

Staff Summary Report



Council Meeting Date: August 14, 2008

Agenda Item Number 72

SUBJECT: Request approval of a resolution authorizing the City Manager to sign the Application for Designation of Assured Water Supply.

DOCUMENT NAME: 20080814cacc02 WATER MANAGEMENT ADMINISTRATION (0811-13)
RESOLUTION NO. 2008.78

SUPPORTING DOCS: No

COMMENTS: The Arizona Department of Water Resources has determined that municipal water providers in the Phoenix Active Management Area must submit new applications for Designation of Assured Water Supply. The Assured Water Supply Rules require a Council resolution authorizing the City Manager to sign the application.

PREPARED BY: Eric Kamienski, Water Resources Administrator (350-2608)

REVIEWED BY: Don Hawkes, Water Utilities Manager (350-2660)

LEGAL REVIEW BY: Charlotte Benson, Senior Assistant City Attorney (350-2813)

FISCAL NOTE: None

RECOMMENDATION: Adopt Resolution No. 2008.78 authorizing the City Manager to sign the Application for Designation of Assured Water Supply for the City of Tempe

ADDITIONAL INFO: Tempe received a Designation of Assured Water Supply on December 31, 1997. The Arizona Department of Water Resources has requested new applications from all municipal water providers so it can incorporate updated information on water supplies into a regional hydrologic model.

RESOLUTION NO. 2008.78

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TEMPE, ARIZONA, AUTHORIZING THE CITY MANAGER TO SIGN THE APPLICATION FOR DESIGNATION OF ASSURED WATER SUPPLY FOR THE CITY OF TEMPE.

WHEREAS, a water provider receives a Designation of Assured Water Supply by demonstrating the physical, legal and continuous availability of water from various sources sufficient to meet the projected water demand in its service area for one hundred years; and

WHEREAS, the Arizona Department of Water Resources approved the City of Tempe's application for a Designation of Assured Water Supply on December 31, 1997; and

WHEREAS, the Department of Water Resources has determined that each municipal water provider in the Phoenix Active Management Area must submit a new application for a Designation of Assured Water Supply so that the Department can use updated information in a regional model of physical groundwater availability beginning in the year 2010; and

WHEREAS, the City of Tempe's Application for Designation of Assured Water Supply is being prepared for submittal by August 31, 2008, at the Department's request.

WHEREAS, the Assured Water Supply Rules (R12-15-710) require that the City Manager sign the application and that a resolution by the governing body authorizing the City Manager to sign the application be submitted to the Department of Water Resources.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF TEMPE, ARIZONA, as follows:

That the City Manager be authorized to sign the Application for Designation of Assured Water Supply for the City of Tempe.

PASSED AND ADOPTED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF TEMPE, ARIZONA, this ____ day of _____, 2008.

MAYOR

ATTEST:

City Clerk

APPROVED AS TO FORM:

City Attorney

ARIZONA DEPARTMENT OF WATER RESOURCES
3550 North Central Avenue, 2nd Floor, Phoenix, Arizona 85012
Telephone (602) 771-8599
Fax (602) 771-8689
www.azwater.gov



Application for a Designation of Assured Water Supply or a Modification of a Designation of Assured Water Supply

This application

This application is to obtain a Designation of Assured Water Supply (Designation) or a Modification of a Designation of Assured Water Supply (Modification). Developers who obtain a written commitment of service from a designated municipal provider are not required to obtain individual Certificates of Assured Water supply for their subdivisions. Municipal providers may obtain a modification of the existing designation for their water service areas. Designations are issued based on the current, committed and projected water demand for the service area for a period of years.

If there is not enough room provided on this form for answers to any questions, please attach separate sheets as necessary.

The Department strongly encourages a pre-application meeting prior to filing an application for a designation or modification of a designation of assured water supply. To arrange a pre-application meeting, please contact the Assured and Adequate Water Supply Program Coordinator at (602) 771-8599.

Time Frames for Review of Your Application

Within two hundred and ten (210) days after receipt of your application, the Department will determine whether your application should be granted or denied, unless this time frame is extended as described below. In processing your application, the Department will first determine whether the application is administratively complete (administrative completeness review), and then whether the application meets the substantive criteria established by statute or rule (substantive review). Each of these reviews will be completed within the times stated below. The time for the administrative completeness review plus the time for the substantive review is referred to the overall time frame.

