

# ARIZONA WATER BANKING AUTHORITY

WEDNESDAY, MARCH 17, 1999

PLEASE PRINT

ARIZONA DEPARTMENT OF WATER RESOURCES

|    | NAME                     | REPRESENTING          |
|----|--------------------------|-----------------------|
| 1  | Bruce Brown              | Ecoplan Associates    |
| 2  | J-B Wyckoff              | NVWRAB                |
| 3  | Ray Veillette            | SCWMC-                |
| 4  | John Newman              | CAP                   |
| 5  | Rich Siegel              | SRP                   |
| 6  | TOM WOTRINK              | BUREAU OF RECLAMATION |
| 7  | BOB BARRATT              | CAP                   |
| 8  | LINDA JAMES / R.S. LYNCH | FEDA                  |
| 9  | Wendy Wondurley          | B-E                   |
| 10 | DAVID IWANSKI            | AGRI-BUSINESS Council |
| 11 | Mark Myers               | Metro Water           |
| 12 | NOEL CRAMEN              | VICKSBURG Farms       |
| 13 | Bob McLean               | AMWA                  |
| 14 | PAUL DAME                | CADDD / MSDDD         |
| 15 | Stephanie Gerlach        | Stantec               |
| 16 | Tom Harbour              | CAWCD                 |
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|    | NAME                     | REPRESENTING          |

## **Arizona Water Banking Authority**

500 North Third Street, Phoenix, Arizona 85004

Telephone 602-417-2418

Fax 602-417-2401

Web Page: [www.awba.state.az.us](http://www.awba.state.az.us)

### **FINAL AGENDA**

**Wednesday, March 17, 1999**

**10:00 a.m.**

**Arizona Department of Water Resources**

Third floor conference room

- I. Welcome/Opening Remarks
- II. Introduction of CAWCD President as new Water Banking Authority member
- III. Adoption of Minutes of January 20 Meeting
- IV. Discussion of the 1999 Plan of Operation and Staff Activities
- V. Water Banking Authority Amendments Update
- VI. Interstate Discussions
- VII. Call to the Public

#### **Future Meeting Dates:**

Wednesday, April 21, 1999

Wednesday, May 19, 1999

Persons with a disability may request a reasonable accommodation, such as a sign language interpreter, by contacting the Arizona Water Banking Authority at (602) 417-2418. Requests should be made as early as possible to allow time to arrange the accommodation.

ARIZONA WATER BANKING AUTHORITY  
Draft Minutes

January 20, 1999  
Arizona Department of Water Resources



AUTHORITY MEMBERS  
Rita P. Pearson, Chairman  
Tom Griffin, Vice-Chairman  
Bill Chase, Secretary  
Grady Gammage, Jr.  
Richard S. Walden

EX OFFICIO MEMBERS  
Representative Gail Griffin  
Senate appointment vacant

### Welcome/Opening Remarks

All members of the Authority were present.

### Minutes

The December 16th minutes were approved as submitted.

### Plan of Operation and Other Staff Activities

Tim Henley, Manager of the AWBA, reviewed delivery figures for 1998. January figures were not available at the time of the meeting.

Mr. Henley also updated the Authority members on the status of the Pima Mine Road permit. PMR has applied for a long-term storage permit. Issuance of that permit could take close to one year. In the mean time, the AWBA loses the opportunity to store water at PMR because the 10,000 af of pilot project capacity has already been used. To deal with this situation, PMR has applied for an extension to the pilot project to allow additional recharge there pending the issuance of a completely new permit.

The AWBA staff is working on draft language for an agreement to store water at Kai Farms/Avra in the Tucson AMA. Kai Farms/Avra is a groundwater savings facility and is fully permitted. Pricing negotiations are still pending.

The AWBA staff is also working on language for an agreement with Vidler Water Company for storage of water at MBT Ranch in La Paz County, Arizona. The AWBA staff has already begun negotiating the terms of that agreement.

