

# Ag-to-Urban Informal Stakeholder Meeting

March 12, 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 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](mailto:tickets@azwater.gov).*



# Meeting Agenda:

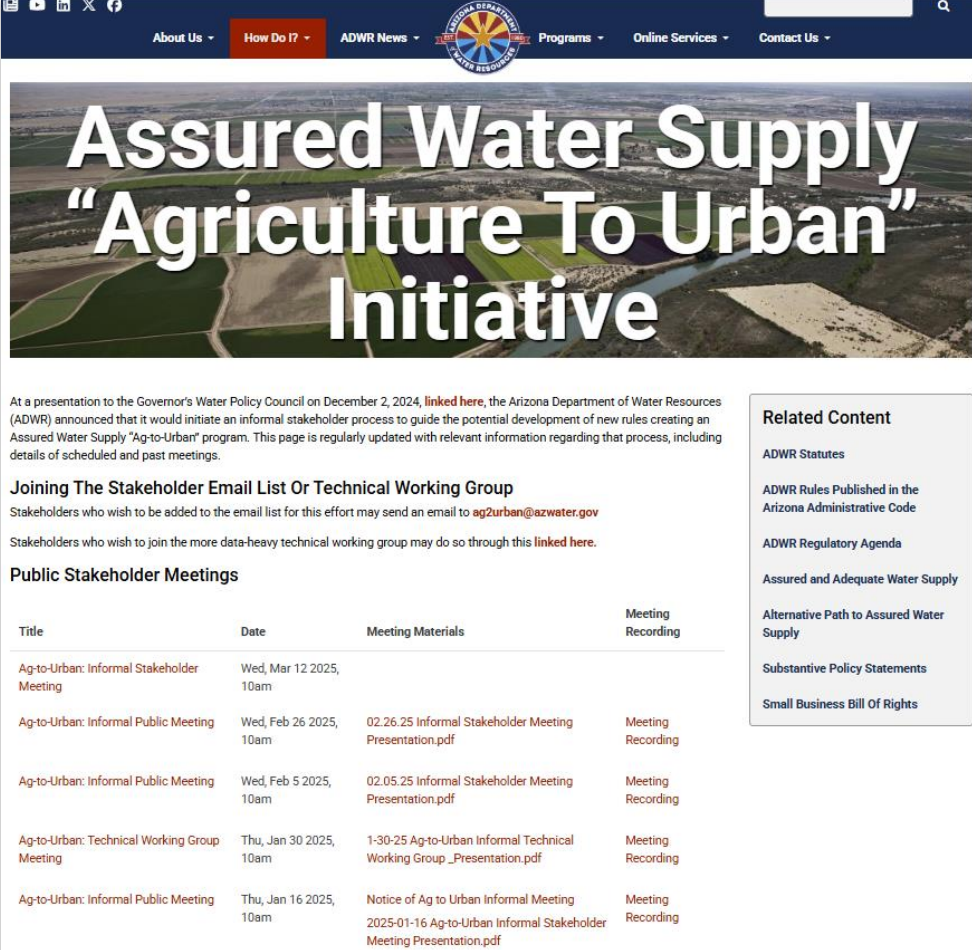
- I. Updates to the Webpage
- II. Stakeholder Feedback
- III. Areas of Consensus and Different Views
- IV. Next Steps



# Updates to the Webpage

ADWR has made/will make the following changes to the ag-to-urban webpage (<https://www.azwater.gov/how-doi/find-info-on/ag-to-urban>):

- \* Some non-substantive formatting changes.
- \* Stakeholder Comments will be added to the webpage.



At a presentation to the Governor's Water Policy Council on December 2, 2024, [linked here](#), the Arizona Department of Water Resources (ADWR) announced that it would initiate an informal stakeholder process to guide the potential development of new rules creating an Assured Water Supply "Ag-to-Urban" program. This page is regularly updated with relevant information regarding that process, including details of scheduled and past meetings.

**Joining The Stakeholder Email List Or Technical Working Group**  
Stakeholders who wish to be added to the email list for this effort may send an email to [ag2urban@azwater.gov](mailto:ag2urban@azwater.gov)  
Stakeholders who wish to join the more data-heavy technical working group may do so through this [linked here](#).

