CITY OF PEORIA, ARIZONA
COUNCIL COMMUNICATIONS

CC: 5C

Amend No. _____

Date prepared: October 24, 2008 **Council Meeting Date: November 18, 2008**

TO: Carl Swenson, City Manager

FROM: Stephen L. Bontrager, Utilities Director

THROUGH: Brian Biesemeyer, Deputy Utilities Director BB

PREPARED BY: Alan R. Dulaney, Water Resources Supervisor ARD

SUBJECT: Approve Resolution to apply to the Arizona Department of Water Resources for the Designation of Assured Water Supply

RECOMMENDATION:

Discussion and possible action to approve a Resolution that authorizes the City Manager to sign and file an application to renew the City's Designation of Assured Water Supply with the Arizona Department of Water Resources.

SUMMARY:

The Arizona Department of Water Resources requires a Resolution from the City Council as part of the application to renew the City's Designation of Assured Water Supply. Designations are required to be renewed approximately every ten years. The Resolution authorizes the City Manager to sign and file the application with the Arizona Department of Water Resources. The City's current Designation of Assured Water Supply expires in 2010, and the Arizona Department of Water Resources has requested all Designated providers within the Phoenix Active Management Area to submit renewal applications in 2008.

FISCAL NOTE:

The application fee for the Designation of Assured Water Supply is $10,000. Funding is available in Water Utilities account 2050-2120-520030.

CITY CLERK USE ONLY:

☐ Consent Agenda
☐ Carry Over to Date:_____
☐ Approved
☐ Unfinished Business (Date heard previous:_____)
☐ New Business
☐ Public Hearing: No Action Taken

ORD. #_____ RES. # 08-147
LCON#_____ LIC. #_____
Action Date:

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 included the justification for the denial and an explanation of your right to appeal the denial.

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	DATE RECEIVED:
APPLICATION NO:	

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-feet 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:** $ _____

RESOLUTION NO. 08-147

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF PEORIA, MARICOPA COUNTY, ARIZONA AUTHORIZING THE CITY MANAGER TO SIGN AND FILE AN APPLICATION WITH THE ARIZONA DEPARTMENT OF WATER RESOURCES TO REDESIGNATE THE CITY AS HAVING AN ASSURED WATER SUPPLY.

WHEREAS, pursuant to State law the City of Peoria may be designated as having an assured water supply that will be physically, legally, and continuously available for the next 100 years;

WHEREAS, in 1997 the City received its initial Designation of Assured Water Supply from the Arizona Department of Water Resources;

WHEREAS, in 2002 the City received a modification of its Designation of Assured Water Supply from the Arizona Department of Water Resources which expires in 2010;

WHEREAS, since 2002 the City has obtained and developed additional supplies of water to support its continued growth;

WHEREAS, the City now desires to renew its Designation of Assured Water Supply to reflect these new water supplies; and

WHEREAS, the City Council has determined that it is in the best interests of the City to authorize the City Manager to sign and file an Application with the Arizona Department of Water Resources to redesignate the City's Assured Water Supply.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Council of the City of Peoria that the City Manager is authorized to sign and file with the Arizona Department of Water Resources an Application to receive a renewed Designation of Assured Water Supply for the City.

PASSED AND ADOPTED by the Mayor and Council of the City of Peoria, Arizona this 18th day of November, 2008.

_____
Bob Barrett, Mayor

ATTEST:

_____
Mary Jo Kief, City Clerk

APPROVED AS TO FORM:

_____
Stephen M. Kemp, City Attorney