

CWAG's Position on the Big Chino Water Ranch Pipeline Project

Why the City of Prescott and the Town of Prescott Valley Should Not Prematurely Risk \$200 Million on the Big Chino Pipeline



After more than six years of careful study of our local water situation, the Citizens Water Advocacy Group (CWAG) has concluded that the Big Chino Water Ranch Pipeline Project is seriously flawed and should not go forward unless the following key issues are resolved:

- ◆ **Financial Plan** – An equitable payment plan is not in place; current ratepayers are at risk of being forced to underwrite more than their fair share of the cost of the Pipeline Project
- ◆ **Mitigation Plan** – The Pipeline Project does not include a workable mitigation plan to protect the Verde
- ◆ **Alternative Sources** – All alternative sources of water have not been fully explored; there is a regional study underway now that will identify long-term options
- ◆ **Lack of Near-Term Need** – Big Chino water won't be needed soon. Why rush the project?
- ◆ **Threatened Lawsuits** – Salt River Project has already filed suit against this project and other lawsuits are pending; litigation could drag on for years at taxpayer expense

Financial Plan - Prescott's financing for the Pipeline Project is based on growth paying 80% of the costs and, because the project will help us reach safe yield, ratepayers paying 20%. Prescott currently has more than twice the amount of water in its portfolio than is needed to build on all city lots. Therefore, the only subdivision growth that requires the pipeline water will be tracts the city can annex. To ensure the 80% payment, owners of these potential annexation tracts must agree to pay that share prior to annexation. Under no circumstances should local taxpayers guarantee full payment to either a private financial partner or bondholders for the cost of building or operating the pipeline, or ever be obligated to pay more than 20% of the cost of the project.



By Gary Beverly

Downstream Verde River view near Duff Springs

Mitigation Plan – A workable and scientific mitigation plan must be in place in advance of pumping to prevent the Upper Verde River from eventually suffering a debilitating loss of baseflow. A mitigation plan can incorporate the requirements of a formal Habitat Conservation Plan to eliminate liability under the federal Endangered Species Act. To date no scientific mitigation is being considered. Instead, the cities are offering unsupported and erroneous mitigation claims, a monitoring plan and only a promise to do something if reduction in river flow is demonstrated.

Alternative Sources – All possible alternative sources of water must be explored. Currently a U.S. Bureau of Reclamation (USBR) study is underway to identify the area's future water demands and outline various options to augment water supplies. Prescott and Prescott Valley are paying a substantial share of the cost of this comprehensive study, which is expected to be completed in about three years (well before imported water from any source will be needed by Prescott or Prescott Valley). This study could reveal that the Big Chino Water Ranch Pipeline Project is not the best option. Proceeding with plans to build the Big Chino Water Ranch Pipeline before the USBR study is finished does not make sense.

Lack of Near-Term Need – CWAG has done the math and shown that, if the city continues to allocate 200 acre-feet per year to new development as it has been doing for ten years, Prescott currently has enough water in its portfolio for 16 years of growth. According to a Central Arizona Partnership study, Prescott Valley has enough water to grow until 2031. Although it would be desirable to apply imported water for safe yield now, the Prescott communities have not prepared a plan to achieve safe yield and the Arizona Department of Water Resources (ADWR) does not require that safe yield be achieved until 2025. Therefore, Big Chino water will not be needed by the City of Prescott or Prescott Valley until at least 2025.

Threatened Lawsuits – Prescott’s right to import water from the Big Chino aquifer is apparently going to be tested in court by SRP, the Center for Biological Diversity and perhaps others (SRP has already filed). These lawsuits could drag on for years at taxpayer expense. But if all stakeholders agree to abide by an approved mitigation and Habitat Conservation Plan, these lawsuits would likely disappear.

CONCLUSION:

Despite claims to the contrary by elected officials, there is no economic or human safety need that dictates building the Big Chino Pipeline now. The Big Chino Pipeline decision should be postponed until the issues and concerns listed above are resolved.

(All reports and opinion papers used to establish CWAG’s position on the Big Chino Pipeline can be accessed at www.cwagAZ.org. Please address your questions or comments about this issue to info@cwagAZ.org).

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CWAG advocates sustainable long-term water use in the combined Upper Verde River Watershed and Prescott Active Management Area by educating the public and encouraging responsible governmental decision making.

January 2009