**Public Stakeholder Meetings**

Title	Date	Meeting Materials	Meeting Recording
Ag-to-Urban: Informal Stakeholder Meeting	Wed, Mar 12 2025, 10am		
Ag-to-Urban: Informal Public Meeting	Wed, Feb 26 2025, 10am	02.26.25 Informal Stakeholder Meeting Presentation.pdf	Meeting Recording
Ag-to-Urban: Informal Public Meeting	Wed, Feb 5 2025, 10am	02.05.25 Informal Stakeholder Meeting Presentation.pdf	Meeting Recording
Ag-to-Urban: Technical Working Group Meeting	Thu, Jan 30 2025, 10am	1-30-25 Ag-to-Urban Informal Technical Working Group _Presentation.pdf	Meeting Recording
Ag-to-Urban: Informal Public Meeting	Thu, Jan 16 2025, 10am	Notice of Ag to Urban Informal Meeting 2025-01-16 Ag-to-Urban Informal Stakeholder Meeting Presentation.pdf	Meeting Recording

**Related Content**

- ADWR Statutes
- ADWR Rules Published in the Arizona Administrative Code
- ADWR Regulatory Agenda
- Assured and Adequate Water Supply
- Alternative Path to Assured Water Supply
- Substantive Policy Statements
- Small Business Bill of Rights

# Stakeholder Feedback

On February 26, 2025, ADWR proposed an outline of a draft ag-to-urban program.

- \* ADWR requested and received numerous comments on the draft proposal.
- \* Comments spoke favorably of the ag to urban concept.
- \* Many expressed strong support for the program as outlined by ADWR.
- \* Some stakeholders requested changes to the proposal.
- \* Feedback indicates a strong stakeholder consensus around crucial program elements.

The collage features several stakeholder feedback documents:

- Southern Arizona Water Users Association (SAWUA):** Letter dated March 5, 2025, addressed to Director Tom Buschatzke at the Arizona Department of Water Resources.
- Town of Queen Creek, Arizona:** Letter dated March 5, 2025, addressed to Director Tom Buschatzke.
- Audubon | Southwest:** Letter dated March 5, 2025, discussing water rights and the feasibility of the Ag-to-Urban program.
- Chandler, Arizona:** Letter dated March 5, 2025, addressed to Director Tom Buschatzke, expressing support for the program.
- City of Phoenix:** Letter dated March 5, 2025, addressed to Tom Buschatzke, discussing the program's impact on the Phoenix AMA.
- Buckeye, AZ:** Letter dated March 5, 2025, addressed to Director Tom Buschatzke, discussing the program's impact on the Phoenix AMA.

# Stakeholder Feedback

ADWR is grateful to all who provided comments:

- \* Arizona Municipal Water Users Association
- \* Audubon Southwest
- \* Buckeye Water Conservation and Drainage District & Roosevelt Irrigation District
- \* City of Chandler
- \* EDF Action
- \* Town of Gilbert
- \* Gila River Indian Community
- \* City of Phoenix
- \* Town of Queen Creek
- \* Southern Arizona Water Users Association
- \* Salt River Project
- \* Nick Vanderwey
- \* Tempe

The Department will continue to accept comments from interested stakeholders.

The collage displays several stakeholder communications:

- Southern Arizona Water Users Association:** Letter dated March 5, 2025, addressed to Director Tom Buschatzke, discussing water resources and the ADWR process.
- Town of Queen Creek, Arizona:** Letter dated March 5, 2025, addressed to Director Tom Buschatzke, regarding water resources and the ADWR process.
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# Program Mechanics: General Structure



- \* Eligible applicants may voluntarily relinquish IGFRs in exchange for Physical Availability Conservation Credits.
- \* Credits may be applied towards a showing of physical availability.
- \* Use limited to the Pinal and Phoenix AMAs.
- \* Eligible applicants are owners of eligible lands.
- \* Feedback was favorable with one requested change: One comment requested that the Tucson AMA be included, while some others supported limiting the program to the Phoenix and Pinal AMAs.