### Election of Secretary and Vice-Chairman

Bill Chase and Tom Griffin were re-elected to their respective positions as Secretary and Vice-Chairman by the unanimous vote of the Authority members.

Tim Henley informed the Authority members that the President of the Senate has not yet appointed a state senator to the *ex officio* Authority member post. Because Senator Pat Connor retired from the Legislature, his *ex officio* position is currently vacant pending the appointment of a new senator. Some of the members suggested newly elected Senator Herb Guenther for the position.

### Legislative Update

Kim Kunasek, technical administrator for the AWBA, updated the Authority on the AWBA legislative package, now in bill form as House Bill 2463. HB 2463 was first read on January 18, second read on January 19, and has been assigned to the House Natural Resources Committee for a hearing. The House Natural Resources Committee meets Wednesdays at 1:30 p.m. The bill may be heard as early as Wednesday, January 27. AWBA staff will work with the web page designers to make sure that updated information on HB 2463's journey through the legislative process will be available from the AWBA web page.

### **Interstate Discussions**

Herb Dishlip updated the Authority members on issues in California that could seriously impact key components of the so-called "4.4 Plan." Mr. Dishlip also discussed events that transpired at the Colorado River Water Users' Association meeting in December 1998 where Secretary of the Interior Bruce Babbitt discussed the importance of finding adequate water sources for Nevada.

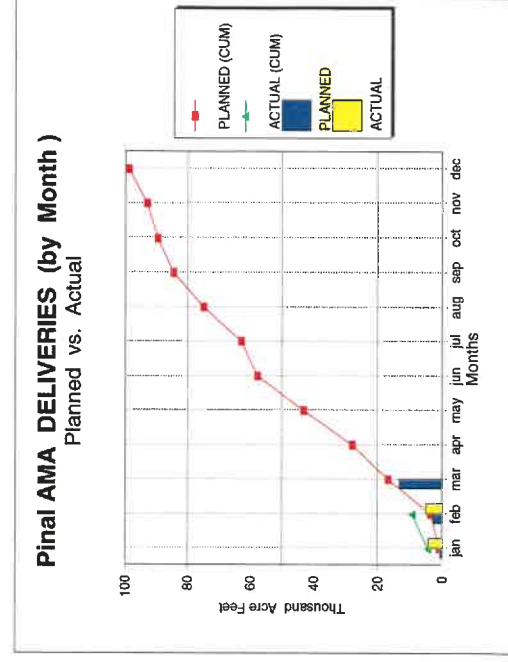
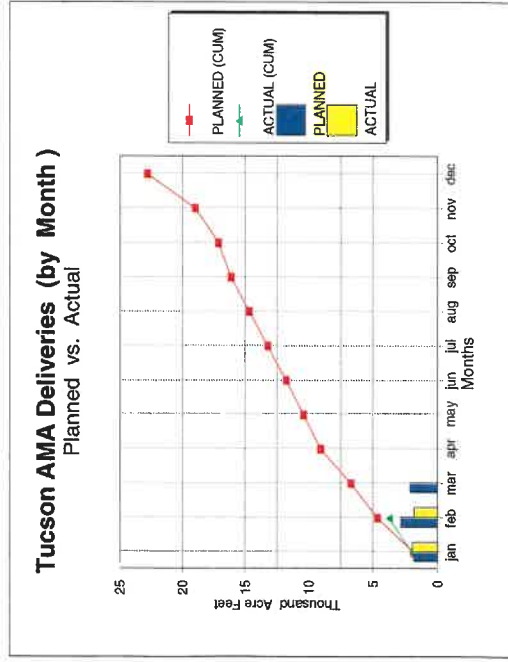
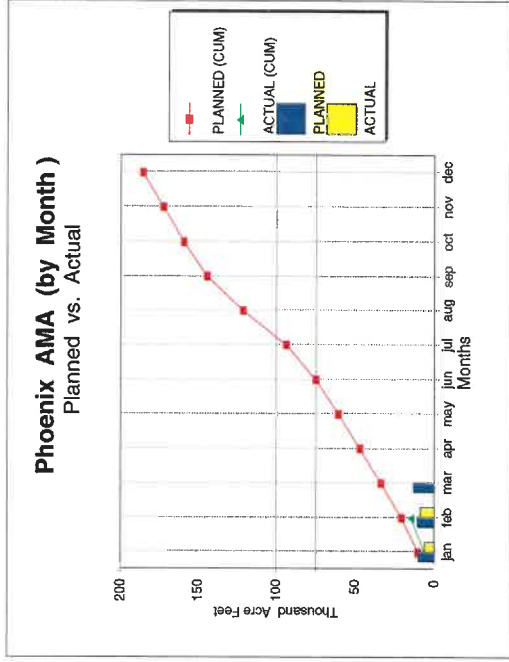
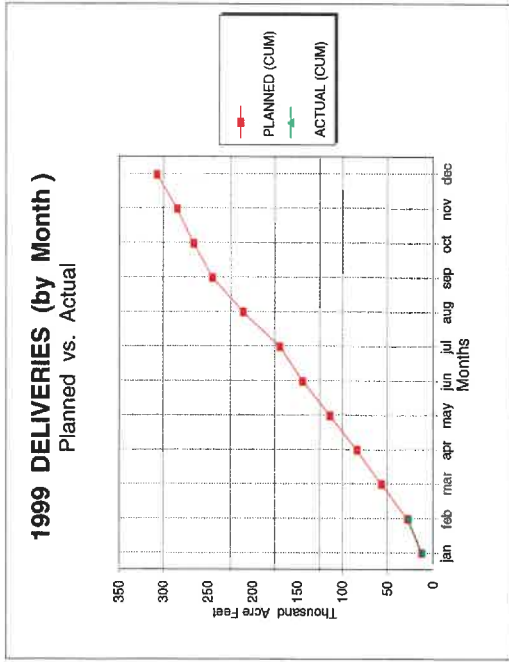
No progress has been made with respect to the "stalemate" currently in place over the proposed Interstate water banking rules.

