WESTCAPS Stakeholder Analysis

Problem, Expectations, Potentially Affected Interests, Mission, Goals, & Work Plan

October 21, 1997

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Director

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Executive Summary

Purpose

The purpose of this paper is to define WESTCAPS' current view of the problem; identify WESTCAPS' expectations of the planning process; propose a mission statement and goals for WESTCAPS; and propose an overall planning process and work plan. These items are presented to the WESTCAPS General Committee for its review and approval at its meeting on November 7, 1997.

Approach

The Director met individually with each WESTCAPS participant, the ADWR, and the Bureau of Reclamation. In those meetings, each agency was asked for its perspectives with regard to what issues should be addressed in the planning process, what expectations they have of the planning process, what goals should be established, and how should we measure our progress towards meeting those goals.

The Technical Committee, in its meeting on October 10, 1997, reviewed and approved the Mission Statement, Goals, and Measurement Criteria as stated herein. The remainder of the document has been revised based on comments received from Technical Committee members and further review by the Director subsequent to the October 10 meeting.

Problem Statement

Each water provider in the west SRV conducts its own water resources planning and management without much consideration for the plans and actions of neighboring communities. The ground water aquifer and local surface water supply systems are a resource that is shared by all the communities in the west SRV. West SRV water providers must work together to protect, preserve and develop these shared resources and to respond to issues of increasing regulatory pressure; Central Arizona Project (CAP) water utilization; declining groundwater levels; groundwater quality; land subsidence; and managing costs.

The Null-Alternative

If no workable solution is implemented, the west SRV, as a whole, will not have an AWS. Growth and development in the area will become limited. As the aquifer is drawn down, the cost to pump ground water will increase, water quality will degrade, land subsidence problems will worsen, and the area will not have enough supply to meet demand.

Municipal Perspective

In the short-term, the cities' main concern is to keep up with growth and development by expanding their facilities to meet water demands in the near future and to offset the loss of well production due to water quality considerations. Those cities currently using renewable resources also see a need to develop additional well capacity to meet demands during drought conditions. Small cities and towns have the additional concern of not having a large enough rate base to support major capital improvements needed to utilize their CAP allocations.

Private Water Company Perspective

Private water companies cannot afford to put their CAP water supply to direct use. Like small cities and towns, their rate base is too small to support the cost of wheeling and treating CAP water. In addition, the Arizona Corporation Commission (ACC) will not allow private water companies to recover the capital cost for CAP water until the CAP supply is "in use and useful". This position taken by the ACC makes it difficult, economically, for private water companies to retain their CAP allocations.

Arizona State Land Department (ASLD) Perspective

The ASLD wants WESTCAPS members to keep their AWS designation, as that affects the marketability of state lands. In addition, ASLD has not been able to put all of its water supplies to use due to the difficulty in obtaining funding through the state's General Fund.

Expectations

Process Based Expectations

All WESTCAPS members want to see the planning process move as quickly as possible. Many would like to see significant progress in evaluating water resource management options within the next two years.

Outcome Based Expectations

In the short-term (5 to 10 year time frame), WESTCAPS members see simpler approaches to water management, such as exchanges, recharge, Central Arizona Groundwater Replenishment District (CAGRD), and interconnections between water systems.

In the long-term (10 to 50 year time frame), WESTCAPS members see the potential for a larger scale approach to financing, managing, treating, storing, and distributing water resources in the west SRV, such as regional water treatment and distribution facilities.

Proposed Mission Statement

Considering the problem that WESTCAPS was formed to address, and the stated expectations of its membership, the following mission statement is proposed:

> *WESTCAPS is a coalition of CAP subcontractors who individually serve drinking water to communities in the west SRV. It is WESTCAPS' mission to develop workable alternatives for providing its members with a quality, cost effective, sustainable and reliable water supply through partnerships and cooperative efforts in regional water resource planning and management.*

Proposed Goals

The primary goal of the planning effort is to increase the use of CAP water by west SRV entities possessing municipal and industrial subcontracts. In addition to this goal, WESTCAPS membership expressed desired outcomes for both the planning

process and what the process produces. Considering those desired outcomes, the following goals are proposed:

Process Goals

- Develop a plan that each WESTCAPS member can support
- Develop a common base of understanding of the issues and options
- Develop a mission statement and define the tenets for members involvement

Outcome Goals

- Protect, preserve, and enhance CAP allocations
- Maximize use of renewable resources available to the west SRV (surface water, reclaimed water, ground water from natural recharge)
- Understand and influence water policy in the state related to water and wastewater management in the west SRV (ADEQ, ADWR, CAWCD, and the ACC)
- Develop a long-term, sustainable regional water resource management, infrastructure, and implementation strategy

Measurement Criteria

The following measurement criteria are recommended for measuring our progress towards meeting the goals:

- Number of members who have been provided with workable solutions for addressing their water resources needs
- The degree to which renewable water supplies are increased
- The degree to which the use of existing CAP allocations are maximized
- The fairness of cost allocation
- The level of public acceptance

Potentially Affected Interests

Potentially Affected Interests (PAIs) are those interests who will be directly and indirectly affected by the project and those who want or need to be involved. It will be necessary to develop buy-in to the planning process and its outcomes from those interests.

WESTCAPS should approach these interests in the following manner.

Decision-makers

It is proposed that these interests be involved in the planning process to the extent practical and communicated to on a frequent basis. Support should be actively solicited and encouraged. Interests that fall into this category are:

- WESTCAPS Mayors, Councils, Boards, and Staff

Advisors

WESTCAPS will need the support of the regulatory community in order to successfully implement any proposed solution. These interests should be actively involved in the planning process in an advisory capacity. They are:

- ADEQ
- ADWR
- ACC

WESTCAPS will need the cooperation and support of water purveyors in the west SRV to evaluate and implement any proposed solutions that would involve them. These interests should be actively involved in the planning process in an advisory capacity. They are:

- CAWCD
- Maricopa Water District
- Buckeye Irrigation District
- Roosevelt Irrigation District
- Salt River Project
- CAGRD
- Maricopa County Flood Control District
- Arizona Water Bank

WESTCAPS will need the support from interests who can offer sound technical advice and assist WESTCAPS in ensuring that its approach is consistent with other regional plans and can be implemented. These interests should be actively involved in the planning process in an advisory capacity. They are:

- Bureau of Reclamation
- Corp. of Engineers
- Arizona Municipal Water Users Association
- Maricopa Association of Governments

Currently Uninvolved West SRV Water Providers

Certain interests involved in water resource management in the west SRV currently are not participating in WESTCAPS planning process. The support of these interests could be important to successfully implementing a regional water resource management strategy. These interests should be actively encouraged to join WESTCAPS. If they are unable to join WESTCAPS, they should be encouraged to attend WESTCAPS meetings and communicated to at key points in the planning process. They are:

- City of Avondale
- City of El Mirage
- City of Litchfield Park
- City of Tolleson
- Luke Air Force Base
- Gila River Indian Community (GRIC)

Partners In Communication To The Public

These interests should be partnered with to communicate to and receive comment from the public at key points in the planning process. They are:

- Agua Fria - New River NRCD
- WESTMARC

Planning Process

The attached process diagram illustrates the major program elements described in the proposed Work Plan. It is understood that the work plan is a general guideline and may be revised as we work through the planning process.

It was originally conceived that the planning process would take 4 to 5 years to complete. This timeline has been considerably shortened so WESTCAPS will have a clear understanding of its options and potential regional solutions within 2 years.

The timeline assumes that:

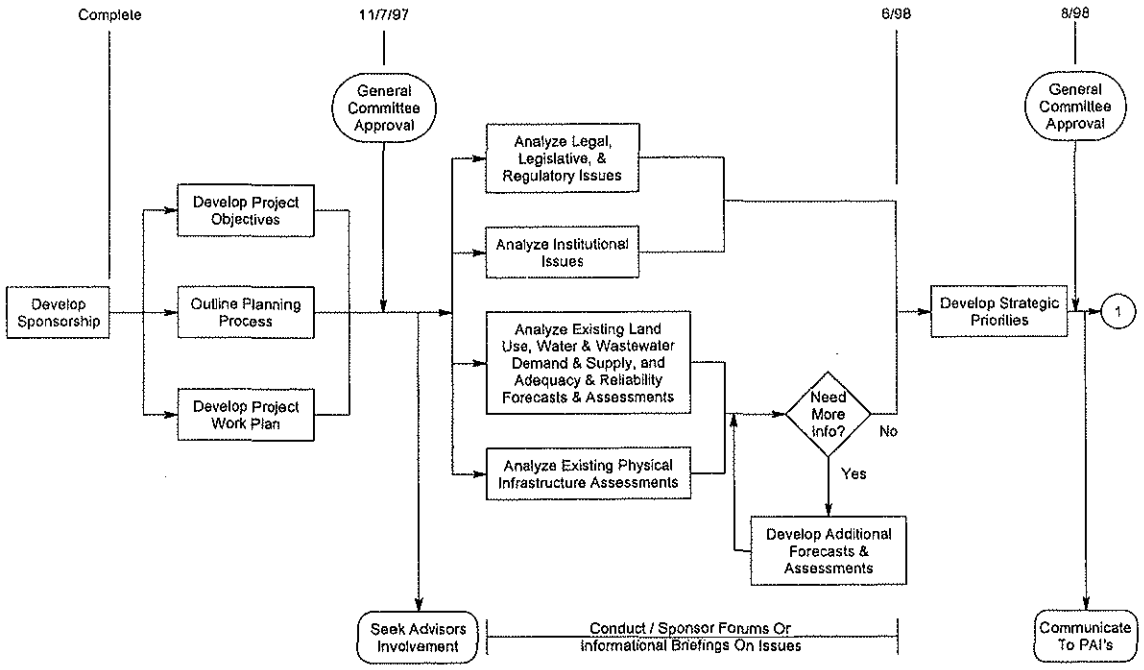
- WESTCAPS will use existing information and databases to the extent practicable
- There will not be significant database development
- WESTCAPS agency staff and advisors can dedicate time to perform work identified in the work plan

