

RESOLUTION OF THE CENTRAL ARIZONA WATER CONSERVATION DISTRICT
BOARD OF DIRECTORS
CAGRDR Water Supply Program Principles
December 2, 2021

WHEREAS, the Central Arizona Water Conservation District ("CAWCD") acting under its authority as the Central Arizona Groundwater Replenishment District ("CAGRDR") is required by law to replenish groundwater on behalf of its members; and

WHEREAS, the CAWCD may not deny or restrict membership in the CAGRDR and is therefore required to acquire various water supplies, as specified by law, to meet the replenishment obligations placed on the CAGRDR by its members; and

WHEREAS, the CAWCD Board of Directors in each Strategic Plan since 2010 has directed the CAGRDR staff to pursue the acquisition of water supplies as outlined in the CAGRDR Plan of Operation, which was approved by the Arizona Department of Water Resources; and

WHEREAS, in response to the CAWCD Board direction the CAGRDR staff has developed a Water Supply Program that identifies various types of potentially available water supplies including effluent, Long-Term Storage Credits, CAP water including M&I subcontracts, leases of Indian priority water, Non-Indian Agricultural priority supplies, Colorado River water and imported groundwater; and

WHEREAS, all acquisitions of water supplies for the CAGRDR must be approved in open meetings by the CAWCD Board of Directors; and

WHEREAS, the CAGRDR has analyzed its need for long-term water supplies and regularly updates its analysis and, after considering currently available long-term water supplies, has identified near-term needs; and

WHEREAS, the CAGRDR acquisition of a balanced portfolio of various water supplies will increase overall water supply reliability under a variety of hydrologic and operational conditions and will lessen the potential impact to the area from which any single supply is acquired; and

WHEREAS, since its creation in 2010 the CAGRDR Water Supply Program has sought to develop and continues to seek a robust, diversified water supply portfolio through market-based transactions; and
WHEREAS, the CAGRDR Water Supply Program will be implemented consistent with state and federal law.

It is therefore **RESOLVED** that the CAWCD adopts the following Principles for the CAGRDR acquisition of long-term water supplies to meet its replenishment obligations:

- The CAGRDR does not have condemnation authority and will not partner with other entities to use their condemnation authority to acquire water supplies through condemnation.
- When considering agreements involving Colorado River entitlements held by irrigation districts, the CAGRDR acknowledges that the districts are the local governmental body best situated to assess any impacts to landowners and farmers within the districts and therefore, will negotiate directly with the districts.
- The CAGRDR will assert its fiduciary responsibility to its members by negotiating a fair and reasonable price for the acquisition of water supplies based on the best available information regarding the fair market value of said supplies.
- The CAGRDR will consider potential third-party impacts to the local community associated with any proposed water acquisition/transfer.
- The CAGRDR will seek to align long-term storage credit acquisitions with the locations of projected future replenishment obligations
- The CAGRDR will endeavor, when possible, to partner with member municipalities and water providers on mutually beneficial infrastructure projects to develop or further the use of renewable water supplies.
- The CAGRDR will acquire new water supplies in a manner that generally coincides with increases in the CAGRDR replenishment obligation water demand as they occur over time.
- The CAGRDR will seek to acquire a diversified, well-balanced portfolio of short and long-term water assets, including permanent wet water resources (or rights), that will ensure water supply availability under a range of hydrological and operational conditions.

I, the undersigned, as Secretary of the Central Arizona Water Conservation District, hereby certify that the foregoing is a true and correct copy of the resolutions duly adopted by the Board of Directors of the Central Arizona Water Conservation District at a meeting thereof, duly called and held on December 2, 2021, at which a quorum was present and acting throughout. I further certify that said resolutions have not been modified or revoked since their adoption and are still in full force and effect.

SIGNED THIS 2nd DAY OF DECEMBER 2021.

By: 
Alexandra M. Arboleda, Secretary