### **Call to the Public**

The next meetings are scheduled for **February 17** and **March 17**.

The meeting was adjourned at 10:30 a.m.

# 1999 Plan of Operation



Actual deliveries updated 15-Mar-99

|                      | jan           | feb           | mar           |
|----------------------|---------------|---------------|---------------|
| <b>Phoenix AMA</b>   |               |               |               |
| GRUSP                | 3,822         | 4,706         | 7,500         |
| NMIDD                | 2,034         | 2,778         | 3,200         |
| QCID                 | 0             | 0             | 0             |
| MWD                  | 0             | 588           | 1,765         |
| TID                  | 0             | 0             | 0             |
| VIDLER MBT           | 0             | 410           | 410           |
| <b>Subtotal</b>      | <b>5,856</b>  | <b>8,482</b>  | <b>12,875</b> |
| <b>Total to date</b> | <b>5,856</b>  | <b>14,338</b> | <b>27,213</b> |
| <b>Pinal AMA</b>     |               |               |               |
| CAIDD                | 0             | 0             | 0             |
| MSIDD                | 1,906         | 1,475         | 8,530         |
| HIDD                 | 2,274         | 3,429         | 4,581         |
| <b>Subtotal</b>      | <b>4,180</b>  | <b>4,904</b>  | <b>13,111</b> |
| <b>Total to date</b> | <b>4,180</b>  | <b>9,084</b>  | <b>22,195</b> |
| <b>Tucson AMA</b>    |               |               |               |
| Avra Valley          | 0             | 0             | 0             |
| CAVSARP              | 678           | 633           | 600           |
| Pima Mine            | 1,248         | 1,145         | 500           |
| Lower Santa Cruz     | 0             | 0             | 0             |
| Kai/Avra             | 0             | 0             | 1,000         |
| <b>Subtotal</b>      | <b>1,926</b>  | <b>1,778</b>  | <b>2,100</b>  |
| <b>Total to date</b> | <b>1,926</b>  | <b>3,704</b>  | <b>5,804</b>  |
| <b>TOTAL</b>         |               |               |               |
| <b>Total to date</b> | <b>11,962</b> | <b>15,164</b> | <b>28,086</b> |
|                      | <b>11,962</b> | <b>27,126</b> | <b>55,212</b> |



