**File #:** 14-448, **Version:** 1

**AUTHORIZATION TO ENTER INTO AN INTERGOVERNMENTAL AGREEMENT WITH THE CENTRAL ARIZONA WATER CONSERVATION DISTRICT TO STORE WATER AT THE HIEROGLYPHIC MOUNTAINS RECHARGE PROJECT**
Staff Contact: Craig Johnson, P.E., Director, Water Services

## Purpose and Recommended Action

This is a request for the City Council to waive reading beyond the title and adopt a resolution authorizing the City Manager to enter into an intergovernmental agreement with the Central Arizona Water Conservation District (CAWCD) to store Glendale's Central Arizona Project (CAP) water at the Hieroglyphic Mountains Recharge Project owned and operated by CAWCD.]

## Background

The City of Glendale holds allocations of CAP water through its municipal and industrial subcontract and leases.

Glendale plans to store some of its CAP water in underground aquifers through the use of recharge basins at designated CAP facilities. Glendale will accumulate long-term storage credits for the recharged CAP water. These credits are reserved for future use in the event of drought, shortages, or to meet additional demand. The stored water credits will eventually be recovered through wells.

On August 25, 2014, the Arizona Department of Water Resources (ADWR) granted Glendale water storage permits for CAP water. These permits cover the Agua Fria Managed facility (capacity 50,000 AF/year); the Agua Fria Constructed facility (capacity 50,000 AF/year); the Superstition Mountains Recharge Project facility (capacity 56,500 AF/year); and the Hieroglyphic Mountains Recharge Project (capacity 35,000 AF/year). Depending on the amount of capacity available each year, the permits grant Glendale the ability to store CAP water at any or all of these facilities.

Having the option to store at several facilities provides Glendale flexibility and redundancy in the operation of its water storage program. This intergovernmental agreement (IGA) will allow the city to store a portion of its CAP water at CAWCD's Hieroglyphic Mountains Recharge Project (HMRP).

## Analysis

The IGA will provide the city with greater flexibility in managing its available water resources. The city will be able to cost-effectively develop stored water credits with unused portions of its Central Arizona Project and Colorado River water supplies. These stored water credits can be recovered through wells at any time in the future when the city needs additional water.

**Previous Related Council Action**

On June 10, 2014, Council approved the 2014-2015 Capital Improvement Plan (CIP) budget. This budget appropriated $300,000 for the accrual of long-term water storage credits.

**Community Benefit/Public Involvement**

The IGA allows the city to maximize the use of available supplies by developing stored water credits for water that the city cannot make immediate or direct use of. These credits will increase the amount of water available to the city and bolster its future designations of assured water supply.

On December 18, 2012 the Ad Hoc Citizen Task Force on Water and Sewer completed its final report. The Task Force recommended the city should ensure it has a safe and reliable water supply to meet current and future demand to ensure water resources sustainability. The Task Force also recommended the city should maximize and optimize the use of its existing water resources in several ways, including aquifer storage.

**Budget and Financial Impacts**

There is no budget or financial impact from executing the agreement. Should Glendale exercise the agreement by storing water, the city will pay the regular per acre-foot (AF) price for CAP municipal and industrial water that it stores ($157 per AF in calendar year 2015). In addition, CAP charges an underground water storage fee for storing water at its facilities ($9.00 per AF CY15). Funds are available in the Water Services FY 2014-15 Capital Improvement Plan budget.

| Cost | Fund-Department-Account |
|---|---|
| **$300,000** | **2400-61051-551000, Accrual of Long-term Water Storage Credits** |

Capital Expense? Yes

Budgeted? Yes

Requesting Budget or Appropriation Transfer? No

If yes, where will the transfer be taken from?