# Program Mechanics: General Structure



Limiting the program to the Pinal and Phoenix AMAs:

- \* The Tucson AMA model does not show unmet demand.
- \* ADWR has not examined data in the Tucson AMA that would be needed to create an AMA-specific conversion rate.
- \* ADWR has not decided to include the Tucson AMA in the proposed draft outline at this time.
- \* The potential to leverage an existing ag-to-urban framework in the future remains.



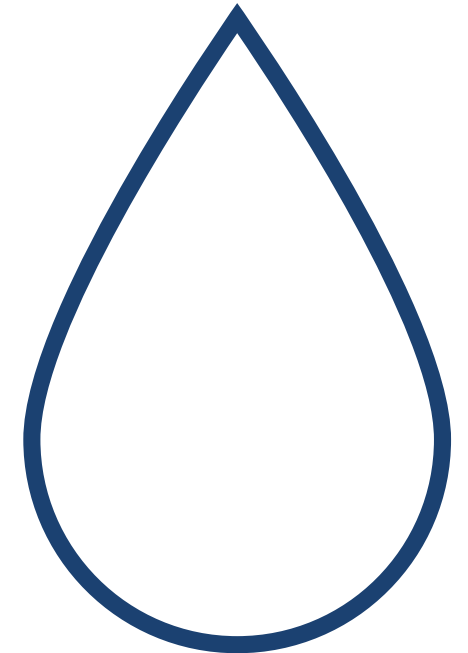
# Program Mechanics: Physical Availability Conservation Credits

- \* Credits are applied towards meeting physical availability, and do not create a new groundwater withdrawal right.
- \* Feedback: comments were supportive.
- \* All other elements of the Assured Water Supply program and rules about pumping rights continue to apply.
- \* Feedback (not including replenishment):  
Comments supported protecting AWS generally and stored groundwater supplies.



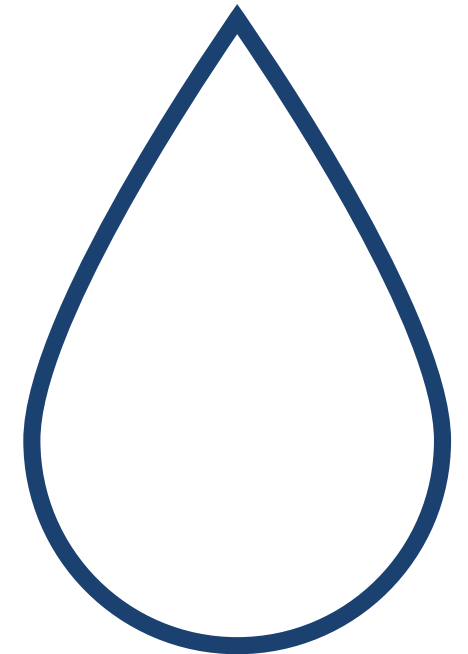
# Replenishment Feedback

- \* The proposal leaves current replenishment rules unchanged.
- \* Many commentors supported leaving replenishment rules as they currently exist—consistent with the proposed draft outline.
- \* One comment suggested that only 50% of water withdrawn using credits should be made consistent with the management goal (along with an increased conversion rate).
- \* One comment suggested an indexed series of conversion rates and replenishment rates.