**AGREEMENT #2 FOR STORAGE OF WATER  
AT THE  
PIMA MINE ROAD RECHARGE PROJECT**

**1. PARTIES:**

This Agreement is made and entered into the \_\_\_\_\_ day of \_\_\_\_\_ 1999, by and between the CENTRAL ARIZONA WATER CONSERVATION DISTRICT, hereinafter referred to as "CAWCD", and the ARIZONA WATER BANKING AUTHORITY, hereinafter referred to as the "Authority".

**2. RECITALS:**

- 2.1 CAWCD has constructed and is responsible for operating the Pima Mine Road Recharge Project ("PMRRP"), which is located approximately fifteen miles south of Tucson, north of Pima Road in sections 19 and 30 of Township 16 South, Range 14 East, Pima County, Arizona.
- 2.2 The Arizona Department of Water Resources has issued CAWCD a pilot underground storage facility permit for the PMRRP. The Permit authorizes the underground storage of 10,000 acre-feet of water at the PMRRP prior to the expiration date of the Permit. At the completion of the pilot recharge project, CAWCD intends to obtain a full-scale underground storage permit to store up to 30,000 acre-feet annually at the PMRRP for a period of 20 years.
- 2.3 The Arizona Legislature has declared that it is the public policy of the State of Arizona to use the Central Arizona Project to deliver Colorado River water that would otherwise be unused in Arizona for purposes specified in A.R.S. Section 45-2401.



- 2.4 The Arizona legislature has created the Authority to implement this policy.
- 2.5 CAWCD, the Authority and the Department of Water Resources have entered into an intergovernmental agreement providing for, among other things, the purchase of excess CAP water by the Authority for storage at permitted underground storage facilities.
- 2.6 The Authority desires to store excess CAP water at the PMRRP and CAWCD agrees to make available unused storage capacity at the PMRRP for such storage, in accordance with the provisions of this Agreement.

NOW, THEREFORE, in consideration of the foregoing, the payments to be paid by the Authority, and the covenants and agreements contained in this Agreement, and other good and valuable consideration, CAWCD and the Authority agree as follows:

3. **DEFINITIONS:**

- 3.1 AUTHORITY WATER: Excess CAP water made available by CAWCD to the Authority for underground storage, which water would not otherwise have been used within Arizona.
- 3.2 AVAILABLE OPERATING CAPACITY: The annual amount of water, in acre-feet, that can be legally and physically stored in the PMRRP, as determined by CAWCD. The capability of the PMRRP to infiltrate water may change due to factors which may include, but are not limited to, operating conditions in the PMRRP and the CAP, the downtime necessary for maintenance and repairs of the PMRRP and operational requirements described in the Permit.

- 3.3 PMRRP TURNOUT: The point on the CAP aqueduct at which CAP water is diverted into the Pima Mine Road Recharge Project pipeline for delivery to the PMRRP.
- 3.4 CENTRAL ARIZONA PROJECT (CAP): The water delivery works of the CAP including, but not limited to, the CAP canal, its turnout structures and associated measuring devices.
- 3.5 INTERGOVERNMENTAL AGREEMENT: The Intergovernmental Agreement among the Authority, the Arizona Department of Water Resources and CAWCD and any amendments or supplements thereto.
- 3.6 PARTY/PARTIES: Either one or both of the parties to this Agreement.
- 3.7 PERMIT: The Constructed Underground Storage Facility Permit issued by the Arizona Department of Water Resources under which CAWCD operates the PMRRP facility.

