

**Sheryl A. Sweeney**  
Direct Line: 602-440-4824  
Direct Fax: 602-257-6924  
Email: [ssweeney@rcalaw.com](mailto:ssweeney@rcalaw.com)

August 20, 2020

*Via Email [sscantlebury@azwater.gov](mailto:sscantlebury@azwater.gov)*

Ms. Sharon Scantlebury  
Docket Supervisor  
Arizona Department of Water Resources  
P. O. Box 36020  
Phoenix, Arizona 85067-6020

**Re: Proposed Management Plan for the Pinal Active Management Area for the Fourth Management Period, 2010 to 2020 (“Pinal 4MP”)**

Dear Ms. Scantlebury:

On July 14, 2020, the Arizona Department of Water Resources (“ADWR”) issued a Notice of Public Hearing on the Pinal 4MP. The Notice indicates that ADWR will accept public comment on the Pinal 4MP until 5:00 p.m., August 20, 2020. These comments are being submitted on behalf of Danrick Builders, LLC, the developers of the proposed Attesa racetrack project, south of Casa Grande.

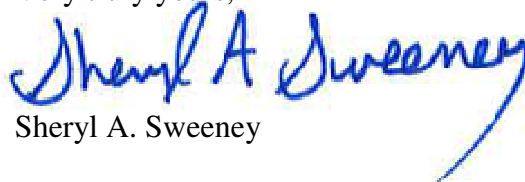
We are aware that there have been a number of detailed comments already submitted to ADWR. They appear well thought out and many of them will improve the final product. We find many of the proposals offered by Arizona Water Company (“AWC”) worthy of consideration.

We are particularly supportive of the following AWC suggestions:

- ADWR should reconsider the purchase and retirement of IGFRs as a useful tool. This is one of the actions ADWR can implement. Table 3-1 shows 648,235 AF of groundwater pumping. Assuming \$2/AF that would create a \$1.3 million revenue stream. At that rate, 130 acres could be purchased each year. By 2050, there would be nearly 3,800 acres. Times 4.5 AF/Acre, that's nearly 17,000 AFY or 1.7 MAF over 100 years. Over time, other funding sources could be used to supplement the existing \$2 provided by statute. If this program had been implemented in 1980, a great deal would have been accomplished by now.

- The AWBA has stored enough water in the Pinal AMA to cover nearly 75 years of shortages. That's probably enough insurance against shortages. Perhaps the AWBA could be provided with a new authority that would also support M&I subcontractors but related to creating physical availability of groundwater.
- Create a mechanism for developers in the Pinal AMA to purchase long-term storage credits outside the Pinal AMA in exchange for physical availability inside the Pinal AMA. For example, the new LTSC can then be used to offset existing obligations to on-River reserve. More specifically, developers could purchase LTSCs from Vidler Water Company. Those credits can then be recovered when OnRiver users call on the AWBA to make that water available. Recovery may be more affordable in locations other than Pinal. The developer is then free to develop in the Pinal AMA on CAP water stored by the AWBA and avoid the costs of direct delivery and treatment. With changes to the AWBA's authority, this same concept could apply to recovering water for Nevada.
- Allow water providers and developments for CAWS to rely on physically available groundwater for a certain number of years and only have to secure a non-groundwater supply for the unmet demand portion. This paired with number three above could make for an affordable solution.
- Remove all conditions for benefiting from incentives to use renewable supplies. For example, do not require water providers to be designated or to be enrolled in a particular conservation program.
- Modify the concept of an area of hydro logic impact for GSFs as the impact is much more ubiquitous than for a USF. Consider a buffer of some sort around the GSF generally or associated with the water planning areas of the water providers that stored water at the GSF.
- Treat annual storage and recovery at a GSF the same way as a water treatment plant for Assured Water Supply purposes.
- Provide an exemption for economic hardship from volumetric accounting requirements that would force water providers to construct parallel systems to isolate renewable water supplies to avoid comingling.

Very truly yours,



Sheryl A. Sweeney

c: Pat Johnson  
Lisa Erickson