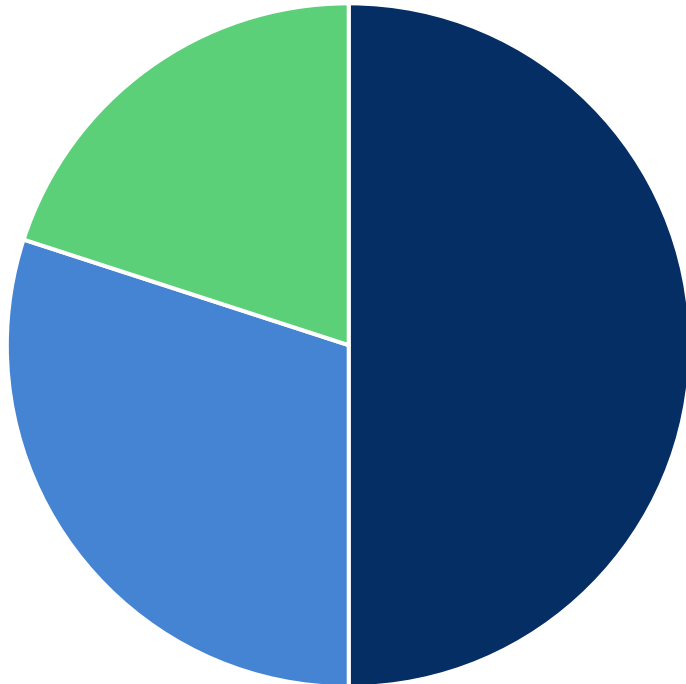
# Replenishment: Generally

- \* An ag to urban program must be 100% consistent with the management goal.
- \* ADWR's proposed draft outline will not exempt groundwater from having to meet that important element of the AWS program.
- \* Remember: 50% consistency with the management goal is **NOT** the same as 50% replenishment.



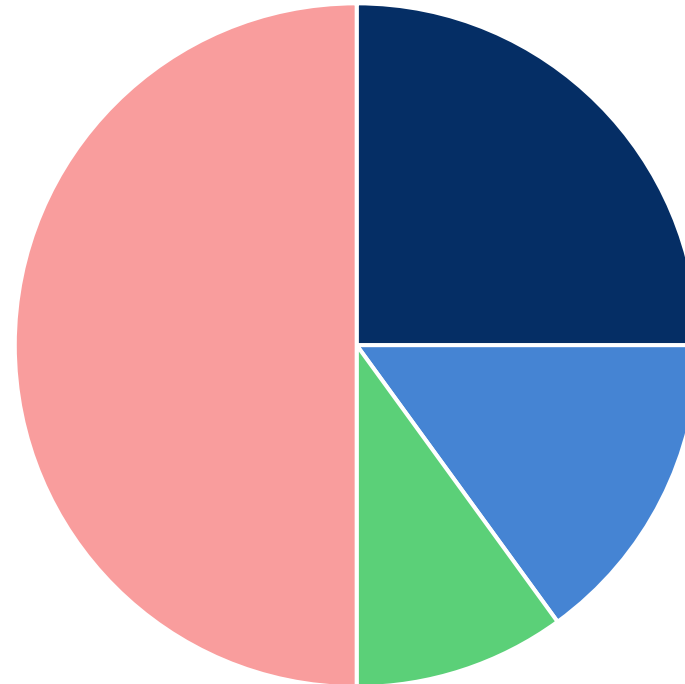
# What is 50% Replenishment?

Single Year Groundwater Use:  
100% Consistent



- Replenished (50%)
- Groundwater Allowance (30%)
- Extinguishment Credits (20%)

Single Year Groundwater Use:  
50% Consistent

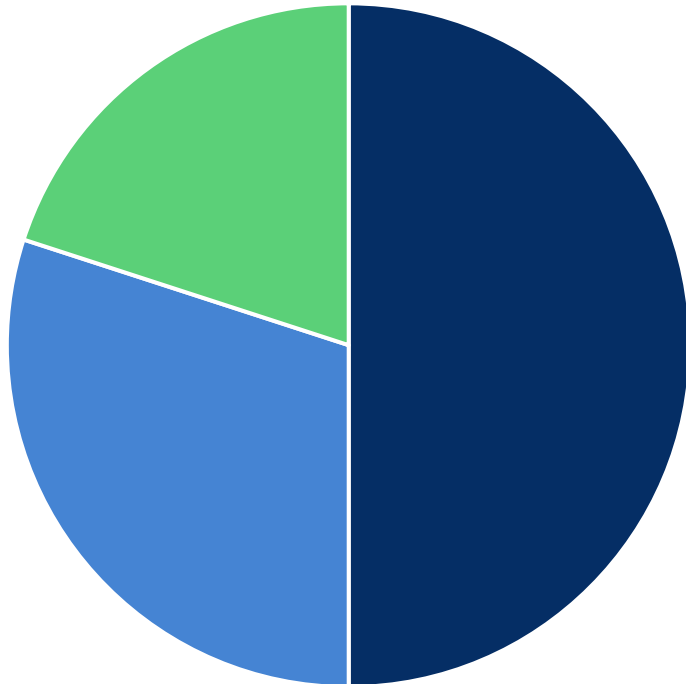


- Replenished (25%)
- Groundwater Allowance (15%)
- Extinguishment Credits (10%)
- New 50% Groundwater Mining

These are fictional and illustrative examples only.