1) Administrative Completeness Review Time Frame

Within one hundred and fifty (150) days after receipt of your application, the Department will determine whether your application is complete. After your application is complete, the Department will proceed with substantive review.

If the Department determines that your application is incomplete, the Department will provide a written notice, including a comprehensive list of specific deficiencies. Until the missing information is received, both the administrative completeness review and the overall time frames will be suspended. When the Department receives the missing information, the administrative completeness review and overall time frames will resume. Your application will not be complete until all of the requested information is received. If you do not supply the missing information within sixty (60) days of receiving the written notice, your application may be denied.

2) Substantive Review Time Frame

Within sixty (60) days after the Department determines that the application is complete, the Department will review

your application to determine whether it meets the substantive criteria required by statute or rule. By mutual written agreement between you and the Department, the time for substantive review may be extended by up to 52 days, which is twenty five (25) percent of the overall time frame as provided in A.R.S. § 41-1075 (B).

During the substantive review, the Department may make one written request for additional information. You may also agree in writing to allow the Department to submit supplemental requests for additional information. If additional information is requested by the Department, both the substantive review and overall time frames will be suspended. When the additional information is received, the substantive review and overall time frames will resume.

At the end of the Department's substantive review, the Department will send you a written notice either granting or denying your application. If your application is denied, the notice will include the justification for the denial and an explanation of your right to appeal the denial.

<p align="center"> ARIZONA DEPARTMENT OF WATER RESOURCES OFFICE OF ASSURED AND ADEQUATE WATER SUPPLY 3550 NORTH CENTRAL AVENUE, 2nd FLOOR PHOENIX, ARIZONA 85012 (602) 771-8599 Fax: (602) 771-8689 </p>	<p>DATE RECEIVED:</p>
<p>APPLICATION NO:</p>	

DESIGNATION OR MODIFICATION OF DESIGNATION OF ASSURED WATER SUPPLY APPLICATION
PART A - GENERAL INFORMATION

1. This is an application for: New Designation Modification of an existing Designation

If this is a modification of an existing designation, you may expressly reference items submitted in support of a previous application rather than resubmitting identical items. However, please provide updated documentation if more recent information is available.

2. Name of municipal provider: _____ AMA: _____
ADWR No. 56- _____ County: _____

3. Name and address of person representing the municipal provider:
Name: _____
Title: _____ E-Mail: _____
Address: _____ Phone: _____ Fax: _____

4. Contact person for questions regarding this application:
Name: _____
Company: _____ E-Mail: _____
Address: _____ Phone: _____ Fax: _____

5. If not already on file with the Department, provide a map of the service area that includes the current and proposed distribution system and any treatment or storage facilities and reference as an attachment.

- Up-to-date service area map on file with the Department
Hard copy of service area map attached Attachment: _____
Electronic copy of service area map attached Attachment: _____

I DO HEREBY certify that the information contained in **this application and all information accompanying it is true and correct to the best of my knowledge and belief.** **NOTE:** If the applicant is a city or town, include a resolution of the governing body of the city or town authorizing the person to sign the application.

Printed Name Title

Signature Date

PART B - DEMAND ESTIMATE

Please use the Designation demand spreadsheet provided by the Department to document the estimated water demand in the service area. See the Department's website at <http://www.azwater.gov> and click on Permits, Forms and Applications to download a copy of the Designation demand spreadsheet **OR** provide a detailed explanation of the assumptions used in estimating the water demand for the water service area and reference the demand spreadsheet and/or the assumptions used as an attachment and complete Table B below. Attachment: _____.

Requested Term of Designation: _____ (not less than two years after issuance).

CURRENT ANNUAL DEMAND: _____ acre-feet per year **YEAR:** _____

The current demand is the total water production for the most recent completed calendar year. This includes both potable and non-potable water sources, as well as water that is lost or unaccounted for.

COMMITTED DEMAND: _____ acre-feet per year

The committed demand is the estimated demand for recorded, but unbuilt lots within the water service area.

PROJECTED DEMAND: _____ acre-feet per year **YEAR:** _____

The projected demand is the demand, at build-out, of lots that will be recorded and other customers expected to be added during the term of the designation. The projected demand should equal the difference between the total amount of water projected to be delivered in the projected calendar year you are seeking to be designated through, minus the current demand.

