



The Honorable Ann Kirkpatrick
U.S. House of Representatives
1123 Longworth House Office Building
Washington, D.C. 20510

October 25, 2009

Re: Verde River Basin Partnership Funding Request

Attachment List:

- #1- History and Background of Verde River Basin Partnership
- #2- Objections of Prescott Area Municipalities and Counterpoints
- #3- Verde River Basin Partnership Technical Advisory Group (TAG)
- #4- Scope of Work, Hydrology Science Plan
- #5- Verde River Partnership Bylaws

Dear Congresswoman Kirkpatrick:

To date, the promise made to the citizens of Arizona under Public Law 109-110, the Northern Arizona Land Exchange, Title II and Verde River Basin Partnership Act of 2005, has not become a reality.

The Verde River Basin Partnership (Partnership) was created by Congress as a promise in response to an intense outpouring of public concern expressed during a series of meetings held by Senator John McCain on the Northern Arizona Land Exchange. The concern as expressed by thousands of citizens over this issue was recognized by Senator McCain in his Cottonwood Journal (12/10/2003) statement: *"I have never been involved with a more complex issue or more emotional issue than this for the State."* Senator McCain responded by creating and adding Title II to the Northern Arizona Land Exchange legislation. Title II to date is an unfunded promise to the citizens of Arizona to determine the extent and sustainability of Verde River Basin water resources.

Are the water resources of the Verde River Basin at risk? In an Arizona Republic Article (12/2003) Arizona Department of Water Resources (ADWR) Director Herb Guenther asked and answered: *"Will there be an overdraft situation in the Verde River Basin if we continue the way we are? YES."* Indeed, overdraft—drawing more water from surface or groundwater than nature can replenish—will inevitably diminish both the economy and the lifestyle of the Verde River Basin.

Another question that should be asked is: **What is there to be gained by further delay of scientific studies?** The Partnership agrees with Director Guenther that continuing as we are puts Verde River Basin water resources at risk and that there is an immediate need for the scientific studies.

Citizens of the Verde River Basin, as well as visitors from throughout Arizona, the United States, and the world have come to appreciate the scenic and recreational experience provided by the surface waters located within the Verde River Basin. In addition, these readily observed surface water resources are critically connected to the Verde River Basin groundwater supplies, local economies, citizen quality of life, and protection of private property values. They are also a visual reminder of the condition of groundwater supplies the eye cannot see. Besides providing surface and groundwater supplies to more than 200,000 Verde River Basin residents, wildlife, riparian habitat and our national forests, the Verde River Basin contributes directly to the water delivered to more than 2.7 million people in the Phoenix area.

The August 1, 2009 Daily Courier quoted Arizona Department of Water Resources Director Herb Guenther, in referring to the Verde River: *"I think [the Verde River] is a state resource—a state treasure, if you will."* He further cited the river's *"tremendous ecological values."*

We wish to thank Senator John McCain for making two separate funding requests for fiscal years 2008 and 2009 through the Executive Budget process. Even though his efforts to champion this important cause were unsuccessful, we are grateful for his continued commitment to the Partnership and Verde River Basin water resources. As Senator McCain stated in the Cottonwood Journal (12/10/2003): *"Water is going to be as precious as gold."*

This letter addresses the current funding requirements and the rationale for effective congressional action to fulfill the promise of Title II by authorizing the federal funding needed for the Partnership and the United States Geological Survey (USGS) to carry out the critical work mandated under Title II. Attachments address: (1) history and background of the Partnership; (2) Objections of the Prescott-area elected officials and the Partnership's responses to them; (3) the Partnership's Technical Advisory Group; (4) the scope of work as embodied in the Hydrology Science Plan prepared and recently updated by the USGS Arizona Water Science Center in cooperation with the Partnership; and (5) Verde River Basin Partnership Organizational Bylaws. (Attachments 4 and 5 are also available at www.verderiverbasinpartnership.org)

REQUEST FOR FUNDS

Section 203 (b) of Title II - AUTHORIZATION OF APPROPRIATIONS states “On establishment of the partnership, there are authorized to be appropriated to the Secretary [of Agriculture] and the Secretary of the Interior such sums as are necessary to carry out the activities of the Partnership for each of Fiscal years 2006-2010.” Furthermore, Title II Section 103 (a) authorizes the Partnership “to coordinate and cooperate in the identification and implementation of comprehensive science-based policies, projects, and management activities relating to the Verde River Basin.”

The USGS Arizona Water Science Center in cooperation with the Partnership’s Technical Advisory Group (see attachment 3) and with review by the Arizona Department of Water Resources (ADWR), the Salt River Project (SRP), and others (attachment 3) has completed the scope of work (see attachment 4) for the scientific studies required by Title II.

