



## ***APACHE JUNCTION WATER DISTRICT***

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### **MEMORANDUM**

TO: Water District Board  
FROM: Michael Loggins, PE, CPM  
DATE: June 6, 2021  
SUBJECT: Non-Indian Agricultural Priority Central Arizona Project Water

Apache Junction Water District (“AJWD”) decided in 2012 to pursue additional water supplies from Central Arizona Project (“CAP”). There was a reallocation of approximately 50,000 acre feet of Non-Indian Agricultural Priority Water (“NIA Water”). The reallocation was based on a need for the City of Apache Junction at that point in time. AJWD was allocated 817 acre-feet of NIA Water. Over the past 9 years, CAP has been working with the United States Department of the Interior Bureau of Reclamation and the Central Arizona Water Conservation District (“CAGRD”) to finalize the agreement to reallocate NIA Water. AJWD staff recommends the purchase of this water to help diversify the water district’s water portfolio.

NIA Water will become available in 2022 and must be ordered by October of 2021. AJWD shall pay the past capital charges on this water at the current price of \$1,602,545. CAP is offering a 5-year payment plan to purchase the water at a 2.5% interest rate. The water will then cost \$1,669,049. AJWD staff is recommending purchasing the NIA Water over the next 5 years. The cost for the NIA Water is approximately \$2,050 per acre-foot, which is considered low cost because it was a reallocation and is only estimated to be available 50% of the time. AJWD plans to recharge this water into its aquifer to create credits while it is available. Staff believes this water is critical for the district’s future.