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City paves way for plan to send CAP water to pecan groves



16 HOURS AGO • BY TONY DAVIS

The plan for a pipeline to take Central Arizona Project water to water-slurping pecan groves in Sahuarita has cleared a key hurdle with the city of Tucson.

But a second pipeline to serve Green Valley water users — and to be paid for by owners of the proposed Rosemont Mine — is on hold.

The Tucson City Council decided recently that a pipeline proposed by Farmers Investment Co.

meets all city criteria for hooking up to an existing pipeline — jointly run by the city and the Central Arizona Project — that is connected to an existing recharge site along Pima Mine Road south of Tucson.

The council authorized Tucson Water to start negotiating with FICO to work out the formal terms of an agreement for the pecan growers to connect their pipeline with the city's pipeline.

That removes a key obstacle to the FICO pipeline being built and taking Colorado River water to the pecan groves, whose pumping is a major reason the aquifer in southern Pima County drops up to 2 to 3 feet annually. Along with mining company Freeport McMoRan Copper and Gold, FICO is one of that area's largest groundwater users.

The first phase of the FICO pipeline would carry 3,900 acre-feet of water a year, a fraction of the company's current groundwater use of about 25,000 acre-feet annually, and go three miles south. It's ultimately planned to go up to nine miles south and carry much more water.

Connecting to the existing city pipeline is essential for any new pipeline to take CAP water into the southern part of the county, where most water users still rely on groundwater.

At the same time, an application for a second pipeline from Community Water Co. of Green Valley to tap into the Tucson pipeline is awaiting a state permit before it can go before the City Council. Community Water is working with Augusta Resource Corp., Rosemont Copper's parent company, to build the second line.

One of the city's criteria for hooking up a new pipeline to the Pima Mine Road pipeline is that an applicant have all permits that it needs. A permit is needed from the Arizona Department of Water Resources to build recharge basins at the end of the line.

How the city should deal with the pipeline applications has been debated by Tucson officials for nearly three years. The FICO pipeline is not controversial.

"FICO's application touches all the bases we wanted touched," Councilman **Steve Kozachik** said. "Getting them onto CAP has a positive impact on their use of groundwater and it will not

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have a negative impact on water quality."

The Community Water pipeline is controversial, because of its ties to the Rosemont Mine, which Tucson's mayor and council members all oppose. The mining company has said it intends to put CAP water into the pipeline and recharge it to compensate for its pumping of groundwater to serve the mine.

Last November, after Tucson Water had reviewed Community Water's application, it told the company the application was complete and it had sent its review to the City Manager's Office, to schedule the pipeline proposal for a final City Council vote. Numerous council members objected, saying the application wasn't ready for processing yet because of the permit issue.

"We were obviously disheartened," said **Carol Zimmerman**, a Community Water spokeswoman. "We thought we had answered all the criteria and the staff said it was indeed complete. We think we're close to getting the permit so we'll deal with this, but we don't want any more delays,".

Community Water's recharge basins would hold up to 14,000 acre-feet of CAP water. That's enough to fill nearly 7,000 Olympic-size swimming pools, though the company plans to start by recharging 2,850 acre-feet a year.

The seven-mile pipeline would stop for now in the Sahuarita area, but the company has designed it to accommodate other water users and wants to extend it south to Canoa Ranch, south of Green Valley.

Michelle Moreno, a water department spokeswoman. The state has 195 days to decide on the recharge permit application, filed in January, but the 195 days don't include the time taken responding to objections, Moreno said. The state has asked the company to respond to the objections by around April 1, she said. The objections "are very straightforward comments. We think we can get them resolved in the next 90 days," **Raul Pina**, Community Water's pipeline consultant, said last week. "Once it's resolved and we get our permit, we'll go back to the mayor and council and get authorization to connect." If that can be done by mid-summer and construction can start then, the line can be in operation by mid-2015, Pina said.

One who objected, Green Valley resident **Peter Davis**, said he's concerned that he and other Community Water Co. ratepayers will get stuck with that pipeline's \$25 million bill. That's because he's seen no evidence of Augusta Resource's ability or commitment to finance the project, he wrote.

"No document establishing a contractual obligation to pay these costs has been made public, nor has there been any indication of funding set aside in escrow," Davis wrote the state agency on Feb. 20. "If Augusta fails to honor its commitment, then the ratepayers are potentially left holding the bag for these costs. This could result in significant financial hardship on ratepayers of this relatively small water company, many of whom are retirees on fixed incomes."

Community Water board chairman **Virgil Davis** wrote in an email to the Star that Augusta clearly committed to pay for the pipeline in a January 2009 letter of intent written to the water company. Another commitment is that Augusta continues to pay for design, permitting, and right-of-way acquisition for the line, plus construction of a 1,000-foot-section of pipeline in Sahuarita in September 2012, Davis wrote.

Rosemont Copper's purchase of 45,000 acre-feet of CAP water, now stored in recharge basins

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in Marana, also shows the company's commitment, he wrote. The mining company has said it intends to eventually trade rights to that water to someone for the right to new CAP water to be delivered through the Community Water Co. pipeline.

As for the FICO pipeline, company president **Dick Walden** predicted it will take 60 to 90 days to work out technical issues with Tucson to connect to the existing pipeline. The company hopes to start construction in six months, he said.

While engineering and logistical issues remain to be worked out between FICO, Tucson and the CAP, "this is not a years-long process, but a months-long process," said **Chris Avery**, Tucson Water's chief counsel. "I don't see the issues for us connecting with FICO as deal breakers."

What's next

Before either Community Water Co. or Farmers Investment Co. can start work on their water pipelines, they still