The funding necessary for Title II has not been appropriated. The scope of work requires funding in the amount of \$5.4 million. We request that \$5.2 million be appropriated to the USGS Arizona Water Science Center in accordance with the timeline and budget set forth in the scope of work (attachment 4), and that \$200,000 be appropriated to the Partnership itself for operating expenses at a rate of \$50,000 per year for the four-year lifetime of the Partnership, all beginning in Fiscal Year 2011.

The promises made to citizens under Title II—appropriations, science-based studies and an inclusive process—should be viewed as only one of the federal government’s rationale for completion of science-based water studies in the Verde River Basin.

Additional reasons for Federal action:

- 71% of lands within the Verde River Basin are controlled by federal government;
- Prescott National Forest Management Plan identifies as a priority the protection of the water resources of the Verde River;
- Impact of future Forest Service land trades on population and water resources;
- Possible impact to Native American Tribes in future water rights settlements and protection of current water rights;
- Possible impact to National Parks such as Tuzigoot National Monument (on the Verde River) and Montezuma Castle National Monument (on Beaver Creek, a tributary of the Verde River);
- Designation of the lower Verde River as a federally recognized Wild and Scenic River;
- Designation of Fossil Creek (Verde River tributary) as the most recent Wild and Scenic River;

- Within the Coconino and Prescott National Forests Oak Creek (Verde River tributary) which has been designated by the State of Arizona as an Outstanding State Resource Water, for which the Arizona Department of Environmental Quality has received federal Clean Water Act funds directed to combating pollution;
- Verde River is listed as Critical Habitat for threatened and endangered species;
- Potential importation of additional water supplies from the Colorado River would require major federal involvement ;
- Forest Service land management practices have a profound impact on water quantity and quality within the Verde River Basin;
- Federal environmental regulations and mandates such as the Clean Water Act;
- Identification by the Department of the Interior in “Water 2025” that the Verde River Basin will have significant water resource problems;
- Climate change is a national issue and its consequences could have a profound impact on the ability to achieve sustainable water resources within the Verde River Basin.

Increasing Population Demands

Promised funding is critical to address long- term sustainability in the face of a burgeoning population. Since the passage of Title II the need for timely science-based water resource information has only increased. The Arizona Department of Commerce projected a mid-2008 population of 227,000 for Yavapai County. The vast majority of the County’s citizens currently depend on the water resources of the Upper and Middle Verde River Basin. Arizona Department of Economic Security population estimates, historically conservative, show a 2050 Yavapai County population of 419,000 or an increase of about 85 percent, the vast majority of whom will be dependent upon water supplied by the Verde River Basin.

Another population study that was authorized by the Yavapai County Water Advisory Committee authorized H3J Consulting to develop a report titled “*Long Term Development Scenarios Update Report*” which was presented to the Committee in September 2007. This report used two models to estimate population growth in the Upper and Middle Verde River Basin areas.

One model showed a 2006 population of 207,000+ increasing to 525,000+ by 2050. Of the projected growth, 69 percent is expected in the Upper Verde River Basin and 31 percent in the Middle Verde River Basin. Additionally, the model’s estimate did not take into account two potentially large developments in the Big Chino sub-basin. Development of Yavapai Ranch, the subject property of Public Law No. 109-110, would result in an estimated additional projected population of 65,000 to 95,000, and development of the CVCF Ranch could add a possible 6,000 to 9,000 homes. The report noted that the Big Chino Project estimates were formulated on some basic assumptions.

The second and more aggressive model, using a 30 year trend, showed 2006 population of 213,000+ and a 2050 population estimate of 1.4 million.

The USGS has released a long-awaited study (Blasch, K.W., Hoffmann, J.P., Graser, L.F., Bryson, J.R., and Flint, A.L., 2006, *Hydrogeology of the Upper and Middle Verde River Watersheds, Central Arizona*: United States Geological Survey Scientific Investigations Report 2005-5198, 101 p., 3 plates.) on the Upper and Middle Verde River Basin areas. This report, along with the above population projections, should be cause to expedite research and funding.

Among the findings:

- The winter season contributes about 95 percent of the groundwater recharge for the Upper and Middle Verde watersheds but snowfall has been below average since the late 1950's;
- Only between one and two percent of the precipitation in the Big and Little Chino sub-basins recharges the aquifers, and about four percent of the precipitation within the Verde Valley sub-basin goes into aquifers;
- A combination of human impacts and drought has caused extended decreases in Verde River base flow. The decrease is estimated at 380 acre-feet per year since 1993 at Paulden and since 1994 1,000 acre-feet per year at Clarkdale and 2,000 acre feet per year at Camp Verde;
- Groundwater outflow from Big Chino Valley occurs only as base flow in the Verde River;
- Discharge from Del Rio Springs (near the down-valley terminus of the Little Chino sub-basin) has declined from about 2,800 acre-feet per year during the early 1940's to about 1,000 acre-feet per year in 2003;
- Groundwater declines in the Big and Little Chino valleys are attributed primarily to groundwater withdrawals;
- Groundwater storage declines in the Verde Valley are caused almost entirely by groundwater pumping and reductions in natural channel recharge resulting from stream flow diversions.