Future Action

Upon General Committee approval of the Mission Statement, Goals, Measurement Criteria, Potentially Affected Interests, and Work Plan, I recommend we take the following actions:

- Approach advisors and solicit their involvement in the planning process
- Communicate to decision makers the project status
- Approach other water providers in the west SRV and the GRICs and extend an invitation to participate
- Work with the Agua Fria - New River NRCD and WESTMARC to develop public information forums
- Identify specific resources to perform tasks in the work plan and commence with the Strategic Research

WESTCAPS PLANNING PROCESS
FIRST YEAR



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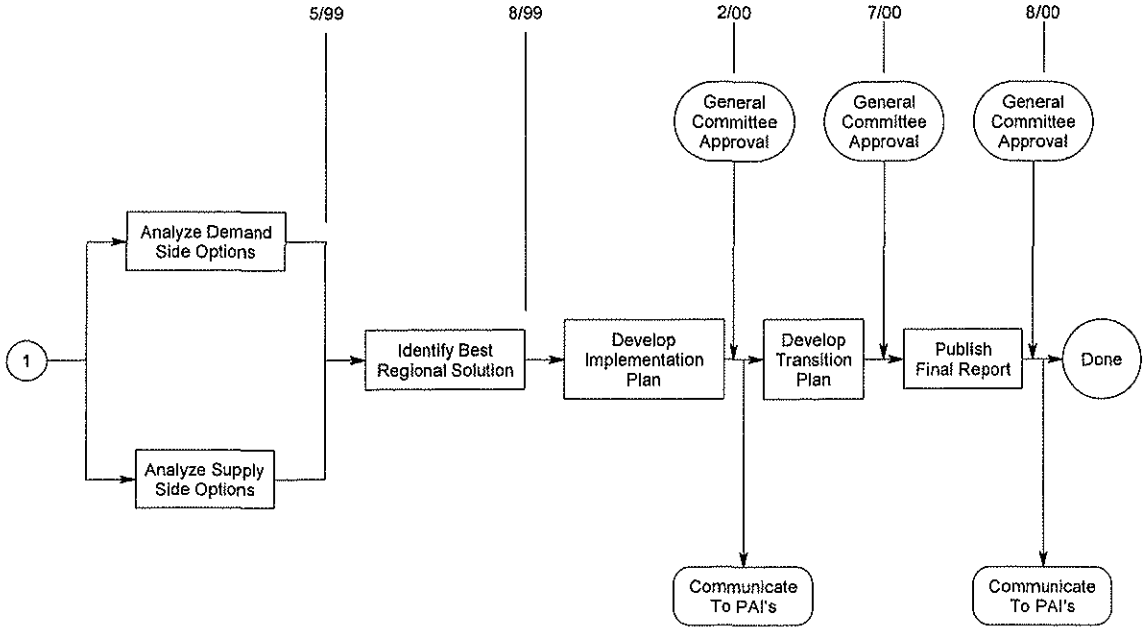

Background

Purpose

The purpose of this paper is to define WESTCAPS' current view of the problem it is addressing; identify the expectations of WESTCAPS of the planning process; propose a mission statement and goals for WESTCAPS; and propose an overall planning process and work plan. These items are presented to the WESTCAPS General Committee for its review and approval at its meeting on November 7, 1997.

Approach

The Director met individually with each WESTCAPS participant, ADWR, and the Bureau of Reclamation. In those meetings, each agency was asked for its perspectives with regard to what issues should be addressed in the planning process, what expectations they have of the planning process, what goals should be established, and how should we measure our progress towards meeting those goals.

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The Null-Alternative

The Null-Alternative is that sequence of events that will most likely take place if no workable solution is implemented. For the west SRV, the Null-Alternative is:

> *If no workable solution is implemented, the west SRV, as a whole, will not have an AWS. Growth and development in the area will become limited. As the aquifer is drawn down, the cost to pump groundwater will increase, water quality will degrade, land subsidence problems will worsen, and the area will not have enough supply to meet demand.*

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All WESTCAPS members want to see the planning process move as quickly as possible. Many would like to see significant progress in evaluating water resource management options within the next two years.

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In the long-term (10 to 50 year time frame), WESTCAPS members see the potential for a larger scale approach to financing, managing, treating, storing, and distributing water resources in the west SRV, such as regional water treatment and distribution facilities.

Proposed Mission Statement

A mission statement will guide decision making throughout the planning process and address four questions. They are:

- What is the purpose of WESTCAPS?
- For whom does WESTCAPS perform its function?
- How does WESTCAPS perform this function?
- Why does WESTCAPS exist?

Considering the problem that WESTCAPS was formed to address and the stated expectations of its membership, the following mission statement is proposed:

> *WESTCAPS is a coalition of CAP subcontractors who individually serve drinking water to communities in the west SRV. It is WESTCAPS mission to develop workable alternatives for providing its members with a quality, cost effective, sustainable and reliable water supply through partnerships and*

cooperative efforts in regional water resource planning and management.

Each WESTCAPS member shares the vision that, through partnerships and cooperative efforts in water resources management, the quality of life in the west SRV will be secured and enhanced.

Proposed Goals

The primary goal of the planning effort is to increase the use of CAP water by west SRV entities possessing municipal and industrial subcontracts. In addition to this goal, WESTCAPS membership expressed desired outcomes for both the planning process and what the process produces. Considering those desired outcomes, the following goals for the planning process are proposed:

Process Goals

- Develop a plan that each WESTCAPS member can support
- Develop a common base of understanding of the issues and options
- Develop a mission statement and define the tenets for members involvement

Outcome Goals

- Protect, preserve, and enhance CAP allocations
- Maximize use of renewable resources available to the west SRV (surface water, reclaimed water, ground water from natural recharge)
- Understand and influence water policy in the state related to water and wastewater management in the west SRV (ADEQ, ADWR, CAWCD, and the ACC)
- Develop a long-term, sustainable regional water resource management, infrastructure, and implementation strategy

Measurement Criteria

What yardstick will we use to measure our progress towards meeting these goals? The following measurement criteria are recommended:

- Number of members who have been provided with workable solutions for addressing their water resources needs
- The degree to which renewable water supplies are increased
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- The fairness of cost allocation
- The level of public acceptance

Potentially Affected Interests

Potentially Affected Interests (PAIs) are those interests who will be directly and indirectly affected by the project and those who want or need to be involved.

Interests That Will Be Directly Or Indirectly Affected

It will be necessary to develop buy-in to the planning process and its outcomes from those interests that will be directly and indirectly affected by the project. These interests fall into the following categories:

Those Who Will Ultimately Decide If A Recommendation Will Be Implemented

It is proposed that these interests be involved in the planning process to the extent practical and communicated to on a frequent basis. Support should be actively solicited and encouraged. Interests that fall into this category are:

- WESTCAPS Mayors, Councils, Boards, and Staff

Those Who Regulate and/or Set Water Policy

WESTCAPS will need the support of the regulatory community in order to successfully implement any proposed solution. These interests should be actively involved in the planning process in an advisory capacity. They are:

- ADEQ
- ADWR
- ACC

Those Who Provide Water And Infrastructure In The West SRV

WESTCAPS will need the cooperation and support of water purveyors in the west SRV to evaluate and implement any proposed solutions that involve utilization of their resources or infrastructure. These interests should be actively involved in the planning process in an advisory capacity. They are:

- CAWCD
- Maricopa Water District
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Those Who May Be Part Of The Solution and/or Part Of The Problem

Certain interests involved in water resource management in the west SRV currently are not participating in WESTCAPS planning process. The support of these interests could be important to successfully implementing a regional water resource management strategy. These interests should be actively encouraged to join WESTCAPS. If they are unable to join WESTCAPS, they should be encouraged to attend WESTCAPS meetings and communicated to at key points in the planning process. They are:

- City of Avondale
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Those Who Want To Be Involved

Those Who Bring Technical Expertise

WESTCAPS will need the support from interests who can offer sound technical advice and assist WESTCAPS in ensuring that its approach is consistent with other regional plans and can be implemented. These interests should be actively involved in the planning process in an advisory capacity. They are:

- Bureau of Reclamation
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Those Who Can Assist In Communicating To The Public

