

## MEMBER SPOTLIGHT

SouthWestern Power Group (SWPG) is a Phoenix-based company that develops electric generation and transmission facilities to help meet the growing demand for electricity in the southwestern U.S. Projects include natural gas-fired power stations, high-voltage transmission projects and renewable energy endeavors, including concentrating solar power facilities.

The company has developed several key electric generation projects, including the Gila River Power Station, a 2,200 megawatt combined cycle natural gas plant, about 70 miles southwest of Phoenix and the Bowie Power Station, a 1,000 megawatt combined cycle natural gas plant under construction in southeast Arizona.

Recognizing the importance that renewable energy will play in lessening our dependence on fossil fuels, SWPG is leading an effort to bring Arizona and New Mexico renewable energy sources to market through new high voltage transmission lines, substations and related infrastructure projects. The SunZia Transmission Project will foster the increased development of solar, wind and geothermal projects in both states.

Solar electric generation will also be an area of increased focus for company in the coming years as utility companies in states like Arizona and California try to meet new aggressive renewable energy mandates.

The company is led by a team of professionals with decades of experience in energy development, construction and delivery. Principals include David Getts, Tom Wray, Martin Bailey and Gary Crane.

For more information, go to [www.SouthWesternPower.com](http://www.SouthWesternPower.com)

AGRI-BUSINESS COUNCIL OF ARIZONA  
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THANKS TO ALL WHO PARTICIPATED IN THE H2OPEN GOLF TOURNAMENT THIS YEAR. TO VIEW MORE PICTURES PLEASE VISIT OUR WEBSITE AT [WWW.AGRIBUSINESSARIZONA.ORG](http://WWW.AGRIBUSINESSARIZONA.ORG).



## AGRI-BUSINESS COUNCIL OF ARIZONA, INC.

Arizona's Reclamation Representative to the National Water Resources Association  
[www.agribusinessarizona.org](http://www.agribusinessarizona.org) ♦ [info@agribusinessarizona.org](mailto:info@agribusinessarizona.org)

## PRESIDENT'S MESSAGE

Happy New Year. The year 2009 promises to be one of change, starting with new administrations at the State and Federal level. Legislation will be introduced requiring detailed analyses, sometimes on fast turnarounds, by the affected parties.

The Agri-Business Council will be following proposed legislation very closely through the efforts of a committee headed by Wade Noble. All ABC members are invited to communicate any suggestions, comments, issues or any other concern to Wade Noble as well as directly to their legislator. In this way there will be more certainty that issues will be raised and our voices will be heard.

Budget issues will not only continue to be critical but will require the best efforts of everyone to resolve in a fair and equitable manner. There is no doubt that solutions will hurt but there needs to be vigilance to ensure equity among affected entities. Good luck to all in meeting and resolving the challenges facing agriculture and water resources, particularly in the near term.

Bill Plummer  
President

## EXECUTIVE DIRECTOR'S REPORT

The Agri-Business Council of Arizona (ABC) has had a pretty successful year in 2008. We started out strong with a very informative Annual Meeting and ended strong with our best attended H2Open Golf Tournament in October. We've had a number of successes and have added some great new members to our association. We're grateful for our growing numbers! For new and existing members, our door is always open and we look forward to working with you this year.

I want to mention a few of the activities we had going on last year, starting with our five agricultural "Listening Sessions" conducted around the state to talk with growers and their spouses and business partners about the future of agriculture. We traveled to Yuma, Coolidge, Safford, Buckeye and Tucson (to meet with Native American growers at the Southwest Indian Agriculture Association conference). It has been enlightening to listen to their concerns and to work with the Arizona Water Institute and researchers from the University of Arizona and Arizona State University. We plan to continue the dialogue with growers and work at developing future agricultural scenarios to benefit the agricultural community and economy into the future.

This past year, we were also fortunate to work with the Arizona Department of Water Resources staff and others to include an agriculture conservation section on the Department's official webpage, displaying the multiple ways that agriculture wisely uses water resources to grow food and fiber.

During the Annual Meeting in May, we celebrated ABC's 30th Anniversary with a commemorative video created by Central Arizona Project and Studio 522. Those attending were provided a copy. Let us know if you would like a copy.

