

ARIZONA WATER BANKING AUTHORITY
Draft Meeting Summary

March 19, 2025
Arizona Department of Water Resources
(Hybrid Meeting)



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

EX OFFICIO MEMBERS
The Honorable Warren Petersen
The Honorable Steve Montenegro

I. Welcome

Chair Tom Buschatzke and Commission members Joseph Olsen, and Mark Taylor attended in person. Commissioners Clark and Braun attended online.

The meeting was called to order at 10:00 a.m.

II. Approval of Meeting Minutes of December 11, 2024

Chair Buschatzke asked for a motion. Commissioner Olsen moved to approve the December 11, 2024, AWBA Regular Meeting minutes with any needed corrections. Commissioner Taylor provided the second to the motion. Chair Buschatzke asked if there was any further discussion. There was none; the minutes were unanimously approved.

II. Approval of Meeting Minutes of February 11, 2025

Chair Buschatzke asked for a motion. Commissioner Olsen moved to approve the February 10, 2025, AWBA Special Meeting minutes with any needed corrections. Commissioner Taylor provided the second to the motion. Chair Buschatzke asked if there was any further discussion. There was none; the minutes were unanimously approved.

III. Water Banking staff activities

Quarterly report on AWBA credit purchases for calendar year 2025. Rebecca Bernat, AWBA Manager, provided an update on credit purchases during the first quarter of 2025. The AWBA is purchasing 11,850 acre-feet (AF) of long-term storage credits (LTSCs) from Vidler Water with Maricopa County 4-cent tax at a rate of \$533.5/AF. Chair Buschatzke asked Commission members if there were any questions or comments. There were none.

Status report on Colorado River conditions. Jasmyne Gramza, Program Specialist for ADWR's Colorado River Management Section, gave the Colorado River Basin update. On March 16, 2025, the elevation of Lake Powell was 3,560.81ft, and Lake Mead was 1,067.54ft; system contents were at 40%, which is 1% less than this time last year.

The 2025 snowpack is tracking below the 1991-2010 historical median, although there is potential for additional snow accumulation over the next two months. The snow water equivalent is indicating a below-average snowpack in the Upper Basin. As a consequence, Lake Powell is expected to receive only 70% of its average for the April–July period.

The unregulated inflow forecast on March 5 ranged from 6.77 MAF to 9.41 MAF. Overall, 2025 is expected to be a below-normal inflow year which could impact Lake Powell storage and downstream river water availability.

Projections from the CRMMS-ESP and 24-month studies show a most probable EOCY 2025 elevation in Lake Powell of 3,561.2 and 3,576.7 for EOCY 2026. Lake Powell releases are projected to be 7.48 million acre-feet.

As for Lake Mead, the EOCY 2025 projection is 1,057.5, and EOCY 2026 is 1,049.8 ft and Tier 1 is likely for both 2026 and 2027.

Commissioner Taylor asked about the projected releases between Lake Powell and Lake Mead and the reason why Lake Powell is rising in elevation while Lake Mead is dropping. Ms. Gramza replied that the release was 7.48 MAF.

Chair Buschatzke added that the pattern is the same in 2025 and 2026, which is related to the 7.48 MAF and the uses and inflow projected. He added that it will be important that all conservation embedded in this projection actually occur. Bucket One money is being released from the Federal Government, but there is uncertainty for Bucket Two.. Chair Buschatzke has been advocating to Arizona's delegation how important that money is to avoid a Tier 2a shortage in 2027.

Commissioner Taylor and Chair Buschatzke commented on the assumption that reductions under the 2007 Guidelines, the Drought Contingency Plan, and Minute 323 are continuing for the purpose of modeling.

Report from the Central Arizona Water Conservation District. Marcus Shapiro, CAP Water Systems Supervisor, shared the updated firming number for the Gila River Indian Community. He explained that one subcontractor revised its 2025 CAP water order, which increased the volume of water available to the NIA Pool. As a result, the 2025 AWBA obligation to the Community decreased from 5,625 to 5,426 AF.

Chair Buschatzke asked Commission members if there were any questions. There were none.

V. Discussion of firming proposal for the Gila River Indian Community for potential shortage year 2026

Dr. Bernat presented the firming proposal for the Community for potential shortage year 2026. Colorado River shortages are anticipated to continue for CY 2026. The U.S. Bureau of Reclamation's (Reclamation) Colorado River System 2-Year Probabilistic Projections of March 2025 indicated a 100 percent chance of a Tier 1 shortage condition in the Lower Basin in 2026. According to CAWCD, the Non-Indian Agricultural pool (NIA) would be impacted, triggering an

obligation for the AWBA to firm the Community; based on preliminary estimates, this Tier 1 firming obligation would be 9,462 AF.

The AWBA and the Community have agreed to use Firming Credits to meet this obligation, as has been done for the past four years. To do so, the AWBA would use credits developed in 2017 and 2018 that were accrued through payment for water delivered to the Community during non-shortage years. Dr. Bernat noted the change in firming volume for CY 2025 has been updated in the table. Finally, Dr. Bernat explained that AWBA staff is closely monitoring the 24-month study, as 2026 would become a Tier 2a shortage should Lake Mead level fall below 1,050 feet (currently at 1,057.65).

Chair Buschatzke asked why the Community's firming obligation is estimated to be much larger in 2026 than it is in 2025 under the same shortage tier, and whether it is due to an increase in CAWCD subcontractors' 2026 anticipated orders. Dr. Bernat explained that CAP's estimates do not include the potential delivery of extra supplies such as ICS or water from Lake Pleasant. The supply of water available might increase after the Summer of 2025, which would lower the firming obligation in 2026.

Commissioner Taylor asked how the AWBA would firm the Community in 2027 and thereafter. Dr. Bernat explained that AWBA staff would talk to the Community about the different options listed in the IGAs. By then the AWBA will have developed 45,000 AF of ICS; the AWBA also has 105,000 AF of LTSCs it could distribute.

Chair Buschatzke asked for any further questions or comments from the Commission. There were none.

VI. Report on reciprocal transfers of long-term storage credits pursuant to the Lower Basin Drought Contingency Plan Implementation Plan

Dr. Bernat provided an update on the exchange of LTSCs under the LBDCP Implementation Plan. As a part of DCP, the Water Bank facilitated CAP water deliveries to the Pinal AMA. The Cities of Avondale, Chandler, Goodyear, Peoria, Phoenix, Scottsdale, and Tucson, as well as Freeport Minerals Corporation and EPCOR, agreed to store CAP water in the Pinal AMA under a Tier 1 shortage condition. Under this agreement the AWBA would exchange credits accrued in the Phoenix and/or Tucson AMAs for an equal amount accrued in the Pinal AMA where the storing entities are not able to use the credits.

This past quarter, the City of Goodyear transferred 1,886.89 AF of LTSCs to the AWBA's Pinal Account. The same volume of LTSCs was deducted from the AWBA account in the Phoenix AMA (Salt River Valley Water Users Association GSF).

Dr. Bernat noted that two parties of the Agreement had not requested an exchange yet. When they do, one could request up to 1,900 AF in the Phoenix AMA. The other could request up to 6,650 AF in either the Phoenix or the Tucson AMA. AWBA staff sent them a reminder that they have until 2026 to ask for an exchange.

Chair Buschatzke asked for questions from the Commission. There were none.

V. Call to the Public

Chair Buschatzke called for public comments. There were no comments.

Future Meeting Dates:

Monday, June 18, 2025

Wednesday, September 10, 2025

Wednesday, December 3, 2025

The meeting adjourned at 10:28 a.m.