TOTAL ANNUAL DEMAND: _____ acre-feet per year **YEAR:** _____

The total annual demand is the sum of the current demand, committed demand and projected demand provided above.

**TABLE B:
SUM OF CURRENT, COMMITTED, AND PROJECTED DEMAND FOR THE WATER SERVICE AREA
FOR THE CURRENT YEAR PLUS EACH SUBSEQUENT YEAR FOR THE NEXT TEN YEARS**

Year	1	2	3	4	5	6	7	8	9	10
Population										
Current Demand (af/yr)										
Committed demand (af/yr)										
Projected demand (af/yr)										
Total Demand (af-yr)										

PART C- PHYSICAL AVAILABILITY OF SOURCE WATER

1. A comprehensive hydrologic study must be submitted with this application, unless the Department has previously reviewed the hydrologic conditions for this area and has issued a valid Letter of Water Availability, Physical Availability Determination or Analysis of Assured Water Supply. The Department has adopted a substantive policy statement to provide guidelines for preparing a new hydrologic study. The policy statement is available on the Department's website at <http://www.azwater.gov> under the Permits, Forms and Applications page.

Please indicate the evidence of physical availability and reference as an attachment: _____

- Water Availability Letter
 Physical Availability Determination
 New Hydrologic Study
 Other, please specify: _____

2. If not already included in the attachment under Part C, question 1 above, please attach a list of all existing service area wells including the well registration numbers, legal description (township, range, section, 180, 40, 10 quarter sections) and pump capacity of each well in gallons per minute. If your application includes proposed wells, please provide the legal description (township, range, section, 180, 40, 10 quarter sections) of each proposed well and the anticipated pump capacity of each proposed well in gallons per minute.
3. If you had a pre-application meeting with the Department, please indicate the date of that meeting: _____.
4. If you submitted a hydrologic study proposal to the Department's Hydrology Division for their review prior to submitting this application, please indicate the date of submittal of the hydrologic study proposal: _____.

PART D- CONTINUOUS AVAILABILITY AND LEGAL AVAILABILITY OF SOURCE WATER

1. If the municipal provider has not yet established a service area right, please attach a copy of the Initial Petition to Establish New Water Service Area as submitted to the AMA.
2. If applicant is a private water company, attach a copy of any Decision and Order from the Arizona Corporation Commission establishing the CC&N or extension of CC&N. Reference as attachment: _____.
3. To complete the table below, multiply the Total Annual Demand computed in Part B by 100 to obtain the 100-year demand and enter at the bottom of the chart. Enter the appropriate 100-year demands for each type of water delivered to the subdivision for each category.

Source of Supply	100 Year Volume (ac-ft)
Groundwater	
Central Arizona Project Water: Direct treatment and delivery	
Stored and Recovered water	
Surface Water: Direct treatment and delivery	
Stored and Recovered water	
Effluent: Direct treatment and delivery	
Stored and Recovered water	
Other	
Total 100-yr Volume	

4. See A.A.C. R12-15-717 and R12-15-718 for documentation that should be submitted as evidence of continuous availability and legal availability (respectively) for each source of supply. Please reference attachment(s): _____.

PART E - CONSISTENCY WITH MANAGEMENT PLAN

1. For the municipal or county jurisdiction within which the service area is located, list any water conservation ordinances and briefly describe the sections that apply to the water service area. If they will serve as evidence of your demand projections, please reference as attachment. Attachment: _____.
2. Generally describe any other current or proposed conservation practices, rates, fees, restrictions, policies and devices to be utilized within the service area to meet the conservation requirements of the Management Plan and reference as an attachment. Attachment: _____.

NOTE: See A.A.C. R12-15-7219A). If demand estimates rely on these conservation requirements, please reference

attachment: _____

PART F - FINANCIAL CAPABILITY

Please check one or more of the following and include attachments as necessary:

- The applicant has constructed adequate delivery, storage, and treatment works.
- The applicant has entered into written agreements requiring potential developers to construct adequate delivery, storage, and treatment works. Attachment: _____.

If the applicant is a city or town, the applicant has:

- Adopted a five year capital improvement plan that provides for the construction, or the commencement of construction, of adequate delivery, storage, and treatment works in a timely manner, and has submitted a certification by the applicant's chief financial officer that finances are available to implement that portion of the five-year plan; or
- Submitted evidence demonstrating that financing mechanisms are in place to construct adequate delivery, storage, and treatment works in a timely manner.
- If the applicant is a private water company, the applicant has received approval from the Arizona Corporation Commission for financing the construction of adequate delivery, storage, and treatment works.

