#### REPRESENTATION AND THE VERDE RIVER BASIN PARTNERSHIP

A proposal of elected officials within Yavapai County, Arizona April 3, 2006

#### **EXECUTIVE SUMMARY**

Senate Bill S.161, which was passed by the U.S. Congress in 2005, created Title II in response to concerns regarding potential hydrologic impacts of Verde Valley public lands being transferred to private ownership. The organizational structure of the Yavapai County Water Advisory Committee, based on elected official representation from throughout Yavapai County, provides local and regional governments an extremely effective means to maximize the leverage of federal funds in support of complex and highly technical hydrologic goals. Upon approval of the Yavapai County Board of Supervisors a portion of the Yavapai County Water Advisory Committee annual member contributions could be directed to initiate the projects outlined in Title II pending federal authorization of funds, for which Yavapai County would serve as fiduciary agent. Furthermore, administrative staff of Yavapai County through the Yavapai County Water Advisory Committee could be quickly mobilized to begin addressing the goals of Title II.

#### INTRODUCTION

The Verde River Basin Partnership (VRBP) would best be incorporated into the existing framework of the Yavapai County Water Advisory Committee (WAC), an organization based upon representative governance that has already overseen and completed significant research and reporting on the Verde River Basin.

#### **JUSTIFICATION**

According to the following statements from U.S. Senator John McCain, Yavapai County Board Supervisor Chip Davis, Councilman Bob Rothrock of Cottonwood, and Heather Wick (of Senator McCain's staff), the WAC is the best and most logical choice to form the VRBP and complete the tasks identified in Title II of Senate Bill S.161:

- 1. In a Statement submitted to the U.S. Senate by Senator McCain (Press Release, date July 29, 2004, attached), Sen. McCain states: "the measure would authorize the Secretary of Agriculture to assist the Arizona Department of Water Resources and the Yavapai Water Advisory Council by participating in the formation of the partnership."
- 2. The minutes of the Yavapai County Board of Supervisors, dated September 18, 2004, reflect the discussion held with Heather Wicke, Senator McCain's staff member, the Board of Supervisors, and the Water Advisory Committee in regards to the role of WAC in forming and overseeing the Partnership (Minutes, dated September 18, 2004 attached). Supervisor Davis states "everyone on the WAC was accountable because it was made up of elected officials and that each entity

paid into the organization based on population." Councilman Bob Rothrock said "it seemed to him that the goal of the WAC was the same as that of the Verde River Partnership called for in Title II. He said it appeared to him that the WAC needed to expand the tent and continue in the same direction it had been going. He said he believed it would be possible to modify the makeup of the WAC." Supervisor Brownlow said "he believed the Board of Supervisors needed to be the head of the group and that it was better to look at how to change the WAC then to start another group." Ms. Wicke stated: "perhaps there was not much change to the WAC that would be required because the bill just said that certain interests must be represented."

- 3. On September 13, 2000, an Intergovernmental Agreement (IGA) was signed by all the cities and towns and Yavapai County establishing the Yavapai County Water Advisory Committee. The purpose as set forth in the IGA "is to affirm the PARTIES' commitment to cooperative efforts to address water resource issues on a regional basis and to provide financial and staff resources as required to support the activities of the Committee."
- 4. The minutes of the Yavapai County board of Supervisors, dated, September 18, 2004, Supervisor Davis said, "the WAC had actually accomplished some of the same studies mentioned in Title II, and that if federal involvement took place; they would need to have a part in the hierarchy". He then asked, "If it would be possible to just continue with the WAC in the same way, because the WAC had shown sound judgment, and have the state and federal stakeholders fit in by changing the structure of the WAC to meet Title II requirements".
- 5. At recent meetings (i.e. WAC, 3-15-06, VWA 2-11-06) several individuals reported that Senator McCain emphatically stated that the WAC should not participate in the formation of the Verde River Basin Partnership. Review of written correspondence between the Yavapai County Board of Supervisors and Senator McCain's office, and between the WAC and Senator McCain's office contain no statement(s) to this effect.

#### WAC ACCOMPLISHMENTS

The WAC has been responsible for and/or a significant contributor to many noteworthy activities since its inception. To date these accomplishments include:

- 1. Over \$4.0 million has been contributed by the County, the cities and towns, State and Federal agencies, Northern Arizona University and the Salt River Project. WAC has demonstrated the ability to generate the funding for the scientific investigations and has the ability to oversee the funding expenditures in a sound, fiduciary manner through Yavapai County.
- 2. A Water Coordinator was hired in 2000 to facilitate the work of the committee
- 3. A Technical Advisory Committee is in place that oversees the scientific studies

- 4. Monthly public meetings are held to conduct the business of the committee, to hear educational presentations, and to gather public input
- The Water Coordinator conducts public outreach duties and assist the cities and towns develop water budgets and County residents by responding to their water inquiries
- 6. A Geographic Information System (GIS) database has been developed
- 7. A Water Resource Library was created in 2000
- 8. Scientific studies completed to date:
  - Verde Valley Water Budgets (2003)
  - Reconnaissance Watershed Analysis (2003)
  - USGS Data Summary (2002)
  - USGS Investigations of Sources of Springs (2000)
  - DWR Verde Watershed Study (2000)
  - Big Chino Historic, Current, and Project Uses (2004)
  - USGS Verde River Headwater Study (2004)
  - USGS Hydrogeology of the Upper and Middle Verde River Watershed (2006)
- 9. Participation in and technical assistance with County/Community General Plans Water Resources Elements (2003)
- 10. Initiation of Plan to address County-wide water resource issues (2003-2004)
  - Creation of Water Conservation Work Group
  - Creation of Water Management Work Group
- 11. Award of assistance grants for public education and outreach (2001-2004)
- 12. Involvement with plans to import water from the Big Chino to the Prescott AMA (2004)
- 13. USGS Phase I Data Collection of the entire Verde River Basin Completed (2005)