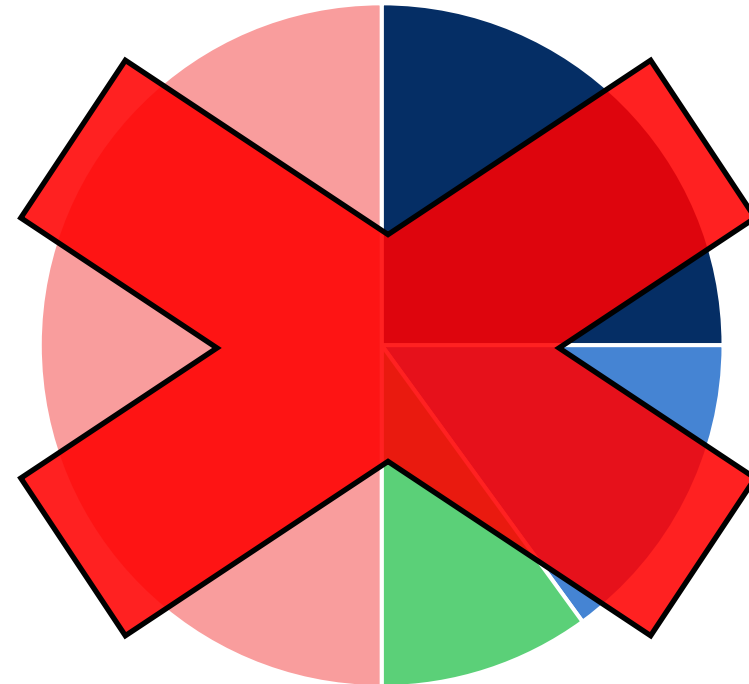
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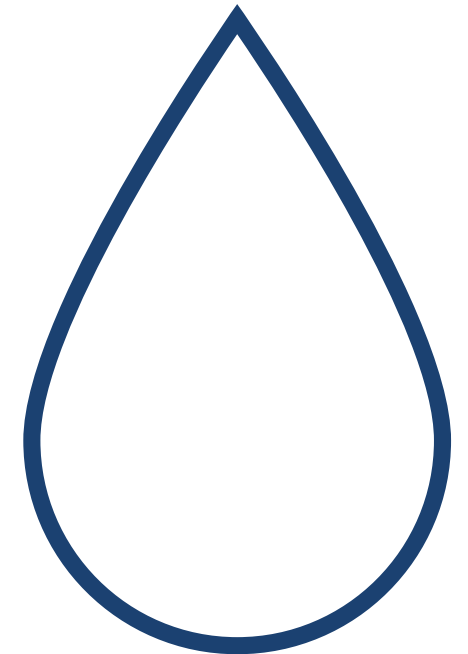
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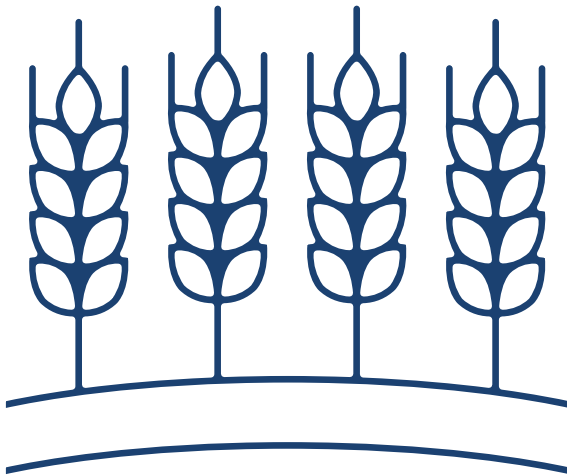
# Replenishment: Generally

Other feedback on replenishment:

- \* One commenter noted the importance of understanding the impact that the ag-to-urban program would have on CAGR D.
- \* One commenter suggested that replenishment should occur near where pumping occurs.
- \* One commenter noted that increased competition for water supplies will make it difficult to find water with which to replenish.
- \* ADWR is evaluating this feedback.



