



IN REPLY REFER TO:
PXA0-3000
1.3.11

United States Department of the Interior

BUREAU OF RECLAMATION
Phoenix Area Office
6150 West Thunderbird Road
Glendale, AZ 85306-4001



VIA ELECTRONIC MAIL ONLY

Subject: Solicitation of Offers to Purchase Long-Term Storage Credits (LTSC)

Dear Interested Party:

The United States Bureau of Reclamation is currently recharging effluent in the Lower Santa Cruz River Managed Underground Storage Project, Arizona Department of Water Resources, Managed Underground Storage Facility Permit No. 73-591928.0500, and has developed LTSC within the Tucson Active Management Area in accordance with Arizona State law.

Reclamation is seeking offers to purchase up to a total of 30,000 acre-feet of these LTSC in 2025. Sales to multiple parties, including small sales, up to the total amount of credits will be considered. Consideration will be given to sales that can be completed efficiently. At this time, Reclamation is not seeking offers to enter into a long-term credit sale arrangement.

Reclamation will consider offers subject to the following conditions:

1. Recovery of the LTSC will be the sole responsibility of the purchaser and Reclamation shall have no obligation or responsibility to assist in recovery.
2. The applicant must agree that recovery of the LTSC will be in compliance with Arizona State law, including A.R.S. § 45-834.01, and the Intergovernmental Agreements (IGAs) under which Reclamation earned the LTSC. A copy of the IGA will be provided upon request.
3. The applicant must agree not to recover nor allow the recovery of the LTSC within 5 miles of the exterior boundary of the Tohono O'odham Nation.
4. The applicant must provide Reclamation with adequate information for Reclamation to complete environmental compliance.
5. Applicants will only be considered if they currently have a Certificate of Assured Water supply or be a designated assured water provider as having an assured water supply in accordance with A.R.S. § 45-576, or they are able to accrue LTSC under Arizona State law.

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* PARTIAL

6. The applicant must agree to hold harmless and indemnify the United States.
7. Assignments of LTSC will take place upon the receipt of payment pursuant to a written agreement to be entered into between Reclamation and the purchaser.
8. Proposals may be submitted subject to timely final board/council action.

Reclamation reserves the right to accept some or all offers based upon the price offered, environmental review, public input received during the environmental review, and other criteria to be determined at Reclamation's discretion. Reclamation may also choose not to accept any of the offers.

To be considered, please provide your offer to purchase credits no later than June 9, 2025 to, Mr. Nathan Lehman, Arizona Water Settlement Acts Implementation Manager, Bureau of Reclamation, 6150 West Thunderbird Road, Glendale, Arizona 85306-4001, or via email at NLehman@usbr.gov.

The submittal should include a proposed price per acre-foot, the number of the LTSC that the applicant seeks to purchase, a description of the intended use of the credits, and a statement that the applicant is willing to meet the above stated conditions. After Reclamation's review of offers received, applicants of interest will be contacted to address any details that might be needed to complete the selection process. Following selection, the written agreement identified in condition No. 7 above will be developed.

Questions may be directed to Mr. Nathan Lehman, Arizona Water Settlement Acts Implementation Manager, via email at NLehman@usbr.gov no later than May 23, 2025. Responses to questions will be posted on Reclamation's PXAO Website (<https://www.usbr.gov/lc/phoenix/>) on May 29, 2025. Individuals in the United States who are deaf, deafblind, hard of hearing, or have a speech disability, may dial 711 (TTY, TDD, or TeleBraille) to access telecommunication relay services.

Sincerely,

Alexander B. Smith
Area Manager