



WATER RESOURCES
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Comments:

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27 April 2007

*Via Facsimile 702-293-8156
Copy to Follow via US Mail*

Regional Director
Lower Colorado Region
US Bureau of Reclamation
Attn: BCOO-1000
PO Box 61470
Boulder City, NV 89006

RE: *City of Scottsdale, Arizona Comments Regarding the Colorado River Interim Guidelines for Lower Basin Shortages and Coordinated Operations for Lake Powell and Lake Mead, Draft Environmental Impact Statement*

Dear Sir or Madam:

The City of Scottsdale, Arizona ("Scottsdale") hereby submits its comments regarding the "Draft Environmental Impact Statement for Colorado River Interim Guidelines for Lower Basin Shortages and Coordinated Operations for Lake Powell and Lake Mead" (DEIS). Additionally, Scottsdale understands that the Arizona Department of Water Resources and the Arizona Municipal Water Users' Association ("AMWUA") will be also be providing comments on this issue. Scottsdale supports those comments.

More than 240,000 people rely on the City of Scottsdale to provide safe, reliable drinking water supplies and Central Arizona Project ("CAP") water is a key component of the City's long-term water resources strategy. Nearly two-thirds of Scottsdale's water supply needs are currently met with varying types of CAP water. Scottsdale has subcontracts for M&I priority water, non-Indian agricultural water, and excess CAP water. We also lease CAP water from three Native American communities. Because of our high reliance on CAP to meet our water needs, the preferred alternative that is selected for implementation by the Bureau is of critical interest to the City of Scottsdale.

Scottsdale Supports the Basin States Alternative as the Preferred Alternative

Scottsdale supports selection of the Basin States Alternative as the preferred alternative in the final environmental impact statement and supports implementation of the Basin States Alternative through the final record of decision. This alternative is a compromise alternative acceptable to each of the seven Colorado River Basin States. In selecting the pre-

ferred alternative and finalizing the record of decision, the Secretary of the Interior (Secretary) should recognize the value of this unique compromise.

Furthermore, the Basin States Alternative does not require any additional statutory authorization and is the only alternative that can be implemented immediately after the Secretary issues the final record of decision. Implementation of the other alternatives, particularly the Conservation Before Shortage and the Reservoir Storage Alternatives, would require substantive changes to the Law of the River.

Water Management Considerations

For decades Scottsdale has been actively planning and preparing to address water shortages. The City has taken proactive steps toward achieving long-term water supply sustainability, including the following:

- implementation of enhanced water conservation programs;
- reclaimed effluent reuse by the golf courses in north Scottsdale;
- recharging the groundwater table using highly treated effluent; and
- groundwater recharge of potable CAP water using dual purpose aquifer storage and recovery ("ASR") wells.

Adoption of the Basin States Alternative as the preferred alternative in the final environmental impact statement will provide the certainty necessary for Scottsdale to continue the responsible planning necessary to address the adverse impacts that could occur during Colorado River shortages.

Scottsdale has developed an extensive water conservation customer outreach program. Our five full-time staff positions are supplemented by a group of active volunteers. The City is an active participant in the "Water - Use It Wisely" program, which is a regional water conservation public information campaign. The water conservation staff also participates in regional public exhibits, fairs, and festivals. In addition, the City provides a number of financial incentives for conservation, including for example offering rebates to encourage turf removal.

Golf courses are a large water user in Scottsdale. Therefore, Scottsdale has developed strategies to minimize the impact they have on our potable water supplies. Scottsdale reclaims wastewater at our Water Campus facility, treating the water for use for golf course irrigation. This water is delivered through Scottsdale's Reclaimed Water Delivery System (RWDS), which is the largest reclaimed water reuse system in the Valley. The RWDS delivers reclaimed water to twenty three golf courses in north Scottsdale. In addition, the City's Council-adopted golf course policy requires that any future golf courses must provide their own renewable surface water supply in order to locate in Scottsdale.