# Replenishment: the Buckeye Waterlogged Area



- \* Water withdrawn in the Buckeye Waterlogged Area will be considered consistent with the management goal under the terms of the existing rules.
- \* ADWR will periodically review waterlogged area conditions and the application of this provision.
- \* Comments supported this provision.



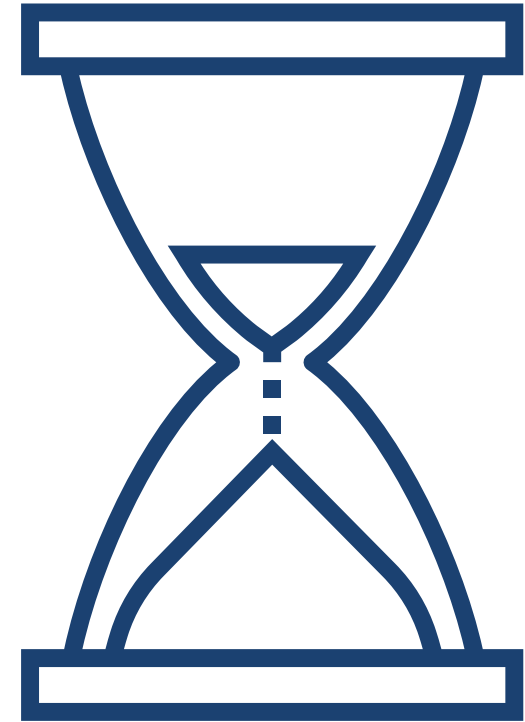
# Program Mechanics: Application Procedure



- \* The draft proposal outlined elements of the application procedure.
- \* Feedback: No comments opposed these provisions.

# Program Mechanics: Sunset Review

- \* The ability of ADWR to issue Physical Availability Conservation Credits would expire after ten years, with the option to extend.
- \* A built-in sunset review creates an opportunity to evaluate the ag-to-urban program's success and performance.
- \* Feedback: Many comments supported the sunset review and no comments opposed.



# Eligible Lands: the Extent of Eligibility



- \* Eligibility is determined on an acre-by-acre basis.
- \* Each acre must meet the eligibility test.
- \* If only a portion of the acres included in an IGFR meet the eligibility test, only those acres would be eligible.
- \* Feedback: Some comments supported and no comments opposed these elements of the proposal.

# The Eligibility Test



- \* Irrigation Grandfathered Right in the Phoenix or Pinal AMAs.
- \* Irrigated with groundwater in any 3/5 years prior to relinquishment.
- \* No negative flex account balance, up-to-date annual reports for the previous 5 years, and compliant with conservation requirements.
- \* No existing Certificate of Assured Water Supply on relinquishment acres.
- \* Must pass a model review.

