



MEMORANDUM

TO: IEDA Board
RE: Water (& Ag) Committee Report
DATE: March 7th, 2025

Post-2026

We continue to wait on BOR Commissioner, which may help with moving the process forward for a seven-state agreement. After CRWUA, the Upper Basin has softened their stance, and both sides are back at the negotiating table, but apparently without much progress.

Regarding Commissioner, we were back in DC at the end of February stumping for Sandy. I was told by a mutual acquaintance that she interviewed with Burgum on Tuesday. I reached out to her via text on Wednesday, but she didn't have an update. Mike Lee (Senate ENR Chair from UT) seems to be the hurdle, as most of the recent commissioners have been from the Lower Basin.

Ag to Urban Water

ADWR held an informal stakeholder meeting on February 26th. This is a mechanism for relinquishment and exchange of IGFRs for Physical Availability Conservation Credits. This program is an alternative path to Assured Water Supply and limited to Phoenix and Pinal AMAs. Credits would run with the land until pledged to a designation applicant. There would be a 10-year life, with an opportunity to renew. Another meeting is planned for March 12th.

The Conversion Rate will be different for each AMA (Proposed):

Pinal AMA: 0.7 Acre Feet/Eligible Acre

Phoenix AMA: 1.0 Acre Feet/Eligible Acre

There are 2,400 Acres in BWCDD & 12,000 in RID that could participate. It appears that BWCDD doesn't have to recharge due to current waterlogging.

Basin Management Areas

Senate Bill 1520 advanced along party lines, hoping to create a type of management area that is different from an AMA or INA. It appears that progress has been made to bring both sides closer, but the Governor's legislation didn't see a hearing. Rumor is that she will veto this bill if it comes to her desk.

WIFA

Chelsea McGuire has been selected as the Executive Director. She attended the Senate Natural Resources committee, where HCR 2016 passed 6-1-1. This is the resolution to reinstate the rest of the \$1B originally planned during the Ducey administration. She shared that they softened the language from its original version.