#### PARTNERSHIP SUBCOMMITTEE

Title II was not enacted to be a waste of taxpayer dollars. The incorporation of the VRBP into the existing Yavapai County Water Advisory Committee, a model allowing for the effective fulfillment of the requirements of Title II, would represent a significant efficiency of taxpayer resources. Since the tasks identified in Title II are currently in progress by the (WAC), the timelines could be met through the WAC.

The WAC, cooperating with Arizona Department of Water Resources, could most logically and logistically take the leadership role in forming the Verde River Basin Partnership by immediately establishing a Partnership Sub-Committee that would be composed of all interested stakeholders, organizations, and citizens within work groups to the subcommittee.

Work groups supporting the Partnership Subcommittee could be comprised of, but not limited to, the following organizations: state and federal departments and agencies; down stream water right holders; watershed and citizens advocacy groups; environmental groups; agricultural, livestock and irrigation district representatives; and Native American tribes, among others.

The Technical Advisory Committee of the WAC will assist the Partnership Subcommittee in meeting the deadlines set forth in Title II. The Partnership Subcommittee will report their progress and findings to the WAC.

#### ADJUSTMENTS TO WAC

To quickly and effectively complete the establishment of the Partnership Subcommittee, the WAC should also consider the following:

- Inclusion of additional elected representatives from areas outside of Yavapai County but within the Verde River Basin
- Changing the advisory relationship to the Yavapai County Board of Supervisors in matters related to areas outside of Yavapai County but within the Verde River Basin.
- Include all the representatives, stakeholders, and groups that wish to participate within this subcommittee which would include the predominant membership of the ad-hoc Verde Partnership group.
- Complete all tasks within their timeframes in accordance with Title II

#### TITLE II TASKS

The Partnership Subcommittee would complete all Title II tasks within the framework of the WAC in accordance with the timeframes identified in Senate Bill S. 161. Those tasks are:

- 1. Water Resource studies in the Verde River Basin
  - a. Water Resource planning and management needs in the Verde River Basin
  - b. Identify tools for management options within the Verde River Basin
- 2. Develop a plan to provide the following:
  - a. List studies that are need to support partnership planning and management decisions
  - b. Identify riparian or water resource studies that are relevant
  - c. Describe costs and durations of the proposed studies
  - d. Designate a priority to the compilation of a water budget for the Verde Valley
- 3. Complete deliverables in compliance with Title II
  - a. 14 months Complete Verde Valley water budget
  - b. 16 months Findings and recommendations regarding the middle Verde River
  - c. 48 months Summary of results

#### SUMMARY

The framework of a Verde River Basin Partnership would best be incorporated as a subcommittee into the Yavapai County Water Advisory Committee. The research, reports and model of WAC, a well-established and respected group within the basin,

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illustrate why it is the best vehicle for the formation of the VRBP. A Title II Verde River Basin Partnership will be most efficient by building upon the existing body of information developed by the WAC and most effective by incorporating the clarity and accountability brought by the governance through elected officials.

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#### MCCAIN STATEMENT ON NORTHERN ARIZONA LAND EXCHANGE LEGISLATION

For Immediate Release Thursday, Jul 29, 2004

The following statement on the Northern Arizona Land Exchange Legislation was submitted to the Senate last week by \$ McCain. Also, attached is a fact sheet on the legislation:

Mr. President, today I am introducing a modified version of S. 849, the Northern Arizona National Forest Land Exchanwhich I cosponsored last year with Senator Kyi. Since introducing that bill, I have met with hundreds of Arizonans and I first-hand of the significant water issues raised by this proposed exchange of about 50,000 acres of private and Federal Northern Arizona. I am introducing this modified version of the legislation with the sincere hope of achieving a compagreement that can be enacted prior to adjournment.

Let me be clear. I am not offering amendments to this bill to slow its progress, but rather I want to take this opports address one of the most crucial challenges facing Arizona; sound management of its precious water resources. The perdrought that is draining our reservoirs makes all of us aware of the limits of our water supplies. I strongly believe that the of Arizona is at a crucial point where decisions regarding growth and water use must be made with the assurance of lor availability of water supplies without draining our ground and surface waters dry. I am afraid we are currently on a course with the reality of our finite and dwindling water supplies and the future economic and environmental welfare of the

In the context of this proposed exchange, it would be irresponsible of the Federal Government to transfer public lan private hands in an area where water problems currently exist without an understanding of the potential water supply imphave spent considerable time and effort in trying to develop a reasoned, compromise proposal that balances the various printerests and achieves a fair and equitable exchange in the public interest. Therefore, it is my hope that the release amended bill with a new title addressing the associated water issues will be carefully considered by all interested parties.

My objective is to encourage the formation of a partnership between Federal, State, and local stakeholders in order to fall sound, science-based water resource planning and management in the Verde River Basin. In my view, the development is a collaborative decision-making body, modeled on the Upper San Pedro Partnership, would be a vital step in assuring thuse of the finite water resources within the Verde River Basin.