# The Eligibility Test Feedback



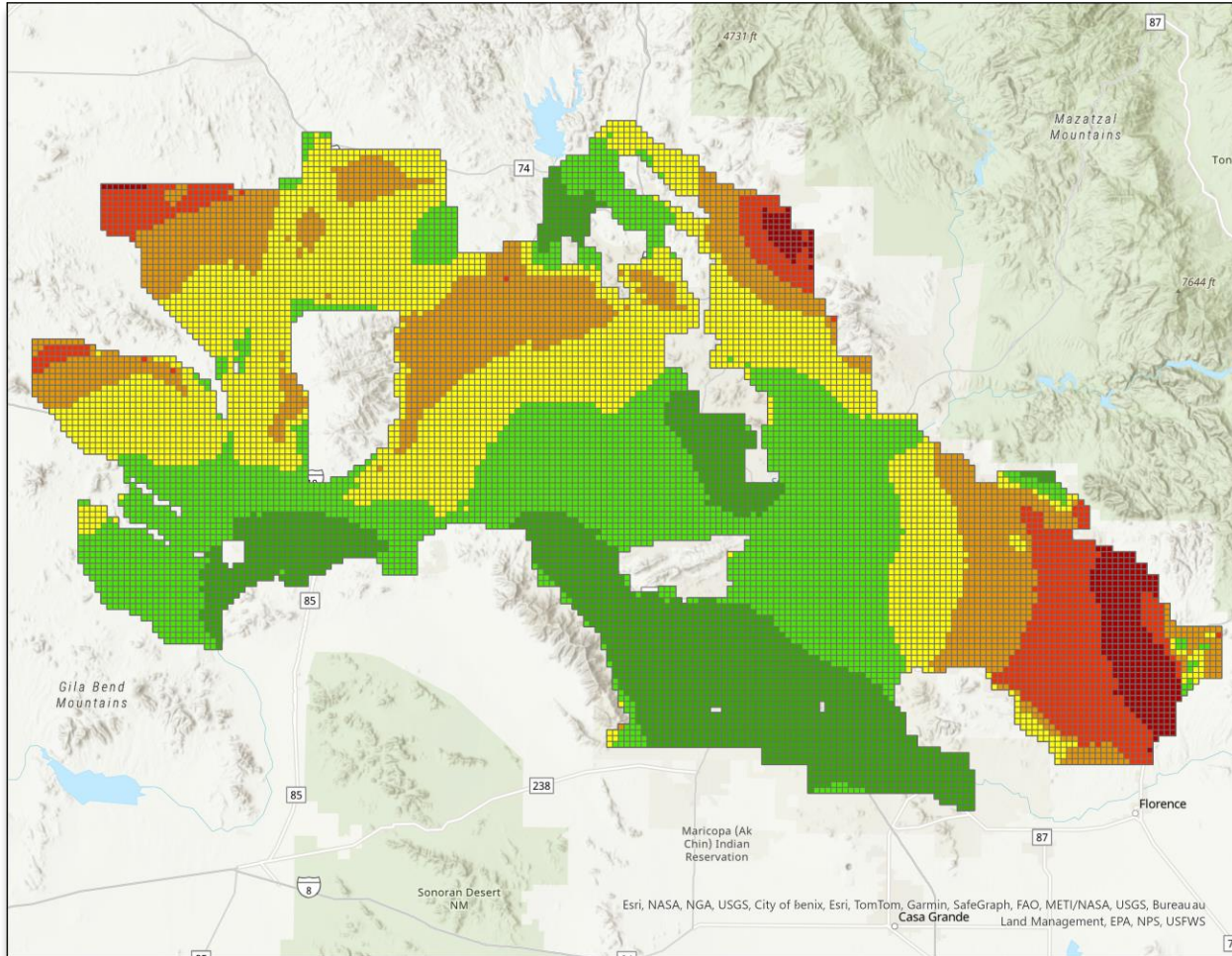
- \* Various comments supported the 3/5-year irrigation with groundwater requirement, the acre-by-acre requirement, and the exclusion of lands with overlying certificates of AWS.
- \* One comment specifically called out the importance of ensuring no negative flex account balance, up-to-date annual reports, and compliance with applicable conservation requirements.
- \* Other than a request to include the Tucson AMA in the program, no comments opposed these or any other elements of the eligibility test.

# Land Eligibility and Subflow



- \* ADWR received one comment from the Gila River Indian Community indicating that some of the lands that the Department had included as eligible would pump Gila River subflow. The Community asserts that these lands are ineligible to participate in the program.
- \* ADWR is evaluating this comment.

# Eligible Lands: Model Review



- \* An IGFR must pass a model review to be considered eligible under the program.
- \* This model review would evaluate the 100-year depth to water in the cell where pumping occurs.
- \* Feedback: Comments supported the concept of a model review and emphasized the need to protect stored groundwater supplies. One comment specifically requested that pumping occur on or close to the converted lands.
- \* ADWR will continue to develop this element.



# Applicability Limited to Designations

- \* Credits may only be used to demonstrate physical availability to support a designation.
- \* Feedback:
  - \* Many comments supported limiting to designations.
  - \* Some encouraged including certificates.
  - \* One comment suggested allowing certificated with an agreement from a service provider to apply for ADAWS within 5 years of the NOI to serve.



