



Southern Arizona Water Users Association

SAWUA Newsletter January 2020

Welcome from Our President:

With the momentum established by the successful enactment of the Lower Basin Drought Contingency Plan (LBDCP) during the 2019 legislative session, pursuing meaningful water policy in Arizona has experienced a political revival, arguably not seen since the unprecedented bipartisan approach to the Groundwater Management Act of 1980.

Southern Arizona water policy advocates witnessed this resurgence firsthand with record-breaking attendance at the annual SAWUA Water Summit in October 2019. For the past 11 years, beginning in 2008, this annual water forum has focused on water policies directly impacting Southern Arizona and attracts nationally recognized speakers as well as prominent Arizona policymakers and influencers. SAWUA would like to thank all those that attended the fall summit. We look forward to a continued dialogue on water policy in 2020.

John Kmiec, President



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Year-round Focus on the Development of Water Policy

After the completion of the LBDCP, stakeholders continued to collaborate on long-term water policy and potential legislation for the 2020 legislative session.

The Governor's Water Augmentation, Innovation, and Conservation Council continued to develop long-term strategies towards water desalination, long-term water augmentation, policies addressing Non-Active Management Area (AMA) groundwater, and to develop strategic solutions for water management challenges facing the AMAs beyond 2025.

Consistent with the statutory requirements of the Groundwater Management Act of 1980, the Arizona Department of Water Resources hosted workgroups for the 4th and 5th Management Plan.

Among the most notable private-sector venues was the Vetting Forum 4 Water discussions, coordinated by the Arizona Municipal Water Users Association and the Agri-Business Council, which focused on discussions for the 2020 legislative session. This forum benefitted from sustained participation by policymakers who engaged in public discussions on their respective water policy legislative priorities, thereby providing water policy stakeholders and elected officials with the opportunity to work through policy and implementation challenges well in advance of the 2020 legislative session. The roundtable discussion also created a mechanism for water policy professionals to outline their own water policy perspectives, thus creating a greater awareness for policymakers on matters impacting water resource concerns throughout the state.

This process generated discussions revolving around six legislative proposals regarding the: General Stream Adjudication Process; Direct Distribution of Water Bank Credits for Recovery; Water Efficiency Plumbing Standards; the Water Quality Assurance Revolving Fund (WQARF); and best land management practices relating to the removal of hazardous vegetation, often referred to as waterlogging.

SAWUA Water Policy Priorities for 2020

Each year, the SAWUA Board of Directors adopts policy priorities to guide the association throughout the legislative session. These policy priorities are to assist legislators from Southern Arizona in understanding what water policies are most important to the region. For the 2020 legislative session, the association adopted the following priorities:

■ Dedicated Funding for Arizona Water Quality Assurance Revolving Fund



The State of Arizona was given primacy by the United States Environmental Protection Agency (EPA) to establish a state superfund program for study and remediation of groundwater contamination at sites not involving Federal lands or facilities. The Water Quality Assurance Revolving Fund (WQARF) program was created in state statute to seek funding from responsible parties for the remediation activities needed to remove contaminants from impacted groundwater sites. Some of these sites have been orphaned by owners who, for a number of reasons, no longer have an ownership interest in the property. Too many sites rely on the Arizona Department of Environmental Quality (ADEQ) fee-based funding that is also used by other state agencies to accomplish their specific remediation responsibilities.

SAWUA desires to have dedicated funding from the state budget for the WQARF program. Several of the sites in the state that are currently being remediated utilize dispersed fee-based funds to maintain the remediation systems operations. From year-to-year, these funds can fluctuate based on other ADEQ priorities. As they detect new constituents in these contaminant plumes, the costs for treatment will most likely rise and require stable funding streams to remediate groundwater.

■ Extend the AMA Management Plans beyond 2025

The 1980 Arizona Groundwater Act provided a clear framework for groundwater management through 2025. Currently, there is no statutory guidance regarding the goals and objectives after 2025.