An earlier draft proposal of the partnership title to this bill was widely circulated in Northern Arizona and generated prodiscussion and comment. This valuable input is reflected in the measure I am offering today. It encourages the creatimulti-stakeholder partnership and clarifies the Federal role in providing scientific, technical, and financial assistance to State Iocal water resource planning and management efforts. With this important support, I expect that State and local interestance ground and surface water resources will come together to advance protection and wise use of finite water supplies.

I became fully aware of the crucial need for this Federal assistance through public meetings I held last December in Fl and Camp Verde. More than 600 people gathered in Camp Verde to express their strongly held views of the propose exchange. The primary concern voiced was whether or not adequate water supplies are available in the area to providure development given that residents are already experiencing water supply problems. The U.S. Geological Survey preinformation about its ongoing studies and what is not known about the hydrologic systems or water use impacts within the Basin. The fact is that we simply do not have sufficient information to determine the quantity of water supply available olong-term without adverse effects.

I believe that it would be irresponsible of the Federal Government to transfer lands into private hands in an area where problems already exist without an understanding of the potential impacts. That is why I am interested in expediting estimater studies in the Verde Basin to provide a scientific basis for sound decisionmaking by the partnership. In the shortenvision that the first task of the partnership would be to make a recommendation, based on a water budget analysis

Verde Valley, regarding available water supply for future use on the Federal parcel in Camp Verde. Long-term water re planning and management efforts within the region could also be developed through the partnership and informed longoing water studies and analyses.

"I would like to briefly explain some of the provisions in this modified bill.

First, under Title I of the bill, it would allow the cities of Flagstaff, Williams, and Camp Verde, as well as several local the option to purchase lands directly from the Forest Service if they are unable to reach an agreement to purchase such from the Yavapai Ranch. These communities and camps are very interested in exploring the economic opportunities that be afforded through the acquisition of certain lands currently held by the Federal Government. The bill also would elimin 820-acre Federal parcel in Clarkdale from exchange, at the request of that community.

Next, the bill establishes a new Title II, which is designed to establish a framework to begin addressing the very serious resource and management issues in Northern Arizona. The purpose of this title is to authorize assistance for a collaborati science-based water resource planning and management partnership for the Verde River Basin, consisting of member represent Federal. State, and local agencies, along with economic, environmental, and community water interests. I language makes it clear that this is not a Federal intrusion into State and local jurisdiction and responsibility for management and control.

"Under Title II, Federal assistance would be authorized upon the formation of a Verde River Basin Partnership. The m would authorize the Secretary of Agriculture to assist the Arizona Department of Water Resources and the Yavapai Advisory Council by participating in the formation of the partnership. While the partnership would not be a Federal e would be eligible for Federal assistance through the Secretary of Agriculture and the Secretary of the Interior.

The amended bill directs the partnership to develop a plan for conducting water resource studies within the Verde River The plan would include; a list of specific studies and analyses that are needed to support the planning and manage objectives of the partnership, identify any ongoing or completed water resource or riparian studies that are relevant to resource planning and management for the Verde River Basin, provide study timeliness and cost estimates, and designal study priority the compilation of a water budget analysis for the Verde Valley.

To assist the partnership, the bill directs the U.S. Geological Survey, in cooperation with ADWR, to prepare and submit a to the Partnership that provides a water budget analysis of the portion of the Verde River Basin within the Verde Valle partnership would then use the information, along with any other relevant information, and submit a preliminary report findings and recommendations regarding long-term available water supply within the Verde Valley to the Secreta Governor of Arizona, and representatives of the Verde Valley communities. Following this preliminary report, the partner expected to continue its work and submit a comprehensive report to the Secretary and the Governor of Arizona within 4 The comprehensive report would include the results of any water resource assessments conducted under this in the River Basin. It also would identify: any areas in the Verde River Basin that are determined to have groundwater deficits courrent or potential water supply problems; long-term water supply management options for communities and water reswithin the basin; and water resource analyses and monitoring needed to support the implementation of management optic

Finally, the bill directs the Secretary of Interior and the Secretary of Agriculture to enter into a memorandum of underst authorizing the U.S. Geological Survey to access Forest Service land, including stream gauges, weather stations, wells, c points of data collection on the Forest Service land, to carry out necessary water studies.

If want to do my part in moving the proposed land exchange forward, and it must be done in a manner that is fair to the residents of Arizona and the Federal taxpayers. In order to do so, it simply must address the affected area's water so remain hopeful that all the interested parties who strongly support the proposed exchange will carefully consider the put that I am introducing today."

Key Elements of McCain Proposed Modifications to S. 849, the Northern Arizona National Forest Land Exchange Act of 2003

Title I Authorizes/facilitates the Northern Arizona land exchange.

Title II Authorizes funding upon the establishment of a federal/state/local partnership to facilitate science-base collaborative water resource planning and management activities for the Verde River Basin.

Title I, Northern Arizona Land Exchange

- Allows Flagstaff, Williams, and the six summer camps to purchase lands directly from the Forest Service if they are un reach an agreement with Yavapai Ranch.
- Eliminates the 820 acre Clarkdale parcel from the exchange.
- Directs that exchange transaction costs be shared equally in accordance with Forest Service regulations and policy.