Scottsdale is also a leader in the Phoenix area in increasing the long term sustainability of our groundwater through artificial groundwater recharge. The City is replenishing our groundwater supply by recharging reclaimed water at our Water Campus facility in North Scottsdale. In 2005, this groundwater recharge added over 2-1/4 billion gallons of

water to our underground aquifers. Water stored in these aquifers is an important part of Scottsdale's overall water supply management strategy.

Scottsdale is also implementing groundwater recharge/recovery throughout the City by injecting treated CAP water directly into the aquifer through specially designed wells. These wells are used to recharge during the winter low water use demand periods, and supplement the water supply during the high demand summer months.

Record of Decision Guidelines

Scottsdale expects and needs the final record of decision to clearly and unambiguously set forth the guidelines that the Secretary will use to declare a shortage in the lower basin. The record of decision should identify and adopt guidelines consistent with implementation of the Basin States Alternative that the Secretary must follow in formulating each of the annual operating plans through 2026.

The Basin States Alternative requires that the record of decision acknowledge that the lower basin States must agree to the terms and conditions for forbearing, if necessary, their rights to delivery of Colorado River water in order to allow for the development, storage and delivery of any Intentionally Created Surplus (ICS) as defined by the DEIS. Scottsdale would object if the Secretary issued a unilateral authorization that allowed for the creation of ICS without this agreement by the States.

Finally, the record of decision should state that the Secretary will consult with the seven basin States if the Secretary is considering declaring a shortage to the lower basin States exceeding 500,000 acre-feet. The goal of this consultation should be to minimize the impacts on the lower basin States in general, and on Arizona and the CAP in particular.

Lower Basin Shortage Sharing

As contemplated by the Basin States Alternative, Arizona and Nevada have finalized and executed a Shortage Sharing Agreement dated February 9, 2007. The preferred alternative and the record of decision must be consistent with this Shortage Sharing Agreement.

Additionally, ADWR established an intrastate process involving all interested parties to develop a method to distribute Arizona's shortage reductions between the CAP and equivalent priority Arizona mainstream water users. This method is described in the "Director's Shortage Sharing Workgroup Recommendation, October 24, 2006, (Revised) Final". Scottsdale understands that this Recommendation has been transmitted to the Bureau by ADWR. The preferred alternative and the record of decision must also be consistent with this Recommendation.

Economic Impacts

The DEIS inadequately addresses the economic impacts that would result from changes in deliveries of Colorado River water to municipal water users in Arizona, including

Scottsdale. The DEIS minimizes these potentially significant impacts by concluding that "implementing statewide and local demand-side and supply-side strategies are expected to minimize adverse socioeconomic effects occurring during the maximum M&I shortage." (DEIS at p. 4-283)

As pointed out earlier, Scottsdale has already taken steps to develop sustainable water supplies for its customers. Since enactment of the 1980 Groundwater Management Act, Scottsdale has implemented extensive water conservation programs that include ordinances governing landscaping, plumbing retrofit rebate programs, leak detection and control programs, and implementation of conservation oriented water rate structures. Consequently, the opportunity to make up for shortages in deliveries of CAP water through additional conservation programs is very limited. Scottsdale has also implemented comprehensive effluent reuse programs, adopted development impact fees, and established extensive recharge programs. All of these programs come at considerable expense.

It is therefore inappropriate to assume that the socioeconomic impacts on Scottsdale from changes in deliveries of CAP water can be minimized in any material way by implementing basic demand management and supply augmentation strategies. As mentioned above, existing demand management and supply augmentation programs are designed to insure supply sustainability in normal water supply years. Any programs developed as drought response will have additional impacts that have not been addressed in the DEIS.

Scottsdale strongly urges the Secretary to choose the Basin States Alternative as the preferred alternative in the Final EIS. We also urge the Secretary to adopt a ROD that includes the guidelines and criteria necessary to implement the Basin States Alternative in a manner consistent with the carefully negotiated compromise agreements developed among the seven basin states.

We appreciate the opportunity to comment on the DEIS.

Sincerely,



David M. Mansfield
General Manager

cc: Arizona Department of Water Resources
Arizona Municipal Water Users Association