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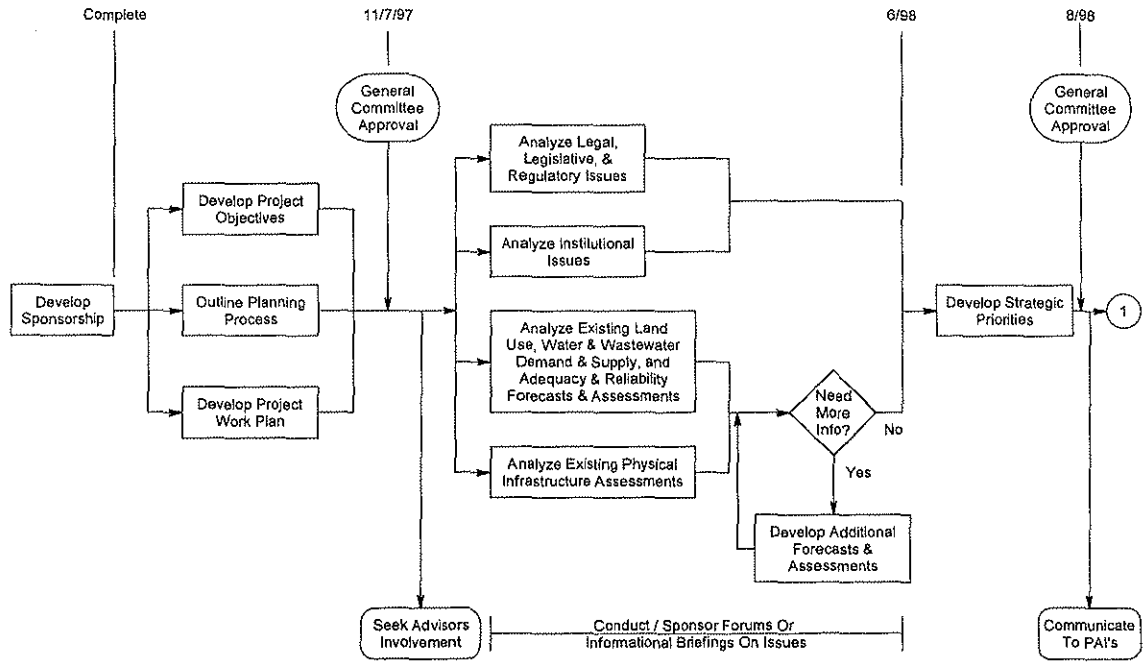

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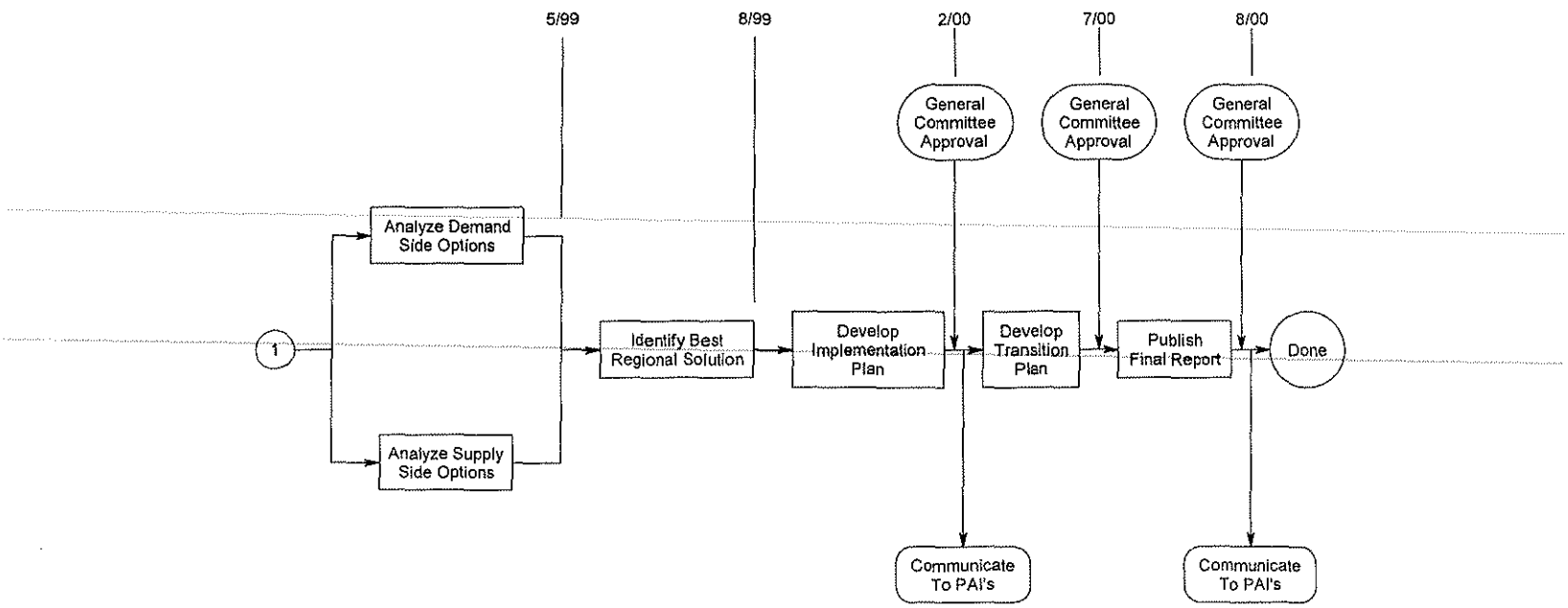

Proposed Work Plan

Terms

For each program element of the work plan, there is a designated lead and identified resources. The lead and resources make up a work group that will prepare a report for the review and approval of the Technical and General Committees of WESTCAPS.

Lead - Is responsible to see that the work identified in the program element is accomplished to the satisfaction of the Technical and General Committees, and to develop a report that represents the majority view of the work group.

Resources - Resources are members in a work group that will work together to address a program element as described in the work plan.

The project work plan is as follows:

I. Project Initiation and Partnering

Project initiation and partnering will consist of meetings among designated representatives from the West Valley CAP subcontractors and advisors to:

- develop and maintain a full and clear understanding of the planning process;
- establish key contacts and protocol;
- define the respective roles of the entities involved;
- decide on specific work products and their completion schedule;
- resolve issues as they arise; and
- ensure open lines of communications.

The partnering process is expected to continue throughout the entire project. Project Initiation and Partnering consists of the following program elements:

A. Develop Sponsorship

Lead: WESTCAPS Due: Complete

Resources:

1. Form the General Committee
2. Identify the lead agency

3. Develop Scope of Work for project
4. Establish project funding
5. Negotiate agreements with USBR & ADWR
6. Retain a water resources director
7. Retain office space

B. Create Project Objectives

Lead: Director Due: 11/7/97
Resources: Technical Committee

1. Identify needs and expectations of stake-holders
2. Identify desired outcomes of the planning process
3. Identify measurement criteria for judging project success

C. ***Outline the Planning Process***

Lead: Director Due: 11/7/97
Resources: Technical Committee

D. ***Develop Project Work Plan***

Lead: Director Due: 11/7/97
Resources: Technical Committee

1. Define specific work tasks to be performed
2. Define the required resources
3. Define deliverables and schedules

II. Strategic Research

The intent of Strategic Research is to describe the current situation facing west SRV water providers, potential future outcomes, and summarize the key strategic issues. Strategic research will help develop a common understanding between WESTCAPS members of where things stand for each member and the region as a whole. Its deliverables will be: (1) a common basis for understanding, (2) identification of key strategic issues, and (3) development of strategic priorities. Strategic research will address the following questions:

- What are the major issues and trends facing west SRV water providers?
- What are the likely implications?
- How does the WESTCAPS membership stack up in light of future challenges?
- Where should WESTCAPS focus its efforts to best accomplish its goals and utilize its CAP allocations?

The Strategic research will be conducted through a comprehensive review of existing documents and records, and discussions with key contacts. Models and databases will be developed as necessary. The Strategic Research consists of the following program elements:

A. Analyze the legal, legislative, and regulatory issues - What are the legal, legislative, and regulatory factors that influence water resource management in the west SRV?
Lead: WESTCAPS Member/Director Due: 6/1/98

1. Groundwater Management Act (1980)
   Resources: ADWR, BOR, Technical Committee

   a) Pump rights
   b) Storage and Recovery Act (Revised 1994)
   c) Annual Storage and Recovery
   d) Water exchanges
   e) Third Management Plan rule-making
   f) Impaired ground water
   g) Assured Water Supply Rules
      (1) Through membership in CAGRD
      (2) Based on renewable supply
      (3) Based on renewable supply and CAGRD
      (4) Based on membership in SROG
      (5) Certificates of AWS obtained by developers

2. Rules Regulating Allocation, Distribution, and Use of CAP
   Resources: ADWR, AZ Water Bank, BOR, CAWCD, CAGRD

   a) Colorado River issues
   b) CAP and DOI litigation
   c) Adjudication of water rights
   d) ADWR policies governing CAP water use
   e) CAP subcontracts, policies, pricing & strategies
   f) CAP water reallocation process
   g) CAP water leasing
   h) Arizona Water Bank

3. Rules Regulating Allocation, Distribution and Use of SRP
   Resources: SRP

   a) Kent Decree
   b) 1929 and 1948 Pump Rights
   c) SRP/CAP Interconnection
   d) GRUSP
   e) Water Transportation Agreement
   f) Water Delivery and Use Agreement
   g) Water Treatment Plant Siting Guidelines

4. Environmental Regulation
   Resources: ADEQ, ADWR, BOR, MAG

   a) Clean Water Act
   b) Safe Drinking Water Act
   c) National Environmental Policy Act
   d) Environmental Quality Act of Arizona
   e) MAG 208 Water Quality Planning

5. Rules Regulating Effluent Reuse
   Resources: ADEQ, ADWR, MAG, Technical Committee

   a) ADWR accounting
   b) Water and reclaimed water exchanges
   c) Requirements for direct use, potable and non-potable
   d) Requirements for indirect use - recharge, lakes and streams

6. Arizona Corporation Commission Positions & Policies
   Resources: ACC, Private Water Companies

   a) ACC views of the state's water management goals
   b) "In use and useful" before cost recovery
   c) No pricing structure to encourage water conservation