Title II, Verde River Basin Partnership

- Authorizes funding upon the establishment of a Verde River Basin Water Partnership to assist with science-base collaborative water resource planning and management activities. The funding authorization period is for four years.
- Bill language is silent on Partnership composition, but allows federal participation. The Partnership is expected established at the state and local level.
- Pirects the U.S. Geological Survey, in cooperation with the Arizona Department of Water Resources, to prepare ε budget analysis of Verde Valley for use by the Partnership in preparing a preliminary report and recommendations that submitted to the Secretary, the Governor, and representatives of the affected communities.
- Directs the Partnership to carry out water studies and issue a comprehensive final report summarizing water resource f and recommendations for water supply planning and management in the Verde River Basin. The report would be submitt years to the Secretary and the Governor.
- The land exchange will not be confingent upon the Partnership's activities, nor will the new Title II delay the exchange.
- Bill includes specific language clarifying that nothing in the Act shall be considered to affect state or local jurisdiction of laws.

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## BOARD OF SUPERVISORS MINUTES WITH SUPPLEMENTAL TRANSCRIPT (Where a supplemental transcript is available, it is printed in bold type)

### OFFICE OF BOARD OF SUPERVISORS YAVAPAI COUNTY, ARIZONA

Prescott, Arizona 2004 September 18,

The Board of Supervisors met in special session on September 18, 2004, at 10:00 a.m. Present: Chip Davis, Chairman; Gheral Brownlow, Vice Chairman; Bev Staddon, Clerk. Absent: Lorna Street. Member.

Also present: John Munderloh, Water Advisory Committee Coordinator; and Jim Holst, County Administrator.

Clerk's note: A copy of these minutes with a supplemental transcript is available in the Office of the Clerk of the Board of Supervisors and is also available on the County website.

ITEM NO. 1. Meet with members of the Yavapai County Water Advisory Committee and representatives of the offices of Senator John McCain and Senator Jon Kyl for the purpose of discussing Title II of the Northern Arizona Land Exchange Bill. The following members of the Water Advisory Committee were present: Art Coates, representing Supervisor District 1; Jim Williams, representing Supervisor District 2; Bryan Detwiler, Alternate for Supervisor District 3; Virginia Reid, Town of Chino Valley; Larry Tarkowski, Town of Prescott Valley; Bob Rothrock, Alternate for the City of Cottonwood; Jane Moore, Town of Jerome; Dick Ellis, Alternate for the City of Sedona; and Doug Von Gausig, Town of Clarkdale. Heather Wicke, representing the office of U.S. Senator John McCain, and Andy Jacobs, representing the office of U.S. Senator Jon Kyl, were also present, as was United States Geological Service representative Mark Anderson.

Chairman Davis opened the meeting by thanking everyone for their attendance and by saying he appreciated the fact that Senators McCain and Kyl were allowing the Board and the WAC to provide input on Title II. Ms. Wicke said that Senator McCain was the driving force behind Title II and that his view of an opportunity to address water issues raised in the land exchange was shaped by public meetings that he held in December of 2003 in Flagstaff and in Camp Verde. She said the Senator's primary concern as expressed at those public meetings was about water issues and the lack of knowledge of water and the availability of long-term supplies. Ms. Wicke said that several months earlier Senator McCain had forged a compromise on the defense authorization bill related to the San Pedro River and Fort Huachuca and that he had become familiar with the Upper San Pedro Partnership. She said the Senator was very excited to see what the Upper San Pedro Partnership (USPP) had been able to do through a collaborative science-based water management resource effort and thought they could provide a model for what could happen in other watersheds throughout the state. Mr. Coates asked if Senator McCain was aware of the Water Advisory Committee (WAC) and the studies that had been ongoing for the last three or more years. Ms. Wicke said the Senator was aware of the WAC and that he thought the WAC would represent a broader regional partnership. She said that with regard to the studies, the Senator understood how important they were. Ms. Wicke said that with the USPP there was a significant federal investment in the process and that because of it that organization was at least ten years ahead of other watershed groups in the state. She said that same kind of federal assistance should be provided to the local watershed groups. Chairman Davis asked if the USPP had a partnership or water advisory committee prior to the federal investment. Ms. Wicke responded affirmatively, saying that a group had existed for at least five years prior to the federal investment. She said the group was recognized in the legislation so that the group's activities could be funded. Chairman Davis explained that all members of the WAC paid into the organization on an annual basis and that the WAC used those contributions as a means for obtaining other

