December 14, 2018

The Honorable Douglas A. Ducey
Governor, State of Arizona
1700 West Washington Street
Phoenix, AZ 85007

The Honorable Steve Yarbrough
President, Arizona State Senate
1700 West Washington, Suite 205
Phoenix, AZ 85007

The Honorable J.D. Mesnard
Speaker, Arizona House of Representatives
1700 West Washington, Suite 223
Phoenix, AZ 85007

Dear Governor Ducey, President Yarbrough, and Speaker Mesnard:

The purpose of this letter is to fulfill the reporting requirements for the Arizona Department of Water Resources (Department) specified in Arizona Revised Statutes (A.R.S.) § 45-352(C).

Watershed Improvement Program
Pursuant to A.R.S. § 45-352(C) the Department is required to report “...on or before December 31 each year regarding the activities of the watershed improvement program during the preceding fiscal year and shall provide a copy of that report to the secretary of state.”

There have been no specific program activities of the watershed improvement program since its establishment. Related program activities are currently being undertaken through the Arizona Water
Protection Fund program (A.R.S. § 45-2101). Active Water Protection Fund projects in fiscal year 2018 included:

<table>
<thead>
<tr>
<th>Project Number</th>
<th>Project Name</th>
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<tbody>
<tr>
<td>14-182WPF</td>
<td>Arundo Eradication and Riparian Restoration of Sabino and Bear Creek, Tucson, AZ</td>
</tr>
<tr>
<td>15-186WPF</td>
<td>Phase Two Gila River Corridor Invasive Weed Control</td>
</tr>
<tr>
<td>15-187WPF</td>
<td>Upper Verde River Habitat Improvement Project</td>
</tr>
<tr>
<td>17-188WPF</td>
<td>Apache and Navajo County Focal Area Watershed Improvement Project</td>
</tr>
<tr>
<td>17-189WPF</td>
<td>Erosion Control to Stabilize Soils and Restore Historic Grasslands in the Upper Verde River Watershed</td>
</tr>
<tr>
<td>17-190WPF</td>
<td>River Restoration through Hazardous Fuels and Invasive Species Removal</td>
</tr>
<tr>
<td>17-191WPF</td>
<td>Verde River Habitat Improvement Project</td>
</tr>
<tr>
<td>17-192WPF</td>
<td>Lower Verde River Riparian Restoration Project</td>
</tr>
</tbody>
</table>

The annual report for the Arizona Water Protection Fund submitted pursuant to A.R.S. § 45-2107 contains additional details for these projects and program activities.

Please contact me with any questions regarding the information in this letter at 602-771-8528 or rteran@azwater.gov.

Sincerely,

[Signature]

Reuben Teran, Executive Director
Arizona Water Protection Fund

cc: The Honorable Michele Regan, Arizona Secretary of State
    Thomas Buschatzke, Director, Arizona Department of Water Resources
    Lynne Smith, Deputy Director, Arizona Department of Water Resources
    Scott Selin, Chief Financial Officer, Arizona Department of Water Resources
    Martin Stiles, Water Resource Specialist/Legislative Liaison, Arizona Department of Water Resources
    Sarah Bingham, Budget Analyst, Governor’s Office of Strategic Planning and Budgeting
    Micaela Larkin, Senior Fiscal Analyst, Joint Legislative Budget Committee Staff