Science-based Collaboration Necessary

We have identified the necessary elements that the Partnership needs to accomplish its responsibilities under Title II. We have indicated our belief that water resource management requires science-based information from which to make educated decisions. A collaborative and inclusive process, as identified under Title II and Partnership Bylaws (attachment 5), is the cornerstone that will bring our citizens together and provide them with the information they need to make informed choices. We have also answered (attachment 2) the many misperceptions that have been publicly stated by various Prescott elected officials that they used as reasons for not participating in the Partnership. After all, as indicated in the Prescott AMA's Third Management Plan's guiding principles, *"It is ultimately the members of the public who are asked to commit to implementing water management strategies."* The public, through taxes or fees, is asked to pay for the management decisions of those in authority.

The Prescott Active Management Area Third Management Plan's guiding principles are an example of why the science-based, collaborative, citizen inclusive approach of Title II and the Partnership must be funded as requested. Among these guiding principles are:

- Effective and efficient water management must take a long-term perspective and be regional in scope.
- All water sources need to be included in any long-term, comprehensive water management strategy.
- Water users must have an integral role in management program development and implementation.
- Water management efforts must consider economic impacts and feasibility.
- Educating the public on water issues and involving the public in developing management programs are essential to building and sustaining an effective water management effort.
- Water management efforts should be consistent with and enhance the quality of life in the community.
- The Department's (ADWR) water management efforts must recognize that individual customers, water users, water providers, municipal governments, and the real estate industry are important decision-makers.
- Water supplies available today must be used to meet the needs of the future.
- Water management programs should provide a stable institutional framework which creates an environment of certainty in water resource decision-making.
- Water management programs should be based on the premise that future issues are unlikely to be the same as those we have encountered in the past, and that the pace of change is likely to increase.

The Partnership believes that the above principles are appropriate elements to take into account when making decisions on water resource management. If these are the agreed upon principles of the Prescott Active Management Area then we do not comprehend why there should be any objection to Title II since the goals and objectives for long-term science-based management options are at the heart of both the guiding principles and Title II.

The following is taken from Senator John McCain's campaign website (www.johnmccain.com) "Issues" September 1, 2007:

"America has been blessed with a rich and diverse natural heritage. In the tradition of his hero, Theodore Roosevelt, John McCain believes that we are vested with a sacred duty to be proper stewards of the resources upon which the quality of American life depends. John McCain believes that America's economic and environmental interests are not mutually exclusive, but rather inextricably-linked. Our economic prospects depend greatly upon the sustainable use of ample and unspoiled natural resources. A clean and healthy environment is well served by a strong economy. History shows that poverty is a poor steward."

The Partnership agrees with Senator McCain that stewardship of our natural resources is vital to long-term economic well-being. We feel that science-based identification of our water resources will allow for a better economic future and prevention of decisions that could place our water resources at risk. An additional benefit is to maximize our citizen's tax dollars through appropriate long-term management practices. Stewardship will ensure that our environment is protected, allow our businesses to know their vital water resources will be available at a reasonable cost, protect our citizen's investment in their property, communities and quality of life.

In the face of a burgeoning population and the potential impact of a warmer and drier climate in the southwestern United States, the water resources of the Verde River Basin are threatened as never before. Title II offers a path to accelerate the critical scientific work so badly needed for well-informed water-management decisions in the Verde River Basin, which supplies water affecting nearly 3,000,000 citizens in Arizona.

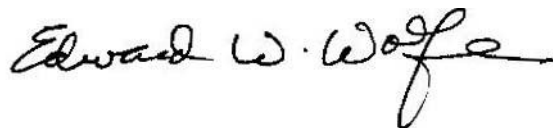
The hydrology science plan developed by the United States Geological Survey in cooperation with the Verde River Basin Partnership offers a carefully designed plan to fulfill the requirements of Title II. It is designed to optimize the information and tools that water managers need for their decisions affecting long-term sustainability of the Verde River Basin's water resources.

The promise made to the citizens of Arizona under Public Law 109-110, the Northern Arizona Land Exchange, Title II and Verde River Basin Partnership Act of 2005, has not become a reality. Therefore, we must ask: **“Are science-based peer reviewed studies, identification of long-term sustainable water management options, collaborative based problem solving and empowering citizens in the decision-making process in the best interests of the citizens in the Verde River Basin and state of Arizona?”**

We urge you to assure funding for the Partnership's important work.

Thank you for your continued public service, concern for the citizens of Arizona and consideration of this funding request.

Sincerely,

A handwritten signature in black ink that reads "Edward W. Wolfe". The signature is fluid and cursive, with the first letters of each name being capitalized and prominent.

Edward W. Wolfe, Chair
Verde River Basin Partnership Coordinating Committee
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