funding, such as grants. He said that the WAC had raised about \$3 million, and he asked if the USPP had done the same thing, Ms. Wicke said she was not very familiar with the inner workings of the USPP, but that she did know there was money provided by the Department of Defense because of Fort Huachuca, and that there was also money provided by the Bureau of Land Management because of its responsibility for the San Pedro Riparian Conservation Area. Chairman Davis said one of the things he would like to work through on this day was whether the existing WAC could fulfill the needs and the vision of the Senators with regard to Title II of the land exchange bill. He said that earlier in the week he had been in Cochise County and that the similarities between the San Pedro River and the Verde River were remarkable. He said the WAC had already made a significant investment in terms of both money and volunteer efforts and that he would like to see if it would be possible to build upon that instead of starting a whole new group. Mr. Jacobs said he was new to Senator Kyl's office, and that he was present on this day to introduce himself to the Board and WAC, to listen to the concerns of both groups and to carry those concerns back to Senator Kyl. Mr. Von Gausig said it appeared to him that the intent of Title II was to facilitate the Yavapai Ranch land exchange, and that although the exchange was not part of Title II it did appear that it would address concerns related to future land exchanges. He said that Title II also appeared to have the broader goal of protecting the Verde Valley, and he asked Ms. Wicke if she agreed with that. Ms. Wicke said she believed that was correct for the most part. She said the water issues raised by the exchange would address in two primary ways by providing for a federal investment in the water studies that need to be done for the entire Verde River Basin and by recognizing the need for a body that can do something with the information that is generated by the studies. She said that the water budget analysis would focus just on the Verde Valley, and that even though it would not affect the Camp Verde parcel involved in the trade, the information generated from the studies could be used by local officials for future purposes. Mr. Tarkowski said he had received calls from some people wondering why Prescott Valley, Prescott and Chino Valley were opposed to the land trade. He said that any of the discussions at the WAC's Technical Advisory Committee meeting last Wednesday were related only to Title II, and that he knew the mayors of all three jurisdictions were fully supportive of the land exchange. He said he believed that some of the communities in the Verde Valley were also supportive of the land exchange bill. Mr. Tarkowski said he certainly believed that the tricities were supportive of any effort to bring the Verde Valley communities up to the same level of water resource planning that the Prescott Active Management Area had done, but that once those communities in the Verde Valley have the knowledge they need regarding water resources any decisions should be made by local governments and not by the federal government. He said if it would be possible to obtain some federal money to help develop that information, it would be fine. Mr. Roecker said the City of Prescott believed the time periods set forth in the bill were far too short. He said he believed there was a question as to whether federal money could come to the WAC and allow the WAC to continue as it currently exists. Ms. Wicke said she did not see the Senator's office as being involved in determining whether the WAC changes or is part of the partnership called for in Title II of the bill. She said that the model Senator McCain was focusing on involved state and local stakeholders, and that the idea was to make sure that the studies that were done were done in an appropriate manner. She said that if the WAC represented all of those interests and all of the stakeholders that should be at the table, then it would be fine. Ms. Moore said she appreciated the Senators taking an interest in the area. She said she believed the WAC had come a long way, and that the communities in the Verde Valley now realized that they knew very little about their own water resources. She said she would like to see the WAC be an active part of the partnership because the WAC members did have a great deal of knowledge. Ms. Moore said that four of the five incorporated communities in the Verde Valley were opposed to the land trade because of uncertainty about water supplies. She said that the Town of Jerome was the only municipal water provider in the Verde Valley at the present time, and that it was unknown whether there was enough water in the Verde to provide for all of the private lands in the area. Ms. Moore said she believed that most people would like to have more time to study

that issue before the watershed lands were traded away, and that people needed facts in order to plan for the future. Mr. Ellis said that part of his concerns regarding the bill had been answered. She said the whole thing represented a huge water use in an area where there was already uncertainty about water supply for the years ahead, and that he was not sure there was enough water to sustain the existing population not to mention the massive increases in population that would come in the future. He said he believed everyone needed to act cautiously, adding that he would like to see the provisions of Title Il more like they were originally. Mr. Ellis said that Coconino County also needed to be taken into consideration because water was not just a local issue but a regional issue and that he would hate to see the concerns of developers placed over those of residents. Chairman Davis asked Ms. Wicke and Mr. Jacobs what they thought would comprise the Title II partnership and justify its existence. Ms. Wicke said that most of those present on this day were probably familiar with the draft proposal she had sent to the Arizona Department of Water Resources. She said that was a very preliminary list of potential members that was not ready for prime time, although it had certainly ended up in prime time. She said that some of the members on that preliminary list included representatives from the cities of Flagstaff and Williams, irrigation interests and tribal representatives. She asked if it would really be so difficult to sit down and come up with a list of representatives that have land and water controlling needs within the Verde River Basin. Chairman Davis said that what he was trying to flush out was that over the last few years the WAC had actually accomplished some of the studies mentioned in Title II. He said that if federal involvement took place, they would need to have a part in the hierarchy. He asked if it would be possible to just continue with the WAC in the same way, because the WAC had shown sound judgment, and have the state and federal stakeholders fit in by changing the structure of the WAC to meet Title II requirements. Ms. Wicke said she did not think it was a question of sound judgment. She said that with the USPP all of the stakeholders were on an equal footing. She said that some had more money than others, but that all of them made a contribution and all of them had responsibilities. She said she saw the partnership as a regional authority and that perhaps the WAC was a key part of that, but that she did not know if maybe the group should have a different name and some different members. She said that was something to be decided at the state and local level, and that was why some changes were made in the bill that was introduced in June. Ms. Wicke said that Senator McCain did not think that his bill was an attempt to federalize the Verde River watershed. Mr. Coates said he believed the area that was being discussed needed to be defined. He asked Ms. Wick what she meant by "watershed," Ms. Wicke said she believed that the WAC and ADWR were the ones who could define the Verde River watershed. She said the Senator's office had asked the United States Geological Survey to identify the various hydrogeological units of the parcels involved in the land exchange and that the USGS found that most of them were within the Verde River watershed. Mr. Coates said that so far the WAC had not had any input from Flagstaff or Williams. He said he did not know of any studies that had been done about well fields in Williams that might have an effect on the Verde River. He said he would like to determine how much the WAC would need to expand in order to meet the needs of Title II, saying that he would like to see the group kept to a manageable size. Ms. Wicke said there were lands in the Flagstaff and Williams areas involved in the land exchange and that she had been told by the USGS that increased pumping in those areas would have an impact on the Verde River and that because of that Flagstaff and Williams should have a place in the partnership. Mr. Coates said he thought it would be possible to expand the WAC to meet the requirements of the bill, but he asked what strings would be attached. At this point, Chairman Davis asked Mr. Munderloh to provide some information regarding what areas could be considered to be included in the Verde River watershed. Mr. Munderloh said he was not sure just exactly what that watershed comprised, saying that Flagstaff and Williams were just outside the watershed. He provided a map of the area, saying there were many different ways to draw the line in order to define the watershed. In response to a question from Chairman Davis, Mr. Munderloh said that in looking just at Title II it appeared that the Prescott AMA would be excluded from the watershed. He said the Big Chino was a sub-basin of the Verde River