B. ***Analyze institutional issues*** - What are the institutional issues that must be considered in order to find an equitable regional solution for WESTCAPS members? Identify and discuss water management policies, decision-making

processes, funding mechanisms, and associated timelines for each type of agency represented in WESTCAPS.
Lead: Director Due: 6/1/98
Resources: Technical Committee

1. Municipalities
2. Private Water Companies
3. State Land Department

C. ***Analyze land use and population forecasts and community expectations*** - What is each member's projection for land use development and population growth? What are the communities' expectations for CAP utilization in the west SRV?
Lead: WESTCAPS Member / Director Due: 6/1/98
Resources: ADWR, AMWUA, BOR, MAG, SRP, Technical Committee

1. Review existing literature and models that provide land use and population forecasts; determine if the existing information can be used in this study effort or if new forecasts should be developed.

   a) Existing water resource master plans
   b) AWS designation applications
   c) Municipal General Plans
   d) MAG population projections
   e) SRP land use model
   f) AMWUA Regional Water Resource Plan
   g) Other studies and reports

2. If necessary, develop additional land use and population forecasts

D. ***Analyze water and wastewater supply and demand and assess adequacy and reliability of supplies*** - Based on population forecasts, what is the demand under low, expected, and high demand scenarios?
Lead: WESTCAPS Member/Director Due: 6/1/98
Resources: ADWR, AMWUA, BOR, MAG, SRP, Technical Committee

1. Review existing literature and models that provide water and wastewater demand and supply forecasts; determine if the existing information can be used in this study effort or if new forecasts should be developed.

a) Existing water resource master plans
b) AWS designation applications
c) SRP water demand model
d) AMWUA Regional Water Resource Plan
e) Other studies and reports

2. If necessary, develop water and wastewater demand projections, followed by revised supply projections

3. Assess the adequacy and reliability of supply to meet current and future demands. In addition to current water and wastewater resources, this should include planned resources. Evaluate supply and demand under the following scenarios:

a) Expected growth and demands
b) High growth and demands
c) Drought conditions
d) Other scenarios

E. ***Analyze the capability of the physical infrastructure to meet supply projections*** - What is the adequacy and reliability of these supplies to meet demands under normal and drought conditions? Also address issues such as loss of supply due to water quality considerations, geohydrologic conditions, and land subsidence.
Lead: WESTCAPS Member/Director Due: 6/1/98
Resources: AMWUA, BID, BOR, CAWCD, COE, MAG, MWD, RID, SRP, Technical Committee

1. Review existing literature, models and capital improvement plans that assess the adequacy and reliability of water and wastewater facilities to meet supply projections.

a) Existing water and wastewater resource master plans
b) AWS designation applications
c) Capital improvement plans
d) Transmission system and canal capacity studies or models
e) Other studies and reports

2. If necessary, develop additional models to assess adequacy and reliability of the water and wastewater systems

3. Assess the adequacy and reliability of the water and wastewater systems to meet current and future supply requirements. In addition to current water and wastewater resources, this should include planned resources. Evaluate adequacy and reliability under the following scenarios:

   a) Expected growth and demands
   b) High growth and demands
   c) Drought conditions
   d) Low, expected, and high supply conditions

F. ***Develop Strategic Priorities*** - Consider which key strategic issues are potentially most significant to WESTCAPS. Provide information and analysis to help in deciding what WESTCAPS should be doing to ensure its goals are met.
Lead: Director Due: 8/1/98
Resources: Technical Committee

1. Identify Key Strategic Issues - Based on the strategic research, what are all of the key strategic issues for water resource management and CAP utilization in the west SRV? Consider which key strategic issues are potentially most significant to WESTCAPS.

2. Determine the Strategic Priorities

   a) List key strategic issues narrow the list
   b) Define and analyze the "do nothing" scenario

3. Define and analyze other scenario's to determine the most critical issues

II. Evaluating Options

Evaluating options will consist of identifying, developing and evaluating practical legal, regulatory, and physical options for enhancing diversion, storage, treatment and distribution of water resources to maximize utilization of CAP. Analysis will begin at a conceptual level and progress to a feasibility analysis. Each option will be evaluated against criteria, such as:

- Availability
- Economics
- Benefit to customers
- Environmental acceptability
- Regulatory considerations
- Water rights considerations
- Technical feasibility
- Public acceptability
- Operational feasibility
- Service area
- Overall feasibility

Its deliverables will be: (1) identification of the best overall regional solution, (2) identification of changes necessary to implement the solution, (3) an implementation plan, (4) a financing strategy, and (5) a recommended institutional infrastructure to implement the plan.

A. Conduct a benefit / risk analysis of every possible demand side management option

Lead: WESTCAPS Member/Director Due: 5/1/99
Resources: AMWUA, BID, BOR, CAWCD, COE, MAG, MWD, RID, SRP, Technical Committee

Including but not limited to the following options:

1. Commercial and industrial water conservation programs
2. Residential water conservation programs
3. Landscape water conservation programs
4. Agriculture water conservation programs
5. Reduce M&I system water losses
6. Canal and lateral lining programs

B. Conduct a benefit/risk analysis of every possible supply side management option

Lead: WESTCAPS Member/Director Due: 5/1/99
Resources: AMWUA, Arizona Water Bank, BID, BOR, CAWCD, CAGRD, COE, MAG, MWD, RID, SRP, Technical Committee

Including but not limited to the following options:

1. Reclaimed water from SROG
2. Mutual Assistance Agreements with irrigation districts
3. Purchase excess CAP water and use with and without treatment
4. Direct use of CAP allocations with and without treatment
5. CAGRD
6. Purchase CAP water credits
7. Underground Storage and Recovery
8. Annual Storage and Recovery
9. Well head treatment - PAC, GAC, Ion Exchange, other
10. Refurbishing M&I wells
11. Land fallowing
12. WMC's pipeline to the future
13. Butler Valley ground water
14. McMicken Dam recharge project
15. Purchase water treatment capacity in existing plants
16. New water treatment plants
17. Expand capacity of canals
18. Continue to pump ground water
19. New wells
20. "Rio Salado" type projects
21. Lease CAP or Colorado River water
22. Long-term water exchanges with large water users
23. Impaired waters (ground water, surface water)

C. ***Analyze, rank and prioritize each management option and identify the set of options that best addresses the strategic priorities***
Lead: WESTCAPS Member/Director Due: 8/1/99
Resources: Technical Committee

D. ***Develop a plan for implementing the proposed options***, including timing of proposed capital improvements and financing mechanisms
Lead: WESTCAPS Member/Director Due: 2/1/00
Resources: Technical Committee

E. ***Develop a transition strategy*** for completing this planning exercise and project management of the implementation plan
Lead: Director Due: 7/1/00
Resources: Technical Committee

F. ***Publish a final report and seek public input***

Lead: Director Due: 8/1/00

Resources: Technical Committee

Arizona State Land Department

What are the problems or issues that you want to address through this planning process?

An objective of the Arizona State Land Department (ASLD) is to generate revenue for the State Trust beneficiaries by promoting orderly growth and development on the properties it manages. Based on market conditions, ASLD times the selling or leasing of these properties to maximize revenues. The ASLD has such properties within the service areas of Goodyear, Peoria, and Phoenix.

The ASLD has acquired a CAP allocation of approximately 13,150 AF to promote development on these properties: 150 AF in Goodyear, 1,000 AF in Peoria, and 12,000 AF in Phoenix. The ASLD considers this resource supplemental to the city's or private water company's existing water supply and currently has not assigned this CAP water supply to any specific project. If a city or private water company were to utilize this water supply, it would have to repay ASLD for all CAP capital costs incurred to date.

In addition to a CAP allocation, ASLD has the legal ability to transport ground water from the Butler Valley. Conceptually, this water supply could be delivered to developing state lands through the CAP system.

The ASLD is interested in seeing WESTCAPS members keep their AWS designation, as that affects the marketability of state lands. In addition, ASLD has not been able to put all of its water supplies to use due to other considerations. They are:

- To carry on-going expenses of water projects, ASLD would have to secure funding through the state's General Fund. It is a difficult process to secure project funding through the General Fund.

- ASLD does not have enough CAP water supply to meet projected demands on state lands.

If nothing was done to address these issues, what would happen?

The timing for growth and development of state lands would simply be extended until such time that the market can bear the cost of developing the water infrastructure.

What are your short-term and long-term expectations for the planning process?

ASLD has no short or long term goals with respect to this project. It sees the WESTCAPS effort as potentially helping them utilize their water supplies to promote growth and development on state lands.

What goals do you believe should be set for this project?

A plan to put CAP water to use. The plan should benefit everyone at the table.

How would you suggest we measure our progress towards meeting these goals?

No measurement criteria were discussed.

Are there other stake-holders or special interest groups in your service area that you believe should be involved?

No additional stake-holders or special interest groups were identified.

What water resource planning information on your service area do you have?

ASLD has not developed a water resource plan for state lands. They use the cities' General Plans for their planning activities. Generally, ASLD considers the bottom threshold for development on state lands to be one unit per acre. ASLD sells properties for residential use and leases properties for commercial and industrial uses.

ASLD maintains the Geographical Information System (GIS) for the State. ASLD has indicated that WESTCAPS can utilize its GIS system.

Several studies have been done to assess the Butler Valley water resource. ASLD indicated that CAWCD has a copy of those studies.

What kind of support do you need from the Director?

No needs were identified.

Arizona Water Company

What are the problems or issues that you want to address through this planning process?

