May 19, 2020

Thomas Buschatzke, Director
Arizona Department of Water Resources
1110 W. Washington Street, Suite 310
Phoenix, Arizona 85007

Re: Request for Consultation on Transfer of 4th Priority Colorado River Water Right
GSC Farm, LLC to the Town of Queen Creek

Dear Director Buschatzke,

On February 10, 2020, the Department granted GSC Farm, LLC and the Town of Queen Creek’s request for an additional ninety (90) days to review public comments, and address, respond, and attempt to resolve any concerns or claims of negative impacts.

The Department’s Substantive Policy Statement CR10 – Policy and Procedure for Transferring an Entitlement of Colorado River Water – further states that the ninety (90) day period is provided so that all parties (the transferring and receiving entities and the individuals and entities claiming negative impacts) can attempt to resolve or mitigate the claimed negative impacts of the proposed transfer. The policy clearly contemplates that the transferring and/or receiving entity will not just respond to or rebut the claimed negative impacts, but will consult with those individuals and entities claiming negative impacts in an attempt to negotiate resolution or mitigation of those impacts.

Per your letter, the ninety (90) day period began on February 10, 2020 and ended on May 10, 2020. At no time during that period did GSC Farm, LLC or the Town of Queen Creek reach out to Wellton-Mohawk Irrigation and Drainage District (the “District”) to discuss and/or try to resolve or mitigate the negative impacts expressed by the District.

Instead, on May 7, 2020, GSC Farm, LLC and the Town of Queen Creek filed with the Department its 44 page response (281 pages with exhibits), responding to and
rebutting all of the negative impacts expressed during the public comment period. In some instances, the negative impacts are addressed more broadly. In others, GSC Farm, LLC and the Town of Queen Creek more directly and specifically challenge the individuals and/or entities that raised concern of negative impacts. Throughout its entire response, there is no evidence of consultation and there are no attempts to resolve or mitigate the negative impacts raised by those that submitted public comments.

The District is one of those entities whose expressed negative impacts were more specifically addressed and challenged, yet it was not consulted with by GSC or Queen Creek, nor will it get a chance to respond to their contentions. The District’s concerns have not been addressed or mitigated, and, therefore, the potential for negative impacts to the District, and others, remains.

GSC Farm, LLC and the Town of Queen Creek ignored the Department’s direction. They were to take the ninety (90) days granted by the Department to review public comments and to reach out to and consult with any who expressed negative impacts as a result of the proposed transfer in an attempt to resolve or mitigate those negative impacts. However, to our knowledge, GSC Farm, LLC and the Town of Queen Creek failed to consult with anyone.

The District would like the record to reflect that GSC Farm, LLC and the Town of Queen Creek failed to follow the Department’s direction in its February 10th letter and failed to comply with the Department’s transfer policy, which requires consultation and negotiation with the individuals and parties expressing negative impacts. As such, GSC Farm, LLC and the Town of Queen Creek’s response to negative impacts should be weighted accordingly or disregarded.

Sincerely,

[Signature]

Elston Grubaugh
General Manager