

AGRI-BUSINESS COUNCIL OF ARIZONA, INC.

Arizona's Reclamation Representative to the National Water Resources Association



EXECUTIVE DIRECTOR'S REPORT

Fourth Quarter 2007

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1819 E. Southern Avenue
Suite E-10
Mesa, Arizona 85204
Phone: 480-558-5301
Fax: 480-558-4170
info@agribusinessarizona.org
www.agribusinessarizona.org

It's hard to believe that the year 2007 is almost behind us. I'm glad to report that the Agri-Business Council of Arizona has had great success this year. I want to share a few of the high points of the past 12 months. To begin with, we had a successful legislative session with a number of bills we were supporting making it to the Governor's office for her signature. Just to name a few, we supported a number of bills related to acreage voting for our member irrigation and electrical districts. We also were able to extend the Active Management Area, Agricultural Best Management Practices into the 4th and 5th management plans. Most recently, the RUMP group that was created in the past to reach consensus on water legislation has been resurrected and has begun discussions on proposed water legislation. Some members of the group are keeping plans close to their chest and other proposals are still being fine tuned. We can expect more news in early January.

We had a great sponsored and well attended Annual meeting held at the Phoenix Zoo in May. Our speakers were very informative and focused on climate change, water marketing, Reclamation and legislative updates and other issues of priority this year. For more information on the Annual Meeting, please visit our website at <http://www.agribusinessarizona.org/annualmtg.html>.

We have spent a great deal of time this year working to defeat legislation in Washington D.C. that would weaken state jurisdiction over water quality and quantity regulations. The bills introduced by Congressman Oberstar of Minnesota and Senator Feingold of Wisconsin would strip the Clean Water Act of original intent and would compound the already snail pace federal permitting backlog. We have actively been involved with the National Water Resources Association, the Family Farm Alliance and a local State Water Advocacy Coalition to defeat or drastically amend the legislation. Most recently, a press conference was held December 19th at the state capitol to drum up support for opposition. We are making a difference. In addition, our Governor and Arizona Congressional delegation are well aware of our opposition.

Another point of interest this year was the successful grant approval by the Arizona Water Institute. The grant will allow the Agri-Business Council to take the lead in working with our state Universities and others to hold "Listening Sessions" around the agricultural regions of the state in 2008. The intent is to meet with a wide spectrum of agricultural practitioners to talk about the future of agriculture and create some future agriculture scenarios. We will be listening to rural and urban, regional and active management area practitioners to derive the scenarios. Stay tuned and plan to be a participant.

In November, a number of members traveled to Ciudad Obregon, Mexico to attend the Arizona Mexico Commission Plenary Session. During the public comment period of the Agribusiness Committee, we presented a power point presentation

promoting the formation of an Agribusiness Council in Sonora. We received full support from the Committee members and both the Governors of Arizona and Sonora to proceed with the formation of our “shadow” organization. We plan to travel to Hermosillo in early February to begin the process.

On November 30th, we had the most successful H₂Open golf tournament yet. We had a great crowd and wonderful sponsors. We even opened the H₂Open with H₂O. Many players braved the rain to play. As one member of the Executive Committee puts it, “rain in southern Arizona is only an inconvenience”. Please visit the website for pictures and a list of winners: <http://www.agribusinessarizona.org/h2open.html>.

Lastly, I can’t personally thank enough the members of the Executive Committee, Officers and my Assistant, Heidi Burnham for a successful year. Our industrious, talented and beloved President, Grant Ward has had some major health challenges this year. We’re anxious for his quick recovery and look forward to his return to work and association with us!

Merry Christmas everyone and a prosperous New Year!

Chris Udall
Executive Director

ARIZONA MEXICO COMMISSION WATER COMMITTEE

By John Hetrick
Salt River Project

The Arizona-Mexico Commission held the second meeting of their Water Committee in Ciudad Obregon, Mexico on November 15. As a follow-up to the first meeting it was reported that the Water Committee had successfully completed its first Action Item which was an executive level bi-national tour of the Lower Colorado River area to discuss water related issues on both sides of the border. Members of ABC attended and participated on the tour in early October. After the Action Item update, the Committee was given presentation on a wide variety of topics which included the Colorado River Delta, management of the Rio Yaqui reservoir system, desalinization projects in Sonora, and the development of an Arizona-Sonora student exchange program involving students in the water related fields. The meeting concluded with the identification of new Action Items to be completed before the June Plenary meeting in Arizona. One of the new Action Items is to conduct two workshops, one in Sonora and one in Arizona, to highlight the water management mechanisms used to transfer and exchange water supplies.