Arizona Water Company (AWC) owns and operates one holding in the west SRV, White Tanks. White Tanks serves 825 residential accounts. AWC projects that White Tanks will grow faster than it has over the past 20 years, but how much is unknown. The White Tanks service area is approximately 10 square miles.

White Tanks pumps groundwater from three wells to meet system demand. A new well is being considered for 1998. Groundwater flow is moving northeast towards the Luke cone of depression. AWC believes that the cone of depression has reversed the natural flow of groundwater in the area. This reversed flow may be contributing to elevated levels of nitrates in their wells by pulling reclaimed water from the Gila River (and 91st Avenue waste water treatment plant) towards their well field. The water table is going up in the area. AWC thinks that this is also contributing to water quality degradation in the area. A third contributor to water quality degradation in the area is inactive agricultural wells. The wells are perforated from top to bottom and are a conduit for contaminating the aquifer when the well is inactive. AWC believes that water quality may be the driving force for moving water providers off ground water. Water providers will elect to use CAP water when the cost to pump and treat ground water exceeds the cost to purchase and treat CAP water.

White Tanks has no immediate plans to utilize its 968 acre-foot CAP allocation. The company has enough system capacity to meet water demands, now and in the future. White Tanks relies on developers utilizing the CAGRD to support future development.

White Tanks cannot afford to put its CAP water supply to direct use. In addition, the ACC will not allow White Tanks to recover the capital cost for CAP water until the CAP supply is "in use and useful". White Tanks is currently paying CAWCD the capital charges associated with its CAP allocation even though it cannot get cost recovery. When or if White Tanks can use its CAP allocation and the ACC allows cost recovery, customers will experience rate shock because they will be paying for the cumulative expenses for retaining, purchasing, and treating the CAP water supply.

If nothing was done to address these issues, what would happen?

Growth and development in the service area would not be adversely affected. The marketplace will drive development and developers will secure an AWS through the CAGRD. Ground water quality will continue to degrade.

What are your short-term and long-term expectations for the planning process?

- Address the Luke cone of depression
- In the short-term, let development dictate our response and put CAP water to interim uses, such as recharge, until it is affordable to use directly
- In the long-term, joint use projects, like water treatment plants, to facilitate direct use of CAP
- WESTCAPS would serve as a voice on water issues with the legislature, ADWR, ACC, and CAWCD

What goals do you believe should be set for this project?

- The solution that comes out of the study should be one that each WESTCAPS member can support.
- WESTCAPS should lobby to change regulation that inhibits the use of CAP water by private water companies (i.e., golf courses)
- WESTCAPS should lobby the ACC to change its position regarding cost recovery of CAP capital charges when the supply is not "in use and useful"
- That WESTCAPS should support water regulation that would allow for temporary conjunctive use of water supplies between water providers

How would you suggest we measure our progress towards meeting these goals?

None discussed.

Are there other stake-holders or special interest groups in your service area that you believe should be involved?

Luke AFB, Maricopa Water District, and west SRV agricultural representation

What water resource planning information on your service area do you have?

AWC has a five year capital improvement plan for the water systems it manages.

What kind of support do you need from the Director?

No needs were identified.

Town of Buckeye

What are the problems or issues that you want to address through this planning process?

The Town of Buckeye service area is approximately 500 square miles and is largely undeveloped. Buckeye's population is approximately 5,000 and is expected to increase to 12,000 in the next 3 to 4 years. A new prison will be built near Buckeye that will create 1,500 to 2,000 new jobs. Commercial and industrial development is expected to occur along I-10 and along the railroad tracks in Buckeye. I-85 is being improved which is expected to promote more growth and development for the Town.

The Town of Buckeye is one of several water providers for the Town. Valencia Water Company and other private interests service part of the Town. Buckeye has plans to expand its public works to service new development as the Town grows. The Town pumps ground water to meet system demands using 4 wells. Additional water resources must be developed by the Town to support its anticipated growth.

Groundwater from each well is purified by an EDR water treatment plant. The groundwater in the Buckeye area is high in TDS, nitrates, and fluoride. The Town is considering a plan to develop a well field in the Hassempya River Basin, south of I-10, east of the river. This groundwater resource is significantly better in quality than the groundwater currently utilized by the Town. In addition, the Town plans to buy some Type 2 water rights to supplement its current water supply.

The Town of Buckeye has a CAP allocation of 432 AF. Currently the Town has no way to directly use its CAP allocation and could not afford to build its own CAP water treatment and distribution system.

In addition to water quality issues, the southern portion of Buckeye must be dewatered to support agriculture. Buckeye Irrigation District pumps 13 wells south of the Town to dewater the area.

If nothing was done to address these issues, what would happen?

Growth and development of the Town would be limited.

What are your short-term and long-term expectations for the planning process?

- Expects that it will take 4 to 5 years to conduct the planning process and attain consensus between the participants
- In the short-term, exchanges and recharge of CAP
- In the long-term, regional water infrastructure development and cost sharing
- Possibly increase the Town's CAP allocation

What goals do you believe should be set for this project?

- Protect and preserve CAP allocations
- A regional approach to water resource infrastructure development
- The plan should benefit everyone at the table

How would you suggest we measure our progress towards meeting these goals?

No measurement criteria were discussed.

Are there other stakeholders or special interest groups in your service area that you believe should be involved?

- Mayor and Council to develop buy-in to the planning process and the plan
- GRICs

What water resource planning information on your service area do you have?

The Town of Buckeye currently has consultants developing a water master plan. The plan should be drafted up in the near future and the Town is willing to share it with WESTCAPS.

What kind of support do you need from the Director?

Support in finding ways to utilize the Town's CAP allocation.

Citizens Utilities Company

What are the problems or issues that you want to address through this planning process?

Citizens Utilities Company (Citizens) owns and operates three holdings in the west SRV: Agua Fria Division, Sun City Water Company, and Sun City West Utilities Company. The three companies combined serve an 85.7 square mile service area and 50,000 accounts. Approximately 2,300 new accounts are added each year. In addition, Citizens currently operates and maintains the water transmission and distribution system for the City of Surprise, a system of approximately 300 accounts growing at a rate of 25 new accounts per month.

Citizens pumps approximately 24,000 AF of groundwater annually to meet system demand. Groundwater quality is very good. However, water levels in the Sun City area have dropped as much as 300 feet since 1900 and, if groundwater is not supplemented with surface water, water levels could drop as much as 300 feet in the next 25 to 30 years.

Currently Citizens is not using its 17,274 acre-foot CAP allocation. Citizens currently cannot afford to put its CAP water supply to direct use. In addition, the ACC will not allow Citizens to recover the capital cost for CAP water until the CAP supply is put to use. Citizens is currently paying CAWCD the capital charges associated with its CAP allocation even though it cannot get cost recovery. When or if Citizens can use its CAP allocation and the ACC allows cost recovery, customers will be paying for the cumulative expenses for retaining, purchasing, and treating the CAP water supply.

Citizens does not have sufficient water supplies to meet projected water demands in its service area. Additional supplies may be needed to meet demands in currently unplanned service areas.

If nothing was done to address these issues, what would happen?

Lower water levels could lead to a number of problems, such as:

- Land subsidence decreases the storage capacity of the aquifer and causes damage to infrastructure, like roads, pipelines, and buildings
- Earth fissures can lead to ground water contamination as well as damage to infrastructure, like roads, pipelines, and buildings
- Increased pumping costs
- Decreased water quality
- Loss of well production capability

What are your short-term and long-term expectations for the planning process?

- In the short-term get everyone set up in GSF projects
- Major infrastructure master plan for the west SRV that focuses on the long-term
- Get people working together
- The solution must have physical benefit to Citizens service area
- Address the Luke cone of depression
- Some areas will physically stay on groundwater and exchange their CAP allocation in order to do so
- A postage stamp rate should be considered for funding any projects that WESTCAPS may propose
- Possibly create a savings account today (AMWUA model) to store funds for future water resource projects

What goals do you believe should be set for this project?

- Get people working together for a regional solution
- The solution must have a physical benefit in Citizens service area
- Work together for a long-term solution (25 years)
- WESTCAPS should lobby the ACC to change its position regarding cost recovery of CAP capital charges

How would you suggest we measure our progress towards meeting these goals?

None discussed.

Are there other stake-holders or special interest groups in your service area that you believe should be involved?

Maricopa Water District should be actively involved in the study process since their canal system will be an integral part of any west valley regional solution.

What water resource planning information on your service area do you have?

Citizens has a Water Resources Planning Study and CAP Water Use Feasibility Report for its service area.

What kind of support do you need from the Director?

Testify at the ACC.

City of Glendale

What are the problems or issues that you want to address through this planning process?

The City of Glendale currently serves a population of approximately 185,000. Population projection for Glendale's water service area at build-out is 250,000. Population projections through the year 2005 reflect an annual growth of between 4,000 to 6,000.

Glendale uses water from the SRP, CAP, and groundwater to meet its demand. The City has demonstrated to ADWR (in its AWS Designation application) that it has sufficient renewable water supplies to fully accommodate the anticipated urbanization of its current water service area. In addition to SRP water allocations, the City has 14,183 AF of CAP water, 5,496 AF of Colorado River water associated with the SRPMIC Indian water settlement, water rights from Modified Roosevelt Dam, and other water supply credits. The City is in the process of designing and building its second water reclamation facility with direct use and underground storage and recovery (US&R) capabilities.