PART G - CONSISTENCY WITH MANAGEMENT GOAL

Please check all that apply below:

- Enrollment of the water provider as a member service area in the Central Arizona Groundwater Replenishment District (Phoenix, Tucson and Pinal AMAs **ONLY**).
A separate application for membership must be filed with the Central Arizona Water Conservation District, and the membership documents **must be executed and recorded before** the Designation will be issued.
- Extinguishment of grandfathered groundwater rights dedicated to the municipal provider's water service area.
Provide evidence and reference the attachment: _____
- Other. Please specify: _____

PART H - WATER QUALITY

1. Are the well or wells from which water will be withdrawn by the municipal provider within one mile of a Water Quality Assurance Revolving Fund (WQARF) or Superfund site? Yes No.
If "Yes", please submit a contaminant migration and mitigation analysis demonstrating that the water supply will continue to meet the water quality requirements in A.A.C. Title 18, Chapter 4, and reference as attachment: _____
2. Municipal provider is or will be regulated by the Arizona Department of Environmental Quality (ADEQ) or another governmental entity with equivalent jurisdiction. If this applies, independent proof of adequate water quality is not required, please skip to Part H.
3. If the municipal provider serves or will serve 15 customers or less, provide current (within the last 60 days) analytical results on water samples taken from a well or wells constructed *within the service area*, demonstrating that the water meets the water quality requirements in A.A.C. Title 18, Chapter 4, and reference as attachment: _____

NOTE: Information on the required water quality analyses may be found at the ADEQ website <http://www.adeq.gov>.

PART I – FEES

Please calculate fees by completing the appropriate items below, and include the total fees with your application. Payment may be made by cash, check, or credit card (if you wish to pay by credit card, please contact the Assured and Adequate Water Supply Program Coordinator at 602-771-8599). Checks should be made payable to the Department of Water Resources. **Failure to enclose the required fees will cause the application to be returned. Fees for designations of assured water supply are authorized by A.R.S. § 45-113.**

IF THIS WATER PROVIDER HAS NOT BEEN DESIGNATED PREVIOUSLY, OR IF THIS APPLICATION IS A MODIFICATION OF AN EXISTING DESIGNATION THAT INCLUDES EVALUATION OF PHYSICAL, LEGAL, AND CONTINUOUS AVAILABILITY OR CONSISTENCY WITH MANAGEMENT GOAL, USE THE FEE CALCULATION METHOD BELOW:

1. Base Fee: \$ 1,000.00
2. Per-acre-foot Fee (for each additional acre-foot in excess of the first 1,000 acre-feet)
- Calculated as:
- Total Annual Demand (from Part B – Demand Estimate) _____ acre-feet/year
- Less first 1,000 acre-feet -1,000 acre-feet/year
- Per-acre-foot subject to additional review fee _____ acre-feet x \$0.50 per acre-foot: \$ _____
3. Subtotal (add items 1 and 2) **NOT TO EXCEED \$10,000** \$ _____
4. Indicate the appropriate AMA and enter the associated Public Notice Fee: \$ _____
- Phoenix AMA \$ 52.00
 - Tucson AMA \$ 225.00
 - Pinal AMA \$ 125.00
 - Prescott AMA \$ 75.00
 - Santa Cruz AMA \$ 50.00

5. TOTAL FEE DUE (add items #3 and #4): \$ _____

IF THIS IS A MODIFICATION OF AN EXISTING DESIGNATION APPLICATION AND DOES NOT INCLUDE AN EVALUATION OF PHYSICAL, LEGAL, AND CONTINUOUS AVAILABILITY OR CONSISTENCY WITH MANAGEMENT GOAL, USE THE FEE CALCULATION METHOD BELOW:

1. Basic Application fee \$ 500.00
2. Indicate the appropriate AMA and enter the associated Public Notice Fee: \$ _____
- Phoenix AMA \$ 52.00
 - Tucson AMA \$ 225.00
 - Pinal AMA \$ 125.00
 - Prescott AMA \$ 75.00
 - Santa Cruz AMA \$ 50.00

3. TOTAL FEE DUE: \$ _____