# Quantifying Physical Availability Conservation Credits

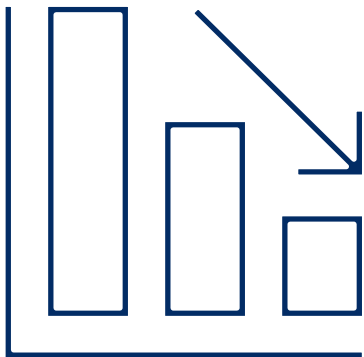
- \* Physical Availability Conservation Credits are measured in terms of acre feet—not acre feet per year. Credits are issued in a lump sum, not on an annual basis.
  - \* Physical Availability Conservation Credit (AF) = 100 (Eligible Acres \* Conversion Rate)
- \* The Conversion Rate will be different for each AMA:
  - \* Pinal AMA: 0.7 Acre Feet/Eligible Acre
  - \* Phoenix AMA: 1.0 Acre Feet/Eligible Acre
- \* Feedback:
  - \* While some comments supported ADWR's proposed conversion rates, some suggested increased conversion rates to incentivize greater program participation to provide for more growth, or, in one case, to provide more water for commercial, industrial, or manufacturing uses. Notably, one comment suggested lowering the conversion rates proposed by ADWR.
  - \* Various comments supported the concept of a single lump sum for quantifying credits, and no comments opposed that element.
  - \* One comment suggested a total cap on possible credits under the program.

# Service Area Rights



- \* The program does not change a designated provider's ability to use water pursuant to their service area rights and subject to AWS requirements.
- \* The designated provider must demonstrate that any water use on the retired agricultural land will be served by the designated provider and will be accounted for as a part of the provider's designation demands.
- \* This makes sure that new water uses on retired lands will be served by the designated provider and replenished if using groundwater.
- \* ADWR received no comments opposing this element.

# Conservation Measures on Ag-to-Urban Lands



- Prohibit non-functional turf—functional turf limited to community use in schools, parks, and cemeteries.
- Prohibit evaporative cooling in new commercial development and upon replacement in existing commercial development.
- Require new builds to use IAPMO’s Uniform Plumbing Code (UPC) Appendix M.
- Require new single-family homes to be EPA WaterSense Homes certified.
- Require EPA WaterSense fixtures, appliances, and devices in both new builds and upon replacement for multihousing, commercial, industrial, and institutional facilities.
- Prohibit water parks, lakes, ponds, and decorative water features.
- One comment expressly supported the conservation requirements. Another requested that lakes under 5 acres that are filled with direct or recovered effluent be allowed. ADWR is considering this comment.

# Other Received Comments

- \* Comments spoke supportively proper guardrails. One comment specifically noted that “rooftops cannot be fallowed.”
- \* Two commentators opined that the purpose of the ag-to-urban program ought to be to incentivize agricultural land development over development of desert lands. One comment specifically noted that Buckeye area agricultural lands ought to be treated differently.
- \* Various comments noted with concern that decreased Colorado River deliveries would result in greater draws on groundwater supplies. Another disagreed, indicating that an ag to urban program would be a benefit because of groundwater savings.
- \* One comment noted some thoughts on the ag attrition rate in the dashboard. Note that other stakeholders have raised questions about this element of the dashboard in other contexts.
- \* One comment noted some changes that may be needed in the Department’s maps.
- \* Various comments acknowledged their participation in similar conversations happening at the legislature.
- \* ADWR is evaluating these comments.

# Different Viewpoints Among Stakeholders

Stakeholder feedback indicate different viewpoints in these areas:

- Whether to include the Tucson AMA;
- Whether to require groundwater use associated with credits to be 100% consistent with the management goal;
- The conversion rate; and
- Whether to extend the program to certificates.

# Areas of Consensus

Stakeholder feedback indicates consensus regarding the following elements:

- Support for the program generally;
- Inclusion of the Phoenix and Pinal AMAs;
- The proposed general structure, program application, and nature of credits;
- The ability to pledge credits to designations;
- The replenishment exemption for the Buckeye Waterlogged Area;
- The sunset review;
- The importance of the model review;
- The quantification method in a lump sum; and
- The eligibility review on an acre-by-acre basis requiring 3/5 years irrigation and no overlying certificates.



# Discussion



# Next Steps



The Department will continue to consider provided comments, including any additional comments provided after today's meeting.

ADWR will announce technical working group meetings as needed.

For information on meetings, materials, and the dashboard, or to join the mailing list or technical working group, please visit:

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

# Contact Information



**Ag-to-Urban email**  
[ag2urban@azwater.gov](mailto:ag2urban@azwater.gov)

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