In the short-term, the City's main concern is to complete its expansions of its two surface water treatment plants, expansion of its Arrowhead Water Reclamation Facility, and construction of its West Area Reclamation Facility. For droughts, the City foresees a need to develop an additional well capacity of 6 to 8 mgd. The City will attempt to minimize the use of its groundwater during normal water supply years, conserving its groundwater supply for droughts. The City is willing to consider future expansions of its Pyramid Peak WTP to allow West Valley water providers to process and use their CAP supplies. The City may be open to the possibility of functioning as a treater and wheeler of CAP water for other communities.

From a regional perspective, each water provider/supplier has been undertaking their own (individual) water resources planning/plan. There is a need for water suppliers and providers in the West Valley to work together to address the issues of CAP use, aquifer management (declining groundwater levels threatening AWS physical availability and groundwater quality), land subsidence, possible water distribution infrastructure interconnections, and drought management. Glendale believes that groundwater quality problems will likely cause (in the future) water providers to process

groundwater through water treatment facilities (instead of well head treatment). The City also believes that ADWR will place increasing regulatory pressure on water providers to recover stored water credits in areas where groundwater levels are not declining (> the average valley-wide rate) or in the hydrological impact area in which the water was initially stored.

If nothing was done to address these issues, what would happen?

If communities in the west SRV do not reduce their reliance on groundwater, the region will not have an AWS. Growth and development in the west SRV will be limited. As the aquifer is drawn down, the cost to pump groundwater will increase, water quality will degrade, and land subsidence related problems will worsen. The ability of water agencies to serve the public during droughts will be diminished.

What are your short-term and long-term expectations for the planning process?

The City of Glendale feels that a 4 to 5 year planning effort is realistic; however, it agrees that the planning process should move as quickly as possible.

In the short-term, the City sees the west SRV utilizing water management strategies such as: exchanges, CAGRD, etc. In the long-term, the City sees the need for regional water treatment and distribution capability.

What goals do you believe should be set for this project?

- To get everyone educated on the problem that must be solved
- To get consensus on solutions to the problem
- Look at the regional picture
- Emphasize the long-term sustainability of the solutions

How would you suggest we measure our progress towards meeting these goals?

None discussed.

Are there other stake-holders or special interest groups in your service area that you believe should be involved?

No other stake-holders were identified. The City agreed that only those that can directly contribute to the planning effort should be directly involved. Communications with the public and political sector should be managed at key points in the planning process.

What water resource planning information on your service area do you have?

The City of Glendale has a somewhat dated water resource plan that it is willing to share. The City's application for an AWS contains the most up to date supply and demand analysis. In addition, the City recommends utilizing water studies and reports prepared by the Arizona Municipal Water Users Association (AMWUA).

What kind of support do you need from the Director?

No needs were identified.

City of Goodyear

What are the problems or issues that you want to address through this planning process?

Three years ago, the City of Goodyear had a population of 9,000. Today the population is 15,000. At this rate of growth, the City of Goodyear could see a population of 20,000 within the next three years. Such growth will tax the City's currently available water supplies.

The City of Goodyear currently relies on groundwater to meet demands. The City estimates that it has approximately 5,000 AF per year of good quality groundwater. The remaining groundwater is too poor in quality to use as a potable supply without treatment. Currently, there are no water resources to support the Estrella Mountain Park Ranch and there is approximately 10,000 acres of vacant state lands within Goodyear's service area. The City estimates that it can continue supporting growth utilizing its groundwater supplies until the year 2000. After that time, the City will need to use its CAP allocation to support growth until 2005. The City will have to secure additional water resources to support growth and development after the year 2005. At build out, the City's CAP allocation would address 3,381 AF of the City's projected 160,000 AF annual demand.

In addition to planning for expected growth and development, the City is managing several other issues related to its water resources. First, those areas of the City service area along the Gila River are waterlogged and the groundwater is high in TDS, making it unsuitable for direct potable use. Second, groundwater around the Phoenix/Goodyear Airport has been contaminated with TCE from past industrial practices. Most of Goodyear's available groundwater is unsuitable for direct potable consumption due to high TDS. Most of the high quality groundwater comes from along the Agua Fria river in the northern reaches of the service area south of I-10. Third, the cost to develop additional supplies is cost prohibitive. Through economies of scale from a regional approach to resolving water resource issues in the west SRV, Goodyear expects its water management options will become more affordable.

If nothing was done to address these issues, what would happen?

Growth and development in the City of Goodyear would be limited.

What are your short-term and long-term expectations for the planning process?

The sooner we get going the better. In the short-term, the City sees simpler approaches to water management, such as exchanges and some infrastructure development. In the long-term, the City sees the potential for a larger scale approach to financing, managing, treating, storing, and distributing water resources in the west SRV.

What goals do you believe should be set for this project?

- The City believes that WESTCAPS needs to develop a mission statement and define the tenets for members' involvement.
- Focus on enhancing quality of life through managed development. Determine the real cost for development and have development pay for itself.
- Look at the regional picture. Is there a better way to deliver, treat, and recharge water?
- Determine how would these resources and infrastructure be managed? Special District? Southwest SRV Mayors are having an active discussion of regional approaches.

How would you suggest we measure our progress towards meeting these goals?

- Maximize current CAP allocations
- Maximize direct and indirect use of CAP water
- Maximize use of existing information
- Maximize efficient use of financial resources
- Create public acceptance through use of CAP water

Are there other stake-holders or special interest groups in your service area that you believe should be involved?

Involvement of the Gilas should be explored. Advisors, mayors & councils, and water providers in the west SRV should be involved.

The sooner we get going the better in communicating to the mayors and councils -- marketing and sharing. Regarding other stake-holders that have an interest but do not bring resources or support to the project, communicate out at key points in the planning process.

What water resource planning information on your service area do you have?

The City of Goodyear has a Water Plan that will be before the Council in the next month or two. Basically, the plan is to continue utilizing groundwater and acquire more CAP water and bring it to the City for direct use. For example, possibly use the Beardsley Canal.

SROG's NPDES permit will be up soon, will be looking at the potential for recharge of reclaimed water.

The City of Goodyear is interested in developing a "Rio Salado" type project in the Agua Fria.

What kind of support do you need from the Director?

Validation and support of the City's current water planning efforts would be helpful.

Litchfield Park Water Service Company

What are the problems or issues that you want to address through this planning process?

Litchfield Park Water Service Company (LPSCo) is owned by Suncor. LPSCo serves a population of approximately 7,000 (or 2,914 accounts) residing in the communities of Litchfield Park, Goodyear, and Avondale. LPSCo projects a growth rate of 350 to 375 customers per year.

LPSCo relies on high quality groundwater to meet system demands and currently has no plans to utilize its 5,580 acre-foot CAP allocation. The company has enough system capacity to meet water demands, now and in the future. LPSCo relies on the CAGRD to maintain its AWS certification All future development must go through the CAGRD to secure additional water supplies. LPSCo is operating under a draft consent order with ADWR to meet its conservation requirements. LPSCo is concerned that pumping by the City of Avondale may adversely affect their pumping.

LPSCo cannot afford to put its CAP water supply to direct use. In addition, the ACC will not allow LPSCo to recover the capital cost for CAP water until the CAP supply is "in use and useful". As a result, LPSCo is currently not paying CAWCD the capital charges associated with its CAP allocation. There is no incentive for LPSCo to begin using its CAP allocation today.

If nothing was done to address these issues, what would happen?

Growth and development in the service area would not be adversely affected. The marketplace will drive development and developers will secure an AWS through the CAGRD.

What are your short-term and long-term expectations for the planning process?

LPSCo believes that the planning process should be shortened to a one year process, two years at the most. Many of the issues that the west SRV has to address could be resolved, one way or the

other, within the 4 to 5 year time frame for the planning study. LPSCo believes that there is a regional benefit to utilizing CAP water in the west SRV to mitigate the Luke cone of depression and support growth and development in other west SRV communities.

What goals do you believe should be set for this project?

Need to put CAP water to interim uses, such as recharge, until it is affordable to use directly. Recharge should occur as high up in the basin as possible and placed where it is most needed. The solution that comes out of the study should be one that each WESTCAPS member can support.

How would you suggest we measure our progress towards meeting these goals?

None discussed.

Are there other stake-holders or special interest groups in your service area that you believe should be involved?

Litchfield Park City Council; WESCOR will initially work with them.

What water resource planning information on your service area do you have?

LPSCo has a water supply master plan and is included in the City of Goodyear's water master planning process.

What kind of support do you need from the Director?

No needs were identified.

City of Peoria

What are the problems or issues that you want to address through this planning process?

The City of Peoria currently serves approximately 25,000 service connections and averages around 1,800 new connections each year.

Currently, Peoria is 100% reliant on groundwater to meet system demands. The City has an estimated annual SRP water entitlement, in normal runoff years, of 43,700 AF and a CAP allocation of 18,709 AF. Peoria's goal is to minimize its use of groundwater and increase its reliance on renewable resources to meet future demands. The City plans to build water treatment works so its surface water supply can be directly used and is participating in the expansion of Glendale's Pyramid Peak Water Treatment Plant. Peoria is a member of the CAGRD and SRP's Groundwater Savings Facility. The City has demonstrated to ADWR in its AWS Designation application that it has sufficient renewable water supplies to meet projected demands in its current water service area. However, additional renewable water supplies are needed to support growth and development in areas not currently served by the City.

If nothing was done to address these issues, what would happen?

Growth and development will be limited. As the aquifer is drawn down, the cost to pump groundwater will increase, water quality will degrade, and land subsidence related problems will begin to occur or worsen.

What are your short-term and long-term expectations for the planning process?

The City would like to see the planning process move as quickly as possible.