Basin. Ms. Wicke said perhaps modification was needed because a guiding principle was to identify the watershed area where there was a clear hydrogeologic connection so that areas that are impacted by why happens in the watershed are included in the decisionmaking process. She said she thought the Prescott AMA would be represented in the partnership. Mr. Munderloh said there was a stream gauge just above Horseshoe Dam and that he would be inclined to chop off the line at that point. Chairman Davis asked if Flagstaff and Williams should be included. Ms. Wicke said she had been told that increased pumping in Flagstaff and Williams could have an impact on other communities in the watershed. Mr. Tarkowksi noted that Flagstaff Mayor Joe Donaldson was present on this day. He said he did not know that it was the intent of the Senators to write out the communities in the Prescott AMA, but that it seemed that the initial focus of the partnership was very specific to the Verde Valley. He said perhaps everyone should look at it as a two-faceted process with one facet to be finding a solution to immediate concerns in the Verde over growth and the other being the quantification of water resources for the long-term view. Mr. Rothrock said it seemed to him that the goal of the WAC was the same as that of the Verde River Partnership called for in Title II. He said it appeared to him that the WAC needed to expand the tent and continue in the same direction it had been going. He said he believed it would be possible to modify the makeup of the WAC. Ms. Moore said she wondered if the WAC could have some overlap. She said she realized that the main part of the water supply for Flagstaff and Williams came from the Coconino Aquifer, and that at one time there had been a water advisory committee for that aguifer. She said she wondered if the existing WAC could be the partnership with some additional partners, adding that it had been helpful to the WAC to have input from Fish & Game, the USGS and some other agencies. Supervisor Brownlow said the reason the Board of Supervisors had set up the WAC in the first place was because it was apparent that the Prescott side of the County had a different point of view than the Verde side of the County. He said the WAC had worked, that the members of the WAC were working together, and that the WAC had more representatives from the Verde Valley than from the Prescott side. Supervisor Brownlow said that what people needed to remember was where the water was, and that it was in the Big Chino area. He asked whether, when all of the studies were done, the County or anyone else would be able to tell people in that area to stop drilling wells. He said he did not think so. He said that several years ago Fred Ruskin had come to him to ask if the County could help put in roads and other infrastructure so that he could develop his land. Supervisor Brownlow said he had told Mr. Ruskin that the County could not help. He said that was Mr. Ruskin was getting in exchange for trading his beautiful ranch land to the Forest Service was land that was very rugged. He said that Mr. Ruskin could end up taking the water out of his land and that no one could stop him. He asked Mr. Munderloh if that was true. Mr. Munderloh responded that at the present time there were no regulations to stop that from happening. Mr. Rothrock said that once the studies were complete perhaps decisions could be made that would keep people from going off half-cocked. Supervisor Brownlow pointed out that the Ruskin land was not in the Prescott AMA. Mr. Roecker said that in 1994 Senator McCain had helped pass a bill that requires the City of Prescott to provide water for the Yavapai Prescott Tribe. He said that some of the members of the WAC were also water providers and that he believed that posed some problems with regard to who should sit at the table. Chairman Davis said the entire state had water issues and that because of the growth in Yavapai County local governments were forced to deal with it. He said he believed that what Senator McCain had tried to do was give people some help through the land exchange bill. He said that, hopefully, the WAC or the partnership would transform into a policy-making body and that in doing so it might be possible to change water policy in the state of Arizona. He said if the group could show everyone that the information generated was corrected then perhaps policy could be created that allow people in Yavapai County to determine their own destiny with regard to water. He said that everyone on the WAC was accountable because it was made up of elected officials and that each entity paid into the organization based on population. Ms. Wicke said she believed that what Chairman Davis had said was exactly right, and that having observed a couple of meetings of the