This past year, we also spent quality time working closely with staff at the National Water Resources Association (NWRA) and the Family Farm Alliance on federal legislation. One of our own, Wade Noble, was recently elected to serve as Vice President of the NWRA. We congratulate him for his service and knowledge on water issues. Many in attendance at the Colorado River Water Users Association conference in Las Vegas in December prepared a current list of Congressional legislative priorities for the 111th Congress beginning in January. The issues discussed included the passage of the Multi-Species Conservation Program, Bureau of Reclamation funding, Clean Water Act amendments, aging infrastructure, title transfers, Yuma de-salter funding and more.

My new Executive Assistant, Anne Prince and I attended the recent Arizona Mexico Commission (AMC) meetings in Hermosillo, Sonora, Mexico. Efforts are moving along to create the shadow organization of ABC in Sonora. It is not complete but well on its way; the organization will carry the name Water Management Council of Sonora. We hope to have a small group from ABC attend a meeting with water users and growers in Sonora before the next AMC meeting in Arizona in June.

### Fourth Quarter 2008

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Lastly, I want to say how grateful I am for my Assistant, Anne Prince. Anne joined ABC on July 1st and has been doing a fabulous job. My former assistant, Heidi Burnham, and Anne worked well together in providing a very smooth transition over the summer! ABC is fortunate to have had Heidi for three years and to now have Anne Prince.

It is my hope that our President-Elect, Barack Obama, and other new incoming administration and state and federal elected officials will serve with honor and put the people of this nation first in their service.

Happy New Year!

Chris Udall  
Executive Director

## DAVID V. MODEER CHOSEN AS NEW CAP GENERAL MANAGER

Provided by Central Arizona Project

The Board of Directors of Central Arizona Water Conservation District (CAWCD) is extremely pleased to announce the selection of David V. Modeer as the next General Manager of Central Arizona Project (CAP).

CAP is a 336-mile-long system of aqueducts, pumping plants, pipelines and tunnels that annually delivers about 1.5 million acre-feet of Colorado River water to its customers – cities, businesses, agriculture and Indian communities – in Pima, Pinal and Maricopa counties. CAP's expansive service area includes about 5 million people or roughly 80 % of the state's population. It covers some 24,000 square miles and nearly 50 cities and communities including Phoenix, Tucson, Mesa, Glendale and Scottsdale. CAP's headquarters is located in Phoenix.

Mr. Modeer will arrive at Central Arizona Project with extensive management experience at water utilities in Tucson and Phoenix and with 26 years in management with American Water Works, Inc. in the state of Pennsylvania. He joined the Tucson Water Department as its Director in 1998. Prior to arriving in Tucson, Mr. Modeer was Vice President of Operations for the Pennsylvania-American Water Company. Currently, Modeer is the Director of Water Services for the City of Phoenix. He graduated from Creighton University in Omaha, Nebraska, where he earned a Bachelor of Science Degree in biology.

Susan Bitter Smith, President of the CAP Board, concurs. "We have worked with David as a customer, stakeholder and fellow Board member for many years. Time and again he has proven his leadership, management skills and his depth of knowledge on local, regional and national water issues. We look forward to working with David as a proactive, collaborative partner in accomplishing our key business strategies which include ensuring the public's trust in CAP, protecting our water supply, managing our financial resources, fostering a motivated workforce and effectively maintaining the CAP delivery system."

Mr. Modeer will succeed David S. "Sid" Wilson, who is retiring as General Manager after fourteen years on the job. According to Modeer, "In my new role, I'll have very large shoes to fill. Sid has been an invaluable asset to Central Arizona Project. As the state's largest resource for renewable water supplies, we have innumerable goals and expectations to meet and exceed on behalf of the residents of central and southern Arizona. I anticipate these new challenges with great enthusiasm and am honored to be chosen for the position."

Mr. Modeer will report to the 15-member CAWCD Board. Members of the Board are popularly elected from CAP's three-county service area and serve staggered, unpaid six-year terms. The Board meets at least monthly to establish policies, levy taxes, set water rates, approve budgets and address a variety of other critical issues affecting CAP, its customers and employees.

