Community Water Planning- Conservation staff Paul Charman will be in Sierra Vista to meet with the local branch of the University of Arizona Cooperative Extension and local water company officials with a view to establishing a partnership and to plan setting up the Arizona Rinse Smart program and other water conservation programs in the area.

On December 21st, Mr. Charman will be in Tucson to install pre rinse spray valves as part of the Rinse Smart program and funded through a partnership with Southwest Gas Corporation. The Community Water Planning – Conservation Program team are working with several rural communities throughout the state. These communities have asked for, or invited ADWR to participate in, conservation, technical assistance and outreach help and in setting up conservation programs in their area. Work will also continue throughout the month of December with target communities of Ehrenberg and Wickenburg.

On December 17th, Pinal AMA Area Director Joe Singleton and Water Resource Specialist Patricia Smith will attend the Pinal County's Arizona Project WET (Water Education for Teacher's) meeting as the local department representatives.

On December 18th, Flood Mitigation staff Steve Dolan and Brian Cosson will be conducting a workshop at the Flood Control District of Maricopa County on how to properly complete the FEMA "Elevation Certificate".

During December, Flood Mitigation staff will continue to provide technical assistance and to implement the 2009 Community Assistance Program for compliance to the National Flood Insurance Program and Arizona Revised Statutes at the following communities: St. Johns, Apache County, Globe, Snowflake, Sahuarita, Phoenix and Eloy.

In December, Crystal Frost of the Prescott Active Management Area office will be collaborating with the Upper Verde River Watershed Protection Coalition and Salt River Project (partners) to identify the winners of this year's Yavapai County Water Conservation and Education grants. The partners in this effort will also select the Outstanding Water Educator for Yavapai County in January of 2010. Last year, the grant cycle provided \$3,000 for educators at four Yavapai County schools.

SPECIAL EVENTS

On December 9th and 10th, ADWR will host a free two-day workshop (at the ADWR Phoenix office) on fostering sustainable behavior through community-based social marketing. Presented by leading expert, Doug McKenzie-Mohr, this workshop will provide participants with a comprehensive introduction to community-based social marketing, and explore how such techniques can be applied to promote WaterSense in communities across the state. The workshop is hosted by ADWR and the EPA WaterSense program. In 2008, Arizona beat out 20 other states to win the WaterSense State Challenge by recruiting Arizona utilities to join the U.S. Environmental Protection Agency's WaterSense program and increasing the population served by WaterSense utility partners.

LEGISLATION

On December 1st, Director Guenther, Chief Counsel Ken Slowinski and Deputy Counsel Fred Breedlove will join Senator Steve Pierce's CAGR D bonding stakeholder meeting. The purpose of the meeting is to continue discussions from last legislative session regarding concerns with the proposed CAGR D legislation. Others in attendance will include representatives from the CAGR D as well as CAP President of the Board Susan Bittersmith, and CAP General Manager David Modeer.

On December 3rd, the Department will host an "ADWR 101" workshop for its new budget analysts from OSPB and JLBC. Staff will provide an overview of the Department's activities and provide a "field trip" in the Phoenix metropolitan area for the analysts to see a groundwater recharge facility, an automated monitoring well and a land fissure, physical evidence of the results of past practices of groundwater mining.

On December 4th Tucson AMA Area Director Jeff Tannler will attend a meeting for state legislators conducted by Green Valley citizen Nancy Freeman. Several state legislators representing districts within Southern Arizona have expressed desire for an overview of local water resource issues.

On December 7th, Director Guenther will attend the Ad Hoc Mining Regulation and Ad Hoc Agriculture Regulation Committee meetings.