USPP she felt that was what was happening. She said that those who were responsible at the local level were identifying what tools and authorities they needed but did not have in order to fulfill their responsibilities. Ms. Wicke said that in the USPP the private water companies also had role as water suppliers, and that the USPP was a genuinely collaborative effort. Mr. Coates said that in his opinion the Big Chino played a major role in the overall water management of the entire Verde River and that he believed that studies regarding the Big Chino and the Verde River should be done concurrently. He asked again about strings attached to federal funding and what the timeline would be. Ms. Wicke said the two federal agencies through which funding would come would be the Forest Service and the BLM. She said that with regard to strings, the only direction given was that a preliminary report that includes recommendations specific to the Verde Valley be forthcoming, with the assumption that water budget analyses would be supported with federal funding. Mr. Coates asked if the money would be funneled through ADWR and whether ADWR would set parameters as to how the money could be spent. Ms. Wicke said she knew that with regard to the USPP there was a cooperative agreement with the USGS and ADWR about what studies would be undertaken. She said that money for the USPP came from the Department of Defense and BLM and that ADWR had indicated that it would be appropriate to funnel funding through ADWR. Mr. Munderloh provided a chart showing information about federal money that is already coming in to the WAC, saying that USGS and some Bureau of Reclamation money was involved. He said the WAC had about \$4 million from all entities, and that the technical people associated with the WAC get together and look at what needs to be done and then take that information back to their agencies to see who will participate. Supervisor Brownlow asked if the WAC had ever said "no" to a study that would help the Verde Valley. Mr. Tarkowski said he believed the WAC had made some gains in getting information about the Verde Valley. He said he agreed with an earlier statement made by Mr. Roecker about how some of the members of the WAC have an obligation to provide water to their citizens. He added that he believed the timelines set forth in Title II were too tight. Mr. Tarkowski said the WAC had been trying to bring the Verde Valley up to speed and that if the partnership would help the Verde that would be a good thing. Mr. Anderson said that one of the key things that made the USPP work with regard to federal funding was that funds were earmarked for it within the BLM budget, and that the USPP made the decisions about how those funds should be used. He said that the USPP was not a static group, but that it voted from time to time to bring in new members. Mr. Anderson said the nucleus of that group was local governments, specifically Cochise County and the City of Sierra Vista. He added that with regard to the boundaries for the Verde River watershed, he felt it was appropriate to think about it as Ms. Wicke had described. Mr. Von Gausig said that the problems created by Title II revolved around whatever teeth it would have, and that the practical problems seemed to boil down to a couple of reports that could affect land exchanges. He asked if people could look at Title II as a way to get information and then take those data and do what was right with them. He said he would like to see Title II revised to make it clear that the primary goal was to get information, and that jurisdictions could then use that information as they see fit. Ms. Wicke said she was not sure what difficult requirements were in the bill, and that it did not indicate the objective for the use of the information. She said she did not believe that Senator McCain would agree to fund more studies without having the partnership. Mr. Von Gausig said he thought it was important to identify the stumbling blocks on the parts of the various jurisdictions, saying there would be benefits for some communities and detriments for other communities and that barriers needed to be broken down. Ms. Wicke asked Mr. Von Gausig if he did not think there was a way to look at it as a major hydrogeologic system and find out what information was lacking. Mr. Von Gausig asked what was at stake, saying he did not know why Williams and Flagstaff would want to be represented and that he did not know what they had to gain. Supervisor Brownlow said he though the WAC was doing a good job. He said it ran well and that it represented the Verde Valley, and that it had not turned down any request from the Verde. He said he believed the Board of Supervisors needed to be the head of the group and that it was better to look at how to change the WAC then to start another group. He said it might be a good idea to expand the group, but that because there would be two new members of the Board of Supervisors in January it might be wise to wait until then to do anything. Mr. Coates said he agreed with what Supervisor Brownlow had said, and that he would hate to see people try to reinvent the wheel. He said that the nucleus was in place and there were people who had spent a considerable amount of time studying the issues and listening to experts. Mr. Coates said he could see no reason why the WAC could not be expanded to take in the federal agencies that had been discussed, and that he believed the entire watershed needed to be considered as a unit and not separate any areas out. Ms. Reid said she could see a lot of political change coming the near future, and she asked what kind of timeline there was with regard to Title II. Ms. Wicke said that Title II was a draft at this point and that both she and Mr. Jacobs were present on this day to get information that could result in modifications to that draft. She said that the Senators were interested in moving the bill before the next recess and that there was a possibility that in the next two weeks the bill could go through committee and from there to the floor of the Senate. She said it was not a done deal, and that it was important to have the information being presented on this day. She said she believed that what Mr. Coates just said described a partnership and that perhaps it was just a partnership under a different name. Chairman Davis said that Ms. Wicke had stated earlier that local governments had the ability to establish the partnership. He asked what process would need to take place with the County and the cities and towns and where it would go from there. He asked if the new partnership could determine the timelines in the bill. Ms. Wicke deferred to Mr. Anderson on this question. Mr. Anderson said that the USPP had a history that went back about ten years. He said there were a number of different groups that began meeting about water, but that there were also some galvanizing events in the San Pedro that caused people to do something and that a lot of it had to do with the threatened closure of Fort Huachuca because of pumping. He said the partnership had come together as a formal group and adopted by-laws and identified who the members could be. Mr. Anderson said that the formation of the partnership had really happened because of local government, specifically the City of Sierra Vista and Cochise County, and that they had said they needed to come together and solve their water problems. Ms. Wicke said she thought that ADWR and the WAC would get together and somehow design the partnership. Chairman Davis said that, given that information, he believed the WAC and the Board would be more than happy to come up with a recommendation, and that it would have to be done quickly. He said that one of the huge differences between the USPP and this issue was that Title II was part of the Yavapai Ranch land exchange while the USPP was a natural resources issue. He said he hoped that the WAC would continue until the day that there were answers to water questions. He asked if the federal government would be satisfied to be a committee or advisory group to the WAC or whether it would have to have a decisionmaking seat at the table. He asked what would be needed for the federal government to commit to come in and help. Ms. Wicke said that Senator McCain had embraced the USPP model because of the fact that it includes all stakeholders on all levels, and because it recognized the watershed basis of the problem and the inclusion of communities. She said the idea was to get the information and then make a determination about what authority was needed to do what would be best for the whole area. She said it was important to the Senator that the partnership not be just the WAC but that there be general representation of all the interests. She said she believed that the USGS, the Nature Conservancy, and other water groups being at the table would provide expertise. Ms. Wicke said it was not as if the WAC could not expand and change a bit in order to address water issues on a regional basis. Supervisor Brownlow said one issue was how to get more water for developers and how to keep the Verde River flowing. He asked how it would be possible to keep Maricopa County from sucking the river dry, and asked whether big shots from Maricopa County would agree with people in Yavapai County if they were given seats at the table. Ms. Wicke said she did not believe the partnership needed to include people from Maricopa County, Supervisor Brownlow said everyone knew where the Salt River Project stood and that they wanted the water from the Verde River to flow to Phoenix to be used by big developers there. Ms. Wicke read from a 2000 report from ADWR, saying the