The next day following the Committee meeting, Octavio Parra the President of the Rio Yaqui Irrigation District and Co-Chair of the Water Committee hosted a tour of the district. The Rio Yaqui District is the largest irrigation district in Mexico and has approximately 450,000 acres of irrigated land. Water supplies for the district come from the Rio Yaqui reservoir system and groundwater wells. Chris Udall and John Hetrick, representing the Agri-Business Council attended the tour.

AGRIBUSINESS COUNCIL OF SONORA (CONSEJO)

By George Seperich
Arizona State University

El Consejo de Agro-Negocios de Sonora (CAS) took its first and biggest step on November 15, 2007 at the Fall Plenary Session of the Arizona Mexico Commission in Cd. Obregon. Following a presentation by Chris Udall and the Instituto Tecnologico de Sonora (ITSON) before the Agribusiness Committee of this commission, a motion was made to establish the "Consejo." The motion was passed unanimously by the standing room only assembly of agribusiness leaders. The co-chairs of the committee were the respective heads of each state's department of agriculture, Secretary Alejandro Calles and Director Don Butler.

The formal motion created the 4th action item presented by the Agribusiness Committee of the Arizona-Mexico Commission. All action items emanating from the various committees were read before the Governors (Sonora and Arizona) at the closing session, approved by them and signed. The Agribusiness Council of Arizona, Inc. is specifically cited as organizing entity within the action item. The full results of the Cd. Obregon meeting will be published by the Arizona-Mexico Commission early in 2008.

This new council will have its organizational meeting in February, 2008 under the auspices of the Secretary of SAGARPHA (Secretariat for Farming, Ranching, Water Hydraulics, Fishing and Aqua Culture), Ing. Alejandro Elias Calles. The most appealing aspect of the "Consejo" is the opportunity for a continuing dialog about issues that affect Arizona and Sonora. It was agreed that many of the issues affecting agribusiness people on both sides of the border almost always involve agriculture, business and water. It was felt that working with individuals who understand these areas will be most helpful to all parties involved. Working through similar organizations, Sonora (CAS) and Arizona (ABC), enhances the ability to interact.

COLORADO RIVER SHORTAGE CRITERIA

By Chris Udall
Agri-Business Council

It was exciting to witness history in the making in Las Vegas on December 13th. Secretary of Interior, Dirk Kempthorne, with the help of Nevada colleague Pat Mulroy's pen, signed the Seven Basin States landmark agreement on the long-term management of the Colorado River. In the words of the Secretary, "the agreement provides more security, more transparency, and more flexibility to the people of the seven basin states." It does so in four ways: 1) it encourages creative initiatives for water conservation during the ongoing drought; 2) rules are established for Lakes Powell and Mead to allow both to rise and fall in tandem, allowing better sharing of drought risks among the states; 3) the agreement also establishes rules for water shortages and indicates when and who takes water delivery reductions; and 4) guidelines establish rules for surpluses so that if there are surpluses, the rules will lay out the process to deliver the extra runoff. This is, according to the Secretary, "the most important agreement among the seven basin states since the original Colorado River Compact of 1922. It is truly an extraordinary achievement." We extend a "congratulations" to those ABC members who contributed so much to this achievement.

NEW MEMBER

We would like to welcome Steve Brophy as the newest member of the Agri-Business Council of Arizona. We are thrilled to have him join us and thank him for continuing to make ABC an exceptional organization!

UPCOMING EVENTS

Date	Event	Place
January 14, 2008	Legislative Session Begins	Phoenix, Arizona
January 17-18, 2008	Executive Committee Meeting	Yuma, Arizona
February 3, 2008	ABC 30 th Anniversary	
February 15, 2008	Executive Committee Meeting	Phoenix, Arizona
February 26-29, 2008	Family Farm Alliance Annual Mtg.	Las Vegas, Nevada
March 21, 2008	Executive Committee Meeting	Peoria, Arizona
April 14-16, 2008	NWRA Federal Water Seminar	Washington, D.C.
April 18, 2008	Executive Committee Meeting	Phoenix, Arizona

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AGRI-BUSINESS COUNCIL OF ARIZONA
1819 E. SOUTHERN AVENUE, STE. E-10
MESA, ARIZONA 85204