From a historical perspective, the legislation created five AMAs where they identified heavy reliance on groundwater. For the Phoenix, Prescott and Tucson AMAs, the statutory management goal is to attain safe-yield of a groundwater basin or aquifer system by 2025 which is the amount of water withdrawn from the aquifer without producing an undesired effect. It is critical to understand that Tucson AMA has already achieved safe-yield with the current goal to maintain the safe-yield status.



Furthermore, to assist with the goals of the AMAs, there are statutory requirements for a series of five management plans to be in place until 2025 for each AMA. Recognizing the AMAs are currently on the fourth management plan, with the fifth management plan still pending, there is more work to be done beyond 2025.

The AMAs management plans provide crucial guidelines for AMA providers to use good water resource management strategies to minimize the impacts to groundwater by municipal demands. Without the continuance of the management plans, providers may return solely to groundwater pumping, which is more cost-effective than renewable resources, like the Central Arizona Project (CAP) and recycled water to meet demands.

■ Accomplish the Arizona Water Banking Authority reform as proposed by the 2017 Governor's Plenary Group



In 2017, the Governor's Plenary Group proposed some changes to the use of the 4-Cent Tax for the Arizona Water Banking Authority (AWBA). These changes would clarify A.R.S. § 48-3715.03 to provide unexpended 4-cent tax funds not applied to the Central Arizona Water Conservation District (CAWCD), an administrative agency designated in 1971 to oversee repayment to the federal government for the construction of the Central Arizona Project (CAP), to the AWBA upon the request of the Chair of the AWBA.

This change to the statute would allow the recovery of AWBA's long-term storage credits in the most sustainable, cost-effective way. The state's proposed changes would:

- Authorize the AWBA to distribute long-term storage credits developed with 4-cent tax funds directly to firmed entities without distributing the credits to CAWCD.
- Authorize the AWBA to lease water for Municipal and Industrial (M&I) and On-River firming obligations.
- Authorize the AWBA to exchange long-term storage credits accrued with 4-cent tax monies and withdrawal fees for credits stored in another location.

■ Implementation of the AWBA Recovery Plan

Since the 1980's, the Arizona Water Banking Authority (AWBA) has been storing water underground to firm future Municipal and Industrial (M&I) water supplies during shortages. It will eventually be necessary to physically recover these storage credits to firm up M&I Central Arizona Project (CAP) allocations.



In Southern Arizona, firming water has been stored where existing or soon to be recovery infrastructure is in place. These facilities are owned and operated by providers that will be eligible for firming with AWBA credits. It remains uncertain how firming credits will be allocated to individual CAP allottees in their respective AMAs during a shortage.

The Arizona Department of Water Resources' Recovery Planning Advisory Group (RPAG) has recommended developing equitable distribution strategies and the potential costs associated with recovery. A final plan will make recommendations for Arizona State leadership that will include changes to statutes, administrative rules and policies.

■ Emerging Contaminants of Concern

The EPA has enforced drinking water standards for decades. Standards have been reviewed, added to and adjusted over these years. However, there continue to be water quality incidents that occur putting water supplies in jeopardy. One category of constituents known as Synthetic Organic Compounds (SOC) is increasingly being detected in water supplies across the nation.

Two of these SOCs are of concern for Southern Arizona water providers and customers: polyfluoro-alkyl substances (PFAS) and 1,4-Dioxane contaminants. These compounds require various treatment techniques and financial investments. The EPA has not been able to move as fast as advancements in detection technologies for these chemicals, prompting some states to recommend Health Advisory Levels (HAL). To customers, HALs are indistinguishable from Maximum Contaminant Levels (MCL); however, Arizona and other states do not recognize HALs as needing to be remediated or providing capital costs for treatment in established on-going state superfund remediation projects. The State treats HALs as unregulated compounds and Arizona laws restrict state-funded remediation to EPA regulated compounds.



Arizona needs clarification from the Federal government regarding regulated and unregulated compounds that are generating increasing concerns from the public. At issue is opening funding opportunities to assist with the mitigation of unregulated compounds expected to be regulated in the future. At present, some utilities do not have the funding capacity to accomplish advanced treatment which jeopardizes their ability to remediate even the regulated compounds in many contaminant plumes.