4. **THE INTERGOVERNMENTAL AGREEMENT:**

The Intergovernmental Agreement is incorporated into and made a part of this Agreement.

5. **SCOPE OF SERVICES:**

This Agreement is limited to the storage of Authority Water at the PMRRP by CAWCD for the benefit of the Authority. CAWCD shall deliver Authority Water, which is scheduled by the Authority for storage at the PMRRP in accordance with the IGA, to the PMRRP and CAWCD shall store such water underground at the PMRRP for the benefit of the Authority.

**6. TERM OF AGREEMENT:**

This Agreement shall become effective when executed by both Parties and shall remain in effect for five years, at which time this Agreement shall be reviewed by both Parties and may be renewed, canceled, or terminated if both of the Parties agree in writing to renew, cancel, or terminate or cancel in accordance with the provisions of this Agreement.

**7. CONDITIONS RELATING TO STORAGE:**

- 7.1 All storage of Authority Water at the PMRRP shall be consistent with Arizona water law.
- 7.2 The Authority shall obtain a water storage permit from ADWR authorizing it to store Authority Water at the PMRRP.
- 7.3 CAWCD's storage of Authority Water at the PMRRP shall, at all times, comply with the Permit. CAWCD shall be responsible for filing annual reports as required by the Permit. If the Permit is canceled or expires for any reason, the Authority may terminate this Agreement.

**8. PROCEDURE FOR SCHEDULING STORAGE CAPACITY:**

- 8.1 As soon as practicable after the date of execution of this Agreement, the Authority shall submit to CAWCD a proposed schedule indicating the amount of PMRRP storage capacity it desires to use during the year in which this Agreement is executed. Thereafter, on or before October 1 of each year, the Authority shall submit to CAWCD a proposed schedule indicating the amount of PMRRP storage capacity the Authority desires to use during the following year.
- 8.2 As soon as practicable after receipt of the Authority's proposed schedule following the execution of this Agreement, CAWCD

shall return to the Authority the schedule, as adjusted by and acceptable to CAWCD, indicating the amount of PMRRP storage capacity that is available to the Authority for the year in which this Agreement is executed. Thereafter, on or before November 15 of each year, CAWCD shall return to the Authority the schedule, as adjusted by and acceptable to CAWCD, indicating the amount of PMRRP storage capacity that is available to the Authority for the following year.

**9. WATER STORAGE RATE:**

9.1 The estimated rate for water storage at the PMRRP for 1999 is \$10.00 per acre-foot. This rate consists of the following components: an estimated maintenance charge in the amount of \$2.50 per acre-foot and an estimated operation charge of \$7.50 per acre-foot. The maintenance component of the water storage rate consists of the costs of maintaining the facility, including but not limited to: scraping the basins, weed removal, miscellaneous berm and facility repairs. The operating component of the water storage rate consists of the costs of hydrologic monitoring, including but not limited to: water level measurements, water quality sampling and lab analysis costs, and data management and reporting. The water storage rate is an estimated cost. The actual cost for 1999 may be higher or lower. At the end of 1999, and each year thereafter if necessary, CAWCD will compute the actual costs of the PMRRP for the previous 12-month period. If the actual costs are higher than the estimated costs included in the water storage rate, CAWCD will bill the Authority for the difference in proportion to the amount of the PMRRP storage capacity utilized by the Authority during the year. The Authority shall pay CAWCD

within 30 days of receipt of such bill. If the actual costs are lower than the estimated costs, CAWCD will either, at the Authority's election, pay the Authority the difference in proportion to the amount of the PMRRP capacity utilized by the Authority during the year, or credit such amount to the Authority's account for the following year.

