

LONG TERM STORAGE CREDITS AND ITS BENEFITS



By Wa:k Ceksan Legislative Representative Daniel L.A. Preston III

January 13th, 2024

PRESENTATION TITLE



HISTORY

SAWRSA

AZ LAW

Tohono O'odham Nation Revenue Sharing

CURRENT

Drought/Shortages

Tohono O'odham Marketing and Sale Plan of Long
Term Storage Credits

PRESENTATION TITLE



BENEFITS



SXD PROPOSAL

Category of Water	Amount Recharged	Nation's Credits	SXD Credits	STD Credits
Nation 15,000 AFY box 5	15,000 AF	50% = 7,500 AF	50% = 7,500 AF	None
SXD 35,000 AFY box 4	15,000 AF	None	100% = 15,000 AF	None
STD 16,000 AFY box 6	6,000 AF	To be determined	None	To be determined
TOTAL	36,000 AF	7,500 AF	22,500 AF	To be determined

NEED FOR RELIABILITY FLOW

- 1) **Alternative 1** to utilize wells in High Well Field to provide about 50% of the reliability flow and a surface storage reservoir for the rest of the reliability flow.
- 2) **Alternative 2** to develop wells in both the High and Low Well Fields to satisfy the reliability flow.
- 3) **Alternative 3** to develop wells in High Well Field to provide the reliability flow.
- 4) **Alternative 4** to develop a surface storage reservoir that will store water from the CAP system that will be used as reliability flow during the outage period.

SUMMARY OF TOTAL FIELD COST FOR DIFFERENT ALTERNATIVES

Alternatives with 25.5 cfs reliability flows:				
Cost	Alter. 1A	Alter. 2A	Alter. 3A	Alter. 4A
Field cost of operation, maintenance and replacement	\$35,780,000	\$35,604,000	\$30,494,000	\$37,158,000
Field Cost of Establishment	\$42,000,000	\$22,000,000	\$18,000,000	\$61,000,000
Total	\$77,780,000	\$57,604,000	\$48,494,000	\$98,158,000
Alternatives with 13.5 cfs reliability flows:				
	Alter. 1B	Alter. 2B	Alter. 3B	Alter. 4B
Field Cost of Establishment	\$29,000,000	\$13,000,000	\$9,200,000	\$36,000,000
Field cost of operation, maintenance and replacement	\$24,706,000	\$21,039,000	\$15,586,000	\$21,930,000
Total	\$53,706,000	\$34,039,000	\$24,786,000	\$57,930,000

OPERATION, MAINTENANCE AND REPLACEMENT BASE COSTS FOR WELLS (COST FOR ONE WELL)

Description	Frequency	Low well Field	High Well Field
1) Routine maintenance, pre-operation maintenance and inspection, annual system operation cost (labor cost of 1 month operation)	Annual	\$14,800	\$14,800
2) Electrical energy cost	Annual	\$45,000	\$60,000
3) Tank inspection and cleaning	5 years	\$5,000	\$5,000
4) Tank stripping and repainting	25 years	\$110,000	\$110,000
5) Turbine Pumps, booster pumps and motors replacement	35 years	\$840,000	\$1,170,000
6) Replacement of valves, water meters	25 years	\$69,500	\$70,750
7) Replacement of tanks	50 years	\$500,000	\$560,000

REASONS FOR REVENUE SHARING

- U.S. v. Tucson and Alvarez v. Tucson water rights adjudications involved only SXD and San Xavier allottees' water rights.
- SAWRSA settlement water should benefit SXD and STD.
- Nation shares income from land leases, rights-of-way, mining, and gaming with host districts under the 1986 Constitution and TOLC laws.
- In 2009 Chairman Manuel and WRC asked SXD support for off-reservation SAWRSA Water recharge and promised SXD would receive saleable LTSCs
- 2009 SXD Resolution approved off-reservation SAWRSA Water recharge for Nation to get LTSCs conditioned on the successful negotiation of LTSC revenue-sharing.
- The WRC drafted a provision for the Nation's Water Code to share revenue from LTSCs with SXD and STD. SXD commented.
- WRC has refused to negotiate for over 10 years despite repeated requests.

PRESENTATION TITLE

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THANK YOU

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