## WATER ASSESSMENT AND FOURTH MANAGEMENT PLAN UPDATE

Provided by Nicholas Kilb

Arizona adopted the Groundwater Management Act, or Code in 1980 to, among other things, "provide a framework for the comprehensive management and regulation of the withdrawal, transportation, use, conservation and conveyance of rights to use groundwater." The Legislature created the Arizona Department of Water Resources (Department) at the same time.

The Code outlined a management structure that included creation of Active Management Areas (AMAs) for Phoenix, Pinal, Prescott and Tucson (and, in 1994, Santa Cruz) where the Legislature saw an immediate need to conserve and protect groundwater resources for current and future needs.

One tool that the Legislature prescribed to help achieve AMA goals was the development of a management plan. Each AMA's plan contains the water efficiency requirements for the AMA's groundwater rights.

The statute directs the Department to develop management plans for each of the following management periods: First Management Period 1980–1990, Second Management Period 1990–2000, Third Management Period 2000–2010, Fourth Management Period 2010–2020, Fifth Management Period 2020–2025.

The Department is preparing to develop the plan for the Fourth Management Period. Prior to that, the Department has undertaken a comprehensive process to review progress toward achievement of the management goals for each AMA. This process is referred to as the Water Assessment, and though not required by statute it will provide a better idea of the successes of the previous management plans. The Water Assessment has been divided into two parts: analysis of historic water supply and demand (1980–2006), and projections of future water supply and demand trends (2007–2025 and beyond). The Department has completed its analysis of historic data, and information will soon be available on our website: <http://www.azwater.gov>. The Department expects several factors will affect agricultural water use and the corresponding conservation programs during the Fourth Management Period, including economic conditions, urbanization, crop prices, and drought.

Another area of great interest involves the 80 percent of Arizona that lies outside of AMAs. In 1973, the Legislature enacted the state's first statute addressing water availability disclosures by subdivision developers. The statute, A.R.S. § 45-108, required developers to obtain a determination of the availability of the water supply for a new subdivision prior to recording the plat for the subdivision and marketing lots.

If it was determined that there was an adequate water supply, notice of that determination was required to be included in the public report for the subdivision. If it was determined that there was an inadequate water supply, lots could still be sold, but the developer was required to provide information regarding the determination in the public report.

The minimal requirements of the adequacy program continued to be the sole adequacy requirement outside AMAs until 2007, when the Legislature enacted SB 1575. SB 1575 amended the statutes governing subdivision regulation by cities, towns and counties. The amendment gave those jurisdictions authority to adopt an ordinance requiring developers of new subdivisions located outside AMAs to demonstrate an adequate water supply before a plat could be recorded.

A county may adopt a mandatory adequacy provision only by unanimous vote of the board of supervisors. In addition, if a county adopts a mandatory adequacy provision, all cities and towns within that county fall under the authority.

If a county does not adopt a mandatory adequacy provision, then a city or town in the county may adopt its own mandatory adequacy provision. So far, two counties have adopted the mandatory adequacy requirements, Cochise County and Yuma County, as well as two municipalities, Patagonia in Santa Cruz County and Clarkdale in Yavapai County.

As more counties and municipal jurisdictions adopt the mandatory adequacy requirements, the Department expects applications for determinations of adequacy to increase, which may affect development trends outside of AMAs.

SB 1575 also directed the Department to amend its Assured and Adequate Water Supply rules to include special provisions of the legislation. The Department has been working on this process for more than a year and has entered the formal rulemaking process. For more information on the rulemaking required by SB1575, please visit our website at <http://www.azwater.gov>. More information relating to the Water Assessment and Fourth Management Plan development may be found on the ADWR website: <http://www.azwater.gov> or by contacting Nicholas Kilb, Agricultural Planner at (520) 770-3802 or [ndkilb@azwater.gov](mailto:ndkilb@azwater.gov).

## WELCOME TO OUR NEWEST MEMBER

We would like to welcome Everkrisp Vegetables as the newest member of ABC. We are thrilled to have them join us and extend our thanks for helping to make ABC the exceptional organization that it is!

## UPCOMING EVENTS

Date	Event	Place
January 15-16, 2009	Executive Committee Meeting	Yuma, AZ
February 20, 2009	Executive Committee Meeting	Phoenix, Arizona
March 5-6, 2009	Family Farm Alliance Annual Meeting	Las Vegas, NV
March 20, 2009	Executive Committee Meeting	Peoria, Arizona