- 9.2 The rate for water storage at the PMRRP may be adjusted annually by CAWCD. Notice of the adjusted rate shall be provided to the Authority by November 15 of the then current year. Such rate shall be effective January 1 of the following year and remain in effect until next adjusted.
  - 9.3 The Authority shall pay the rate for water storage, as described in Section 9.1, for each acre-foot of excess CAP water delivered to the PMRRP on behalf of the Authority, as measured at the PMRRP Turnout. Payment of the rate for water storage, as described in Section 9.1 is not related to and is not contingent on the Authority's accrual of long-term storage credits from water stored at the PMRRP.
  - 9.4 If storage capacity becomes available at the PMRRP in any year during the term of this Agreement because a lessee decides not to store the full amount of water it had scheduled for storage during such year, and if the Authority desires to utilize this additional storage capacity, CAWCD shall use its best efforts to deliver Authority Water to the PMRRP during such year so that the Authority may utilize this additional storage capacity.
10. **OPERATING AGENT:**
- 10.1 CAWCD shall be responsible for operating the PMRRP.
  - 10.2 CAWCD shall retain sole responsibility and authority for decisions relating to the PMRRP operating and maintenance

practices, including maintenance scheduling and the selection of periods when maintenance will be done.

10.3 Whenever practicable, CAWCD shall inform the Authority ninety (90) days in advance of any matter which may substantially affect the PMRRP or the rights of the Authority.

**11. DESTRUCTION/RECONSTRUCTION OF THE PMRRP:**

In the event of destruction of all or part of the PMRRP, CAWCD may repair or reconstruct the PMRRP, but CAWCD shall not be obligated to do so.

**12. WATER MEASUREMENT AND ACCOUNTING:**

12.1 CAWCD shall base its accounting for water delivered to the PMRRP on actual measurements, methods required by the Permit and/or generally accepted accounting and engineering practices.

12.2 CAWCD shall install and maintain a flow measurement system to measure the amount of water diverted from the CAP into the PMRRP. CAWCD shall test and maintain the accuracy of this system within plus or minus 5 percent of actual flows.

12.3 CAWCD shall determine evaporation losses representative of the conditions at or near the PMRRP using the method indicated in the Permit or using actual measurements, when available. Any other losses in the PMRRP shall be calculated using generally accepted engineering practices.

12.4 All losses that occur at the PMRRP, other than by evaporation, will be calculated using generally accepted engineering practices and water-level readings from the gages in the basins.

12.5 CAWCD shall prepare a monthly water accounting report of

water stored at the PMRRP for the Authority, The report shall include the daily amount of water stored and the losses calculated as described in this Section.

12.6 CAWCD shall provide the Arizona Department of Water Resources with reports for the PMRRP as required by the Permit.

12.7 The water accounting reports prepared pursuant to this Section shall be sent to the Authority monthly and shall be retained by CAWCD for at least three years.

**13. WATER QUALITY:**

The Authority shall indemnify and hold harmless CAWCD against losses to third parties resulting from water quality degradation or harm to property caused by the Authority's water storage at the PMRRP, due to commingling of the Authority's infiltrating water with the groundwater or water flowing above or below the surface of the Santa Cruz riverbed. Further, the Authority waives any claim on its own behalf against CAWCD for water quality degradation or harm to property arising from such commingling, unless such claim is intended to enforce the indemnification provision of this Section; provided, however, that the Authority shall indemnify and hold harmless CAWCD only to the extent that indemnification is not provided to CAWCD by the State of Arizona pursuant to A.R.S. Section 45-898.01; and provided further, however, that the Authority's indemnification shall only extend to the percentage of degradation attributable to the water stored on behalf of the Authority at the PMRRP under the terms of this Agreement. The Authority retains the right to claim over against any other entity, including CAWCD, storing water in the PMRRP in the amount proportionate to such amount stored by those other entities. In no event shall CAWCD assume liability for water quality degradation

resulting from the storage of water in the PMRRP, solely due to its performance of obligations as the operating agent under this Agreement.

**14. BILLING AND PAYMENTS:**

14.1 On or before the 15th day of each month, CAWCD will submit a bill to the Authority for water storage charges for PMRRP capacity used by the Authority during the previous month. The Authority shall pay CAWCD within thirty (30) days of receipt of such bill.