■ Renegotiation of the 2007 Guidelines for Operation of Lake Powell and Mead on the Colorado River

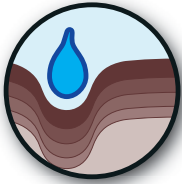
To achieve the balance of our aquifers, Southern Arizona relies on renewable water transported and delivered through the Central Arizona Project (CAP). This supply, pumped from the Colorado River, has offset groundwater pumping in large areas reversing the impacts of past over-pumping of groundwater. Between now and 2026, the seven basin states, 10-Tribes partnership and the US Bureau of Reclamation will be negotiating how the Colorado River will be apportioned and operated in the future. Twenty years of drought, deeper than historic megadroughts, have put the Colorado River System in danger of not supplying the water that has been allocated by the 1922 Colorado River Compact, which divided the river basin into an upper and lower basin.



Southern Arizona and the CAP system are the junior rights on the Colorado River. For a sustainable future, groundwater pumping cannot replace our present priority position for access to renewable supplies through the CAP canal. To provide reliable supplies of water to customers and have a sustainable economy, the future distribution of the Colorado River should protect current municipal and Indian priorities in Arizona.

■ Extend Remediated Groundwater Waiver Beyond 2025

As the current remediated groundwater waiver program will sunset in 2025, the existence of a possible sunset serves as a disincentive for a water utility's continued operation and investment in existing groundwater remediation systems.



The existing groundwater treatment systems have yet to completely remediate the Water Quality Assurance Revolving Fund (WQARF)/Superfund identified contaminant plumes. Moreover, complete remediation could take decades longer, extending beyond 2025. Additionally, existing treatment systems are preventing the migration of the contaminant plumes into downgradient well fields. Without an extension of the waiver, it may be less expensive for water utilities to pump groundwater from wells that are more efficient and economical to operate, thereby increasing the likelihood of groundwater contaminant plumes spreading if remediation ceases. The association acknowledges that a higher priority in the 2020 Legislative Session is obtaining a stable funding stream to operate the WQARF prior to pursuing an extension to the remediated groundwater waiver.

■ Support the proposed WaterSense revision to Arizona's Plumbing Code

The Arizona plumbing code fixture requirements under A.R.S. § 45-312 lists fixtures and their respective water conservation limits based on the 1996 Uniform Mechanical Code, the national plumbing code at the time of enactment. In contrast, the most up-to-date plumbing code utilizes the WaterSense designation of fixtures. The WaterSense designation reduces the allowable flow limits of household fixtures (ex. Toilet 1.28 gallons per flush or less) to promote water conservation in modern households.

As a result of California and Texas both adopting these standards, it is difficult to find older flow rate fixtures at local and big-box home improvement stores. That said, homebuilders, with access to larger wholesale inventories, can order large numbers of fixtures for an entire subdivision that reflects the older 1996 plumbing code legally in Arizona. Most fixture rebate programs offered by local water providers all require the WaterSense level of flow conservation. It would be easier for customers to comply with these rebate limits if older code fixtures were not offered in Arizona. Changes will require an amendment to A.R.S. § 45-312 updating the plumbing code to WaterSense standards.



SAWUA Board Members

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Brian Wong, BKW Farms – *Secretary*

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SAWUA Appreciates Arizona Water Professionals!

For the second year, AZWater will honor the hard work of professionals in the water industry during Arizona Water Professionals Appreciation Week, April 12-18, 2020. The week coincides with the AZ Water Annual Conference April 13-16 in Phoenix. Please stop by the Water Resources Committee table in the conference lobby to receive your free commemorative lapel pin.

A special recognition ceremony will kick off the week on April 13, 2020, at 4 p.m. in the Rose Garden of the State Capitol. All water professionals are invited to attend! Organizations that employ water professionals are encouraged to celebrate their staff and organize events during Arizona Water Professionals Appreciation week. Demonstrate your support and register your event at arizonawaterprofessionals.com and use #AZWaterProfessionals on social media.

