

Ag-to-Urban Informal Stakeholder Meeting

February 5, 2025



Meeting Logistics

- Please note that this meeting is being broadcast via webinar and is being recorded.
- The meeting recording and materials will be posted to the ADWR Ag-to-Urban webpage <https://www.azwater.gov/how-doi/find-info-on/ag-to-urban>.
- We hope to keep this meeting relatively informal. Participants should feel enabled to raise their hands online and, in the room, if they need clarification or have questions as we move through the presentation.
- We also include a dedicated discussion portion.
- When speaking, please speak clearly into the microphone, and identify yourself when speaking.
- *Technical issues? Please call the ADWR Help Desk at 602-771-8444 or email tickets@azwater.gov.*



Meeting Agenda

- I. Update: Technical Working Group and the Webpage
- II. Update: Input from Stakeholders
- III. Update: The Role of Replenishment
- IV. Discussion: Why Ag-to-Urban credits should be limited to Designated Providers
- V. Discussion: Portability in an Ag-to-Urban Program



Update: Technical Working Group and Changes to the Webpage

- New Section on the webpage:
 - The dashboard is now embedded on our webpage as a drop-down section.
- Update to the Dashboard:
 - New 50% replenishment rate.
- The Technical Working Group held its first meeting on Jan 30, 2025:
 - Discussed assumptions within the dashboard;
 - Emphasized that changes to the dashboard should be based on data: We hope for the best, but we prepare for the worst; and
 - Clarified the role of replenishment in the dashboard.



The Role of Replenishment In the Dashboard

ADWR is not considering changing how replenishment obligations are calculated to ensure consistency with the management goal.

Replenishment rate options within the Dashboard represent a range of potential replenishment rates across each AMA under existing consistency with the management goal requirements.



Stakeholder Input

Original eligible land criteria:

- Must have an Irrigation Grandfathered Right.
- Must have been irrigated with groundwater in 3 of the 5 years prior to relinquishment.
- Must have no existing Certificate of Assured Water Supply on those lands.



Stakeholder Input

Clarified elements after stakeholder input:

- A Groundwater Savings Facility's use of in lieu water counts as irrigation for purposes of the 3/5 years analysis.
- There are no areas in the AMA that are per se excluded from eligibility.
- When applying the 3/5 analysis, any combination of 3 years within the 5 years prior to relinquishment will be acceptable.
- IGFRs within a Designated Provider's service area are eligible to participate in the program.



Ag-to-Urban Guardrails



Land Eligibility



Development
Conservation
Measures



Program
Timeframes



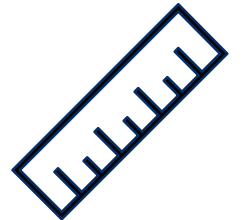
Consumer
Protections



Applicability
Limited to
Designations



Portability of
Credits away
from Ag Lands



Conversion
Rates

Ag-to-Urban Guardrails



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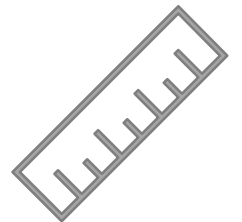
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Why Ag-to-Urban credits should be limited to Designated Providers.



Certificates

- Use a narrow scope: certificates are a one-time issuance for only subdivision water uses at build out.
- Apply only to development that meets the definition of a subdivision.
- Certificates may be served by water providers with other water demands that may not be covered by an AWS determination.

Designations

- Provide holistic water management: designations apply to the entire service area of a water system.
- Enable ongoing planning: designations require periodic review and renewal.
- Consider current, committed, and projected demands of entire water system, allowing growth within the approved volumes.
- Include the full water portfolio of a service area: residential, commercial, and industrial uses.



Benefits of Designations

Holistic Water Management:

- Designated providers manage and replenish residential, commercial, and industrial uses.

Proactive Planning:

- Designated providers meet AWS requirements for projected growth within their service areas.
- Designated providers are incentivized to seek and obtain alternative water supplies, including to avoid the costs of using and then replenishing groundwater.
- Designated providers often control effluent.
- Growth isn't limited to just where you can get a certificate.

Patching Holes in the Bucket:

- Otherwise unreplenished uses served by the designated provider are replenished.

Portability

- Under a program limited to Designated Providers, there is more flexibility for portability within a Designated Provider's service area.
- Designated providers would be able to use water pursuant to their service area rights and subject to AWS requirements.
- Water use on the retired agricultural land must be a part of the service area of the Designated Provider and must be accounted for as a part of the provider's designation. We do not want to leave the land open for another groundwater use to come in.
- This ensures that the former ag land will be served by the designated provider.



This is About More Than Just Growth

- We have heard the comment that, if the goal is housing affordability, then expand the program to certificates. If the goal is sustainable water sources, then keep it just to designated providers.
- Houses built under a certificate will still have to pay for replenishment through property tax payments to CAGR D.
- Whether a certificate or designation, the water costs are there. But designations provide more safeguards for ag-to-urban credits to ensure water savings and availability.



Discussion



Next Steps



Next Meeting



Next Informal Stakeholder Meeting

Date and Time: Wednesday, February 26, 10:00 AM

Details posted at <https://www.azwater.gov/how-dol/find-info-on/ag-to-urban>

To join the email list, please email Ag2Urban@azwater.gov

Contact Information



Ag-to-Urban email
ag2urban@azwater.gov

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