14.2 If payment due under this Agreement remains unpaid more than sixty (60) days after its due date, CAWCD may terminate this Agreement effective upon written notice to the Authority, In the event CAWCD terminates this Agreement, the Authority shall remain obligated to pay any outstanding balance.

**15. AUTHORIZATIONS AND APPROVALS:**

The Authority shall be responsible for obtaining, at its own expense, any permits, authorizations and approvals required for the underground storage and recovery of water in the PMRRP or for the Authority's performance under this Agreement. The Authority shall keep CAWCD informed of its applications for such permits and authorizations. CAWCD will share information with the Authority to assist the Authority in its permit application. The Authority shall also be responsible for filing any annual reports or other documents necessary to maintain its right to store water at the PMRRP.

**16. LIABILITY:**

16.1 Each Party shall assume liability for its own negligence and shall



indemnify the other against any damages the non-negligent Party incurs as a result of the negligent Party's action or inaction.

16.2 CAWCD shall assume no liability to the Authority for claims of damage resulting from CAWCD's decision to curtail or stop water flows to the PMRRP site during storm or emergency conditions.

16.3 CAWCD shall assume no liability to the Authority for quantities of recoverable or unrecoverable water stored underground or removed from underground storage; nor to replace water lost, misdirected or other failing to reach the underlying aquifer. CAWCD, the Authority and any other lessee shall share in any deficiency resulting from such lost, misdirected or otherwise unstored water in proportion to the amount of the PMRRP storage capacity utilized in any given year during the term of this Agreement.

16.4 Liability, as described in Section 12, related to water stored in the PMRRP by the Authority prior to termination of this Agreement shall remain with the Authority after termination of this Agreement. The obligations set forth in this Section shall survive expiration or termination of this Agreement, and shall remain in full force and effect.

16.5 In the event any third party institutes an action against CAWCD, the Authority or other lessees for claims arising from the activities undertaken pursuant to this Agreement, the parties named in the action shall meet to determine the procurement of legal counsel and the steps to take to defend against the action.

**17. DEFAULT:**

17.1 CAWCD and the Authority shall pay all monies and carry out all

other performances, duties and obligations agreed to be paid and/or performed by them pursuant to this Agreement. A default by CAWCD or the Authority in the covenants and obligations to be kept and performed by it shall be an act of default under this Agreement.

17.2 In the event of a default by CAWCD or the Authority, then, within thirty (30) days following notice of such default by the non-defaulting party, the defaulting party shall remedy such default either by advancing the necessary funds and/or rendering the necessary performance. Such notice shall specify the existence and nature of such default. If such default is not remedied within the time specified, the non-defaulting party may terminate this Agreement upon 24 hours written notice.

**18. UNCONTROLLABLE FORCES:**

Neither Party to this Agreement shall be considered in default in the performance of any of its obligations under this Agreement (other than obligations of the Authority to make payment for service hereunder) when a failure of performance shall be due to uncontrollable forces. The term "uncontrollable forces"; shall mean any cause beyond the control of the Party unable to perform such obligation, including, but not limited to, failure of or threat of failure of facilities, flood, earthquake, storm, fire, lightning, and other natural catastrophes, epidemic, war, riot, civil disturbance or disobedience, strike, labor dispute, labor or material shortage, sabotage, government priorities and restraint by court order or public authority, and action or nonaction by, or failure to obtain the necessary authorizations or approvals from, any governmental agency or authority, which by exercise of due diligence such Party could not reasonably have been expected to avoid and

which by exercise of due diligence it shall be unable to overcome. Nothing contained herein shall be construed to require either Party to settle any strike or labor dispute in which it is involved.

