

Arizona Water Banking Authority

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February 7, 2025

Dear Commission Members,

On December 11, 2024, during the AWBA Commission Meeting, staff were asked if the AWBA Annual Plan of Operation (“APO”) for 2025 would need to be formally amended should the opportunity arise to purchase LTSCs that are not explicitly accounted for in those plans. This concern has been researched, and the following answer has been determined.

AUTHORITY MEMBERS
Thomas Buschatzke, Chair
Mark Clark, Vice Chair
Eric Braun, Secretary
Joseph Olsen
Mark Taylor

EX OFFICIO MEMBERS
Honorable Warren Petersen
Honorable Steve Montenegro

The APO does not require an amendment to pursue a new purchase opportunity. The language of the APO contemplates purchase opportunities arising during the year. In the “Available Funds” Section at page 7, the APO states: “As the AWBA does not have purchase agreements arranged, the CAWCD Board was not requested to reserve additional funds for 2025; however, the Board may be asked to amend its resolution should opportunities present themselves.” Furthermore, the Intergovernmental Agreement Among The Arizona Department of Water Resources, Arizona Water Banking Authority And Central Arizona Water Conservation District (“IGA”), which sets forth the budgetary process for the AWBA, states at Section 6.2(i) that “[i]f the AWBA determines additional funds are necessary for the purchase of additional LTSCs, CAWCD may amend its resolution to transfer additional funds subject to the terms and conditions set forth in this Section 6.2.”

The language above indicates that the adopted APO contemplates opportunities that are not known at the time of approval, therefore the current APO does not need to be amended should purchase opportunities arise during the year.

Sincerely,

AWBA Staff