upshot was that without proper planning, everyone would lose. Mr. Rothrock said he was not sure that two weeks was enough time to think through the partnership and get it in place. He said the San Pedro River was going dry, and that he would hope people in Yayapai County could create something better. Mr. Tarkowski said he did not know that it was necessary to develop the partnership in the next two weeks. He said that Title II concentrated on the Verde Valley, but that he was still concerned that the timelines called for in the bill were too tight. He said that the USPP had an open-ended timeframe and that he would like to see similar language in Title II. He said that if the partnership had the open-ended ability to bring in federal funding as needed it would be useful, and that he believed with that modification everyone would be ready to move on. Ms. Moore said she believed there were potential impacts to the Verde River watershed that could result from the land trade and that those impacts needed to be considered. She said there was no entity in place to monitor the 300 acre feet per year that would be used for the Camp Verde parcel in the trade. She said that if Title II was supposed to help people protect the watershed then why would the trade go through prior to doing an assessment of the watershed. Ms. Moore said she believed the approach should be holistic in order to protect the watershed and to keep the Verde River flowing. Chairman Davis said he had heard Ms. Wicke say that local governments could make a partnership; but that he was still not entirely clear about what needed to be done. Ms. Wicke said the legislation did not say that the partnership had to come together immediately. She said the first timeline was for a recommendation within 16 months and that she knew that was short, but that on the other side there was strong feeling about not holding up the land exchange. She said she felt it would be possible come up with an expedited water budget analysis, and that since that time there was a new restriction for water on the Camp Verde parcel that she thought should make everyone more comfortable because it would no longer have 750 acre feet of water per year. She said that beyond the four years, the entities in the County would be on their own, and that the legislation was just intended to be a good start in the right direction. Chairman Davis said the communities in the County had already determined that they needed to do water budgets, and that he would prefer that congressional representatives view what is happening here as a statewide issue. He said that the Big Chino feeds the Verde River and that it was seen as a solution to solving water problems in the Prescott area, but that the Verde River was also a riparian area and that it flowed into the Phoenix area and as such was a statewide issue. He asked what would happen if the local response was agreement with the restriction to 300 acre feet but a statement that beyond that there was really no advantage to doing a partnership. Ms. Wicke said she believed that through involvement in a partnership one becomes invested in it and that people would understand why it was important to work cooperatively. Chairman Davis said he believed the WAC had an excellent relationship with the USGS, the Army Corps of Engineers, and ADWR and that he did not think the WAC had ever turned down a recommendation from its Technical Advisory Committee. Ms. Wicke said perhaps there was not much change to the WAC that would be required because the bill just said that certain interests must be represented. Mr. Roecker said he believed that everyone was saying they want to keep things as local as possible. He said he believed if the federal funds could come through the County for disbursement it would be much better and that this would be the lynchpin to getting things going. He said he agreed with Chairman Davis' comments. Mr. Anderson said that where there is a contentious environment where there are competing demands for water there is also suspicion. He said that in the USPP everyone is at the table at the same time and that this helped a great deal, and that they also made collective decisions about how the money should be spent. He said that group was also committed to solutions. Mr. Ellis said it seemed to him that Ms. Wicke was saying that the WAC should use every means possible to get information, but that on the other hand a body that was made up of elected officials like the WAC was, had to answer to the electorate and that if those officials did something wrong the reaction was swift. Mr. Ellis said he could see some advantage to having groups like the USGS included but that he felt they should be included in an advisory way and that voting should be left to the elected officials. Mr. Detwiler said that on the surface Title II seemed like a duplication of the WAC but that while the WAC represented willing cooperation Title II sought to legislate cooperation. He asked if that was valuable to the local governments. Ms. Wicke said it was her understanding that everyone liked federal money and that more federal assistance was needed to do water studies on a timely basis. Mr. Coates said he believed what he had heard was that the Senators would be responsible to the WAC being the partnership with an expansion of the members. Ms. Wicke said she thought that was an accurate statement. Chairman Davis asked if the WAC could be expanded to include one seat that would represent all of the federal agencies. Ms. Wicke said she did not think that Senator McCain would be scrutinizing the makeup that much. Mr. Rothrock said that one thing he liked about the partnership was the timelines because a lot of damage could happen in the next four years, and that he would like to see adherence to the timelines. Ms. Wicke and Mr. Jacobs thanked the Board and the WAC for this day's meeting.

	There being no fu	irther business to o	discuss, the meeting	was adjourned.
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		Clerk		Chairman