

ACTION BRIEF

BOARD OF DIRECTORS



Agenda Number 4.c

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MEETING DATE: Thursday, April 7, 2022

AGENDA ITEM: CAP Water Lease Agreement between CAWCD and the Ak-Chin Indian Community (*Water Supply*^) - Adams

RECOMMENDATION: Staff recommends that the Board authorize the General Manager to execute the Central Arizona Project Water Lease Between the Ak-Chin Indian Community and the Central Arizona Water Conservation District in substantially the same form as that attached to this brief.

FISCAL IMPLICATIONS: No

Impact on Budget:

None.

Additional spending authority requested: None.

Impact on Reserves:

None.

Impact on Rates:

None.

LINKAGE TO STRATEGIC PLAN, POLICY, STATUTE OR GUIDING PRINCIPLE:

2022 CAWCD Board Strategic Water Supply:
Providing a reliable CAP water supply for the short-and long-term Plan

PREVIOUS BOARD ACTION/ACTIVITY:

12/2021 CAWCD Board heard public comment from Mr. Boyce Andersen on the impact that termination of the Temporary Water Program would have on his cattle ranching operations.

01/2022 Discussion of Temporary Water Program and Consideration of Action to Approve Lease with Ak-Chin Indian Community for 500 AF of CAP Water.

ISSUE SUMMARY/DESCRIPTION:

At the January 6, 2022 Board Meeting, this Board authorized the General Manager to execute a lease agreement with the Ak-Chin Indian Community for 500 acre-feet of Water to be used in CAWCD's Temporary Water Program in 2022, with the following terms:

1. Lease for calendar year 2022, expiring on December 31, 2022
2. Total leased quantity of 500 acre-feet
3. Price established as \$290 per acre-foot, for a total of \$145,000
4. Lease is contingent upon final approval by the Community Tribal Council and the United States Bureau of Reclamation

5. Payment due 30 days following approval by all parties and Reclamation
6. Form of lease agreement to be consistent with standard lease forms utilized by the Community in other leases

While finalizing the lease agreement, the Parties discovered that certain Temporary Water Program license holders would not be able to use the leased water because the Ak-Chin Indian Community water rights settlement expressly limits the place of use of the leased water to the Phoenix, Pinal and Tucson Active Management Areas. There are 8 Temporary Water Program license holders located outside the Phoenix, Pinal and Tucson Active Management Areas, with a projected total demand of 12 acre-feet.

In order to overcome the limitations on the place of use of the Ak-Chin leased water, the United States, Ak-Chin Indian Community and CAWCD staff developed an exchange of 12 acre-feet of water CAWCD is entitled to use pursuant to Subcontract No. 21-XX-30-W0703, for the 12 acre-feet of Ak-Chin leased water that will be used for Temporary Water Program license holders located outside the Phoenix, Pinal and Tucson Active Management Areas. The exchange is incorporated into the provision of the lease.

All other terms of the lease are consistent with the terms previously approved by the Board at the January 6, 2022 Board Meeting.

The final lease agreement is attached to this Brief.

SUGGESTED MOTION:

I move that the Board authorize the General Manager to execute the Central Arizona Project Water Lease Between the Ak-Chin Indian Community and the Central Arizona Water Conservation District in substantially the same form as that attached to this brief.

ATTACHMENTS:

1. 03 22 2022 Short Term Ak-Chin Lease to CAWCD for Temporary Water Program