In the short-term, the City expects to see exchanges, recharge and use of the CAGRD. In the long-term, the City sees the need for

additional surface water supplies and a surface water treatment plant.

What goals do you believe should be set for this project?

- Increase utilization of CAP water and decrease groundwater reliance
- Obtain additional surface water resources to support future growth and development

How would you suggest we measure our progress towards meeting these goals?

- Actually seeing more CAP water used in the west SRV
- Actual projects, such as recharge and a regional water treatment plant, implemented

Are there other stake-holders or special interest groups in your service area that you believe should be involved?

No new stake-holders, other than those already identified by WESTCAPS. The City agreed that only those that can directly contribute to the planning effort should be directly involved. Communications with the public and political sector should be managed at key points in the planning process.

What water resource planning information on your service area do you have?

The City of Peoria has a water master plan and its application for AWS.

What kind of support do you need from the Director?

As the planning process progresses, assistance in informing staff and council and in selling the final product.

City of Phoenix

What are the problems or issues that you want to address through this planning process?

The City of Phoenix currently serves a population of approximately 1,088,000 in a 567 square mile water planning area. Population projections for Phoenix's water service area by the year 2045 is 1,930,700.

Phoenix uses water from the SRP, CAP, reclaimed water, and ground water to meet its demand. The City has demonstrated to ADWR that it has sufficient renewable water supplies to support projected growth and development of its water service area. In addition to SRP water allocations, the City has an 113,882 AF CAP water allocation, 5,000 AF of Colorado River water associated with the SRPMIC Indian water settlement, a right to lease an additional 3,023 AF per year of CAP water from the SRPMIC, water rights from Modified Roosevelt Dam, and other water supply agreements.

The City of Phoenix has plans in place to address the water supply needs of its service area in the west SRV. It is currently acquiring the property to site a water treatment plant near Lake Pleasant. The plant will be designed to service the City's water demands in the north and northwest SRV.

The City's main interest in becoming involved in the WESTCAPS effort is to be a partner in exploring how to put CAP water supplies to use in the west SRV, and in supporting regional water planning and interagency coordination.

If nothing was done to address these issues, what would happen?

The City of Phoenix has plans in place to develop its water supplies to support projected growth and development of its water service area. No major issues or consequences were identified.

What are your short-term and long-term expectations for the planning process?

The City of Phoenix feels that it probably will not take 4 to 5 years to complete the planning process. The City believes that the plan should address the overall water resource picture in the west SRV over the next 50 years.

In the short-term, the City sees the west SRV utilizing water management strategies such as: exchanges, recharge, CAGRD, etc.

What goals do you believe should be set for this project?

- Maximize renewable resources available to the west SRV (surface water, reclaimed water, groundwater from natural recharge)
- Develop a plan that each WESTCAPS member can support
- Regional aquifer management, water treatment and distribution facilities
- Understand and influence water policy in the state as it relates to west SRV (ADWR and CAWCD)
- Maximize the use of reclaimed water

How would you suggest we measure our progress towards meeting these goals?

None discussed.

Are there other stake-holders or special interest groups in your service area that you believe should be involved?

No other stake-holders were identified. The City does believe that the planning effort should have public participation to help develop buy-in. The City does believe it is a good idea to explore the interest of the GRIC in becoming involved in the planning process.

What water resource planning information on your service area do you have?

The City of Phoenix has a water resource plan that was completed in 1995, which it is willing to share.

What kind of support do you need from the Director?

No needs were identified.

Sunrise and West End Water Companies

What are the problems or issues that you want to address through this planning process?

Sunrise Water Company

The Sunrise Water Company serves a 4 square mile service area and 700 accounts. Recently, Sunrise has seen a growth rate of approximately 100 accounts annually.

Sunrise relies on high quality groundwater to meet system demands and currently has no immediate plans to utilize its 944 acre-foot CAP allocation. The company has two wells with a combined production capability of 422 gpm. Depth to groundwater is approximately 500 feet. One or two more wells may be needed to meet future water demands. Sunrise relies on the CAGRD to maintain its AWS certification All future development must go through the CAGRD to secure additional water supplies. Sunrise currently is not operating under a draft consent order with ADWR to meet conservation requirements.

Sunrise cannot afford to put its CAP water supply to direct use. In addition, the ACC will not allow Sunrise to recover the capital cost for CAP water until the CAP supply is "in use and useful". As a result, Sunrise is currently not paying CAWCD the capital charges associated with its CAP allocation. Sunrise Water Company is interested in looking at using CAP water in the future if circumstances permit buying treated water from Peoria or Glendale from the Pyramid Peak plant.

West End Water Company

West End Water Company serves groundwater from two wells to about 250 accounts in the community of Wittmann, northwest of Phoenix. The infrastructure is old and the company operates under an ACC moratorium limiting new customer hookups to replacement of active customers who leave the system, The rates are inadequate to make needed improvements, but for the customers at their socio-economic levels, the rate may be regarded as high.

West End Water Company has a CAP allocation of 157 AF, but no viable way to use it.

If nothing was done to address these issues, what would happen?

Growth and development in the service area would not be adversely affected. The marketplace will drive development and developers will secure an AWS through the CAGRD.

What are your short-term and long-term expectations for the planning process?

To reach a comfort level regarding a decision to use or transfer CAP allocation (to be able to recover M & I charges from rate payers or to get out from under the carrying costs altogether), yet still operate and expand the water company.

Sunrise needs help evaluating realistic alternatives regarding CAP allocation, recharge, transfer, and viable ways to purchase treated CAP water.

The City of Peoria is putting in a 12 inch main on 83rd Avenue up to Terramar to supply a one million gallon tank. When the Pyramid Peak Water Treatment Plant comes on line, the direction of flow in the main will be reversed to carry water south. Sunrise would like to have a turn-out installed in the new main that could allow Sunrise to take its CAP allocation through Pyramid Peak.

What goals do you believe should be set for this project?

- Maximize benefits to all WESTCAPS members
- Economically viable to all participants
- Legally prudent
- Supports the participants expectations for growth and development

How would you suggest we measure our progress towards meeting these goals?

None discussed.

Are there other stake-holders or special interest groups in your service area that you believe should be involved?

- New River Water Company - Bob Fletcher
- Rose Valley Water Company - Gray Brasher
- Maricopa County Flood Control District - Stan Smith or Greg Radzenko
- Corp. of Engineers - Cindy Lester
- State Historical Preservation Organization (SHIPO) - Carol Hedington

What water resource planning information on your service area do you have?

A water study was done in 1995 and needs to be updated. All the Sunrise CC&N is within the planning area of the City of Peoria although only about half of the CC&N is presently within city limits.

What kind of support do you need from the Director?

Keep members apprised through meetings and faxes. If something like a generic hearing at the ACC on M & I fee recovery should ever be set up, the Director would be the best witness on our behalf.

City of Surprise

What are the problems or issues that you want to address through this planning process?

The City of Surprise service area is 60 to 75 square miles and undergoing significant development. Approximately 44,000 homes are under development now. Most of the development is occurring within the "Golden Triangle" bounded by Bell Road, Grand Avenue, and McMicken Dam. This area is considered by the ADWR to have an AWS and is served primarily by Citizens Utilities Company. One square mile of the Golden Triangle is served by the Town of El Mirage.

Last year the City of Surprise assumed the status of a water provider for an area not served by Citizens or El Mirage. The City contracted with Citizens to operate the system; however, the City supplies the water resources, except in short-term situations. The City has a plan for meeting its water resource needs outside the Golden Triangle that includes interconnection's with Citizens Utilities Company, wastewater recharge, and recharge of CAP water behind McMicken Dam. The interconnections are in place. The wastewater recharge facility will be in operation in October 1997, with a capacity of 3,500 AF per year. The City expects that recharge from this facility will ensure that the City will maintain its AWS designation for properties currently under development. The City has a CAP allocation of 7,373 AF per year and is looking for partners in the McMicken Dam project to make it economically viable.

If nothing was done to address these issues, what would happen?

If the City cannot find partners for recharge behind McMicken Dam, it will have to find some other mechanism to utilize its CAP allocation. Otherwise, growth and development outside the Golden Triangle would be limited.

What are your short-term and long-term expectations for the planning process?

The City expects to see substantial progress in the planning effort within two years. They do not see this project as a 4 to 5 year planning process.

The plan should focus on those changes that need to be implemented over the next 5 to 10 years.

Referring to the planning process flowchart, the City felt that "Analysis of Legal, Legislative, and Regulatory Issues and Trends" and "Analysis of Institutional Issues and Trends" could be eliminated from Data Gathering and Compilation.

What goals do you believe should be set for this project?

A plan to put CAP water to use. The plan should benefit everyone at the table.

How would you suggest we measure our progress towards meeting these goals?

No measurement criteria were discussed.

Are there other stakeholders or special interest groups in your service area that you believe should be involved?

The City will take responsibility for communicating to its constituency. It recommends only involving those parties that can take an active part in putting CAP water to use in western Maricopa County. The City does not believe that the community in general should be involved (like the Sun City homeowner associations, WESTMARC, or the Northwest Valley Water Resources Advisory Board) until a plan has been developed.

What water resource planning information on your service area do you have?

The City provided a copy of its service area map, development projections for 1997-1998, and MAG population projections. It is estimated that the MAG population projections should be escalated

by 25-35% to provide a more representative picture of growth in the city and to reflect peak population.

There is no written water resource plan for the City; however, the City definitely has a plan for addressing its water resource needs.

