

RESOLUTION OF THE BOARD OF DIRECTORS
OF THE
CENTRAL ARIZONA WATER CONSERVATION DISTRICT
REGARDING PROJECT ADD WATER

(March 4, 2010)

WHEREAS, long-term water demands in the Central Arizona Water Conservation District's ("CAWCD" or the "District") three-county service area will eventually exceed the water supplies that are currently available;

WHEREAS, in 2002, following a District-led public stakeholder process known as Project Wheel, the District's Board of Directors ("Board") adopted a policy for use of excess canal capacity that authorized District staff to explore the concept of developing a supply of non-Project water to be provided, on a sustainable basis, for beneficial use inside CAWCD's service area;

WHEREAS, water providers within CAWCD's service area subsequently met with Board members to discuss a broad framework and public process for developing a wholesale water supply program;

WHEREAS, the Board adopted a Strategic Plan in 2006 that directed District staff to establish a collaborative process to address the issue of developing new water supplies for central Arizona, specifying that the process should encourage fair competition and eliminate perceptions of unfair advantage;

WHEREAS, for the past two years CAWCD has led a public stakeholder participation process known as "ADD Water"—for the Acquisition, Development and Delivery of Water—to address the question of how new water supplies that might be acquired by CAWCD for the benefit of water users in its service area should be shared and paid for; and

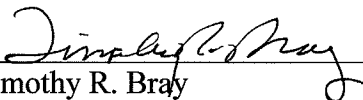
WHEREAS, more than one hundred stakeholders have invested a total of more than 15,000 hours in the ADD Water process, reaching an emerging consensus on nearly eighty points;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Central Arizona Water Conservation District,

1. That CAWCD desires to proceed with implementing the ADD Water program consistent with the attached Summary of Emerging Consensus, to include drafting proposed legislation, preparing a standard form of ADD Water contract, identifying potential sources of water and associated costs, and developing a form of wheeling agreement with the Bureau of Reclamation; and
2. That CAWCD staff is directed to continue working with stakeholders to resolve remaining issues and to implement the ADD Water program, including but not limited to developing standard forms of contract and proposed enabling legislation.

I, the undersigned, as Secretary of the Central Arizona Water Conservation District, hereby certify that the foregoing is a true and correct copy of the resolutions duly adopted by the Board of Directors of the Central Arizona Water Conservation District at a meeting thereof, duly called and held on March 4, 2010, at which a quorum was present and acting throughout. I further certify that said resolutions have not been modified or revoked since their adoption and are still in full force and effect.

SIGNED THIS 4th day of March 2010.

By: 
Timothy R. Bray
Secretary