

AGENDA ITEM #: _____

DATE: March 23, 2020

CAR #: 2020-6925



CITY COUNCIL ACTION REPORT

SUBJECT: Water Storage Agreements with Central Arizona Water Conservation District for Tonopah Desert Recharge Facility, Agua Fria Recharge Facility and Hieroglyphic Mountains Recharge Facilities.

STAFF PRESENTER(S): Gretchen Erwin, Water Resources & Sustainability Manager

OTHER PRESENTER(S): None

Summary: Requesting the renewal of three Water Storage Agreements with the Central Arizona Water Conservation District (CAWCD). The agreements allow the city of Goodyear to recharge the city's unused Central Arizona Project (CAP) water in CAWCD-owned and -operated facilities.

Recommendation:

Council authorize the City Manager to renew Water Storage Agreements with Central Arizona Water Conservation District for the Tonopah Desert, Agua Fria, and Hieroglyphic Mountains Recharge Facilities.

Fiscal Impact: There are no costs related to the execution and submittal of these agreements. Costs are not incurred until such time as the City orders water for delivery to one or all of these three recharge facilities. The City plans to order its full allocation of CAP water annually for storage in one of the CAWCD recharge facilities or for delivery to the surface water treatment facility. The cost is per acre-foot at the Annual Recharge Rate established by CAWCD and is incorporated into the CAP M&I subcontract. The FY2020 budget includes \$3,500,000 in Water operating funds for the CAP water order and storage fees.

Background and Previous Actions

The city of Goodyear has historically been unable to directly use our CAP sub-contract water. Instead, it has been used indirectly by storing water in a CAWCD-owned and -operated recharge facility. This allows the City to meet its replenishment obligation for our Designation of Assured Water Supply and earn Long-Term Storage Credits (LTSCs). These three agreements are renewals to contracts which are set to expire at the end of their current 10 year term on April 2, 2020. The previous agreements were approved by Council on March 8, 2010 (COAC 10-4358).

Staff Analysis

The CAWCD has constructed recharge facilities for the direct recharge of CAP water within the Phoenix Active Management Area for the benefit of CAP sub-contractors and other individual water users. Entering into Water Storage Agreements with the CAWCD allows the City to recharge CAP water that cannot currently be used directly in Goodyear. The recharge mitigates the City's groundwater pumping by generating LTSCs. These credits are used to meet the City's annual replenishment obligation in accordance with our Designation of Assured Water Supply. Using LTSCs saves the significant expense of using the Central Arizona Groundwater Replenishment District (CAGRD) to replenish. Any additional stored water (beyond the City's annual pumping) generates additional LTSCs. These credits are included in Goodyear's Water Portfolio and support our Designation of Assured Water Supply.

These agreements are for 10-year periods and can be renewed as agreed upon by the parties. In the past, Goodyear has recharged thousands of acre-feet of water generating LTSCs. These Storage Agreements provide future options if needed for the City's CAP municipal sub-contract and leased water supplies, allowing for recharge in a manner that saves costs and enhances Goodyear's Water Portfolio.

Attachments

Agreement for Storage of Water at the Tonopah Desert Recharge Project
Agreement for Storage of Water at the Agua Fria Recharge Project
Agreement for Storage of Water at the Hieroglyphic Mountains Recharge Project