**19. RESOLUTION OF DISPUTES:**

19.1 A Party having a dispute under this Agreement that cannot be resolved by the Parties, may submit the dispute to arbitration. Arbitration shall be subject to the following provisions:

19.1.1 Arbitration shall be binding only upon the consent of the Parties.

19.1.2 A Party wishing to submit a dispute to arbitration shall provide thirty (30) day written notice to the other Party of its intent to pursue arbitration and shall name one arbitrator at that time. Within fifteen (15) days of receiving this notice, the other Party to the dispute shall name one arbitrator and give written notice to the other Party of its selection. The two selected arbitrators shall, within five (5) days of selection of the second arbitrator, jointly select a third arbitrator.

19.1.3 Within thirty (30) days from the selection of the third arbitrator, the arbitrators shall hold a hearing. Within thirty (30) days from the conclusion of the hearing the arbitrators shall render a decision on the dispute.

19.1.4 Arbitration shall be subject to the Arizona Arbitration Act, Arizona Revised Statutes, Title 12, Chapter 9, Article I. In the event of a conflict between this Agreement and Act, the provisions of this Agreement shall prevail.

19.2 A Party that is dissatisfied with the results of non-binding arbitration may pursue any other legal or equitable remedy not

expressly provided for in this Section 18 and available to resolve the dispute.

**20. ACTION PENDING RESOLUTION OF DISPUTES:**

Pending the resolution of a dispute pursuant to Section 19, each Party shall proceed, to the extent legally permissible, in a manner consistent with this Agreement, and shall make payments required in accordance with the applicable provisions of this Agreement. Any amount paid by a Party pursuant to this Section 20 during the pendency of such dispute shall be subject to refund and adjustment upon a final resolution of any dispute involving an amount due.

**21. GOVERNING LAW:**

This Agreement shall be governed by the laws of the State of Arizona.

**22. BINDING OBLIGATIONS:**

All of the obligations set forth in the Agreement shall bind CAWCD and its successors and assigns. This Agreement shall not be assigned by the Authority or accrue to the Authority's successor, nor shall the PMRRP capacity use rights hereunder of the Authority be used by another party. This Agreement shall not be assigned by CAWCD or accrue to CAWCD's successor without the express written consent of the Authority.

**23. NOTICES:**

23.1 Notice, demand or request provided for in this Agreement shall be in writing and shall be deemed properly served, given or made if delivered in person or sent by registered or certified mail, postage prepaid, to the persons specified below;

Central Arizona Water Conservation District  
C/o General Manager  
P.O. Box 43020  
Phoenix, AZ 85080-3020

The Arizona Water Banking Authority  
C/o Manager  
500 N. Third Street  
Phoenix, AZ 85004-3903

23.2 A Party may, at any time, by notice to the other Party, designate different or additional persons or different addresses for the giving of notices.

**24. THIRD PARTY BENEFICIARIES:**

This Agreement shall not be construed to create rights in, or to grant remedies to, any third party as a beneficiary of this Agreement or of any duty, obligation or undertaking established herein.

**25. WAIVER:**

The waiver by either Party of a breach of any term, covenant or condition in this Agreement shall not be deemed a waiver of any other term, covenant or condition or any subsequent breach of the same or any other term covenant or condition of this Agreement.

**26. HEADINGS:**

Title and paragraph headings are for reference only and are not part of this Agreement.

**27. ENTIRE AGREEMENT:**

The terms, covenants and conditions of this Agreement constitute the entire agreement between the Parties relative to the use of PMRRP storage capacity, and no understandings or agreements not herein

expressly set forth shall be binding upon them. This Agreement may not be modified or amended in any manner unless in writing and signed by both Parties.

IN WITNESS WHEREOF, this Agreement is executed by the Parties hereto.

**CENTRAL ARIZONA WATER CONSERVATION DISTRICT**

By: \_\_\_\_\_  
George Renner, President

Attest: \_\_\_\_\_  
Secretary

**ARIZONA WATER BANKING AUTHORITY**

BY: \_\_\_\_\_  
Rita P. Pearson, Chairman

Attest: \_\_\_\_\_  
Secretary