Under an augmentation grant from ADWR, the City has completed two phases of feasibility study on the McMicken Dam recharge project. The next phase is a pilot recharge facility during which time the City will deliver and recharge a total of 10,000 AF to the site.

What kind of support do you need from the Director?

No needs were identified.

West Maricopa Combine

What are the problems or issues that you want to address through this planning process?

To cooperatively plan with surrounding water providers:

- To make use of our CAP water allocations.
- To provide good quality water, within the parameters of the Safe Drinking Water Act.
- To access additional groundwater resources underlying the west valley.
- To avoid the high cost of treating locally available groundwater.
- To avoid the high cost of transporting and treating CAP water.

West Maricopa Combine (WMC) owns and operates 3 water companies in the west SRV – Water Utility of Greater Tonopah, Inc., Water Utility of Greater Buckeye, Inc., and Valencia Water Company, Inc. – servicing a total of 1,000 customers within 77 square miles of certificated area and 177 square miles of franchise area. Growth is projected at 5%. It is anticipated that the assured water supply requirements will be met through the CAGRD and that wet water needs will be met with our CAP allocation of 107 AF which will have to be expanded by some future means because high TDS levels in the area make the groundwater of marginal long term value unless expensive treatment is added..

Because of the large certificated area that will require substantial supply as well as water quality problems in future subdivisions, WMC has developed a water project, which it calls the "Pipeline to the Future". The project involves taking CAP water (or any other water which the CAWCD is willing to transport) at a turnout near the point where the CAP aqueduct crosses the Hassayampa River, recharging the CAP water in a managed recharge facility located in the Hassayampa River, and then recovering the recharged CAP via seven wells located approximately 12 miles downstream. The wells would pump into a 42 inch pipeline having the capacity to deliver 25,000 AF by gravity and 37,500 AF under pressure per year to communities located in the west SRV. Once credited to a long term storage account, the storer can recover from existing service area wells. For some water providers, the well field and

pipeline will not be necessary. However, for those with localized water quality problems, well impact issues or long term water quality problems, the well field allows the participants to minimize the need to drill additional wells around preexisting wells, makes high quality groundwater available (which does not need expensive treatment) for direct use or for blending with local water sources and provides accesses to portions of the west SRV well beyond the provider's service area.

WMC has applied for a managed recharge facility permit to allow storage of up to 25,000 AF of CAP water in the Hassayampa River annually. It has developed conceptual engineering plans and construction costs for the well field and pipeline. Those participating in the pipeline will have priority access to the recharge facility. Based upon current estimates and assuming full utilization of the pipeline 350 days a per year, WMC projects the cost for recovering and transporting CAP water through the pipeline to be $325 per AF. In order for the Pipeline to the Future to be economically viable, WMC will need significant participation from others in the West SRV with CAP allocations.

If nothing was done to address these issues, what would happen?

If the Pipeline to the Future is not completed, then customers served by WMC subsidiaries would remain totally dependent upon local groundwater supplies. WMC would be forced to abandon its CAP allocation. Water quality problems and/or the costs associated with solving them would significantly inhibit development of the Company's certificated area. Other water providers who are potential participants in the Pipeline to the Future would be faced with similar scenarios.

What are your short-term and long-term expectations for the planning process?

WMC's goal is to execute contracts with interested water providers next year and have the pipeline operational by January, 2000. The project must be done in the next couple of years. Afterwards, it may become too costly because of the anticipated growth on the westside.

What goals do you believe should be set for this project?

Since the west Phoenix metropolitan area only has the CAP water as an alternative source, the study should suggest the need to put CAP water to use. The study must match supply and demand, regardless of the cost because this study is to recommend long term solutions and what may appear costly today could be reasonable tomorrow. All sources of water and especially quality water need to be assessed so that the study participants can combine a number of alternatives to achieve their long-term dependable water supplies and/or Assured Water Supplies at the most advantageous cost. A combination of alternatives will also provide a more reliable supply as compared to becoming dependent on one source.

How would you suggest we measure our progress towards meeting these goals?

The progress of the study can be measured by the number of participants who have been provided with workable solutions for their long-term dependable water supplies and /or Assured Water Supplies. The study could be considered complete when all participants have agreed that their requirements for their long term dependable water supplies and/or AWS have been satisfied or they have an alternative or alternatives with reasonable costs to follow depending on how the future unfolds such as the location and speed of their future growth.

Are there other stake-holders or special interest groups in your service area that you believe should be involved?

We feel that communities such as Buckeye, Goodyear, Avondale, Litchfield Park, Tolleson, and west Phoenix should benefit from our proposed "Pipeline to the Future" as well as the Arizona Water Bank and the CAGRD because the Pipeline will be able to deliver quality wet water directly to their water distribution centers. Other participants in the study may be interested in the recharge aspect of the Pipeline to the Future because they will be able to "park" a portion of their CAP allocation until they need it delivered or until they make arrangements with another entity to use it or acquire the allocation for possible credits.

What water resource planning information on your service area do you have?

Engineering and hydrological studies related to the pipeline project are available upon request.

What kind of support do you need form the Director?

If the Director would make sure that our "Pipeline to the Future" is presented clearly as a partial solution to some of the participants' future wet water and possibly AWS requirements, the Director could minimize any potential competitive situations that could possibly arise between the participants. Our project is to be considered along with a number of other sources for any water provider and not as the only solution.

Arizona Department of Water Resources

What are the problems or issues that you want to address through this planning process?

The west SRV is experiencing significant urban growth. Groundwater is the primary water supply of this area. ADWR has conducted studies in the past that have indicated that groundwater in the west SRV area is being depleted. ADWR has provided WESTCAPS with a grant through its Augmentation Fund Grant program to assess how WESTCAPS members can reduce their reliance on groundwater through increased utilization of CAP water.

Water resource management issues that ADWR would like to see addressed in this planning effort are:

- Use of CAP water on golf courses that currently use groundwater, like those in the Sun City area
- Identify the best sites in the west SRV to recharge CAP water
- How to get growth areas designated for an AWS, rather than utilizing the CAGRD to obtain certificates for new developments
- How to get reclaimed water or CAP water used by industry
- Long-term lease of Indian water supplies

If nothing was done to address these issues, what would happen?

The west SRV groundwater supplies would be depleted.

What are your short-term and long-term expectations for the planning process?

In the short-term, ADWR sees increased use of exchanges and recharge in the west SRV. In the long-term, ADWR would like to see water treatment and direct use of CAP water supplies.

What goals do you believe should be set for this project?

- Protect and preserve CAP allocations

- Achieve a safe yield water use condition (in = out)

How would you suggest we measure our progress towards meeting these goals?

No measurement criteria were discussed.

Are there other stake-holders or special interest groups in your service area that you believe should be involved?

ADWR recommended including the Arizona State Water Bank and the Indian community.

ADWR also indicated that WESTCAPS might want to consider involving PORA, a Sun City homeowners association. PORA has received at $25,000 grant from ADWR's augmentation grant program to study CAP water use on golf courses. No action has been taken to date regarding the grant.

What water resource planning information on your service area do you have?

Not applicable.

What kind of support do you need from the Director?

No needs were identified.

Bureau Of Reclamation

What are the problems or issues that you want to address through this planning process?

The west SRV is experiencing significant urban growth. Groundwater is the primary water supply of this area. Development of potential water supplies is required to sustain this area.

The Bureau of Reclamation (BOR) received federal funding to conduct a west SRV Water Management Study. Funding for Fiscal Year 1997 is $200,000. The stated purpose of BOR's study is: to assist west SRV water users and providers in identifying alternatives for utilization of their CAP water supplies in conjunction with existing groundwater supplies and other surface water supplies, including wastewater reclamation and reuse. Insofar as there is common ground in BOR's study efforts and WESTCAPS' study efforts, the two have agreed to work together.

Water resource management issues that BOR would like to see addressed in this joint planning effort are:

- Water supply: groundwater, surface water, waste water, and impaired water
- Water quality: treatment and reuse of contaminated or poor quality water
- Institutions and systems (including infrastructure): construction, operation and maintenance, financial and administration
- Environment, cultural, and recreation
- Indian: addressing water treatment and distribution needs of the tribes

If nothing was done to address these issues, what would happen?

Growth and development in the west SRV would be limited.

What are your short-term and long-term expectations for the planning process?

BOR's goals for the study effort are:

- Water supply development
- Water conservation: recycling and reuse, conservation plans (including drought management)
- Environmental protection: riverine environment, wetland preservation, and protecting endangered species
- Water quality and public health
- Recreation facilities and programs
- Bringing competing interests together

What goals do you believe should be set for this project?

Identifying alternatives for water resource management of the different water sources and infrastructure development in the west SRV. Implementation of a regional water management system and the construction of regional infrastructure system could be the final result of the program.

How would you suggest we measure our progress towards meeting these goals?

No measurement criteria were discussed.

Are there other stake-holders or special interest groups in your service area that you believe should be involved?

BOR suggested including the tribes in the planning process. The Gila River Indian Reservation is located in the west SRV. Incorporating their water resource needs into the planning process will also provide WESTCAPS with other potential federal funding mechanisms for financing water projects. Other entities involved with tribal issues are: BOR's Native American Affairs Office, Bureau of Indian Affairs, and the Indian Health Service.

In addition to the Gilas, BOR suggested involving the following:

- Corp. of Engineers (COE): They may be an additional resource for assessing options

- Both the state and AMA levels at ADWR
- National Resources Conservation Service
- National Park Service
- Arizona Rural Water Association
- University of Arizona

What water resource planning information on your service area do you have?

Not applicable.

What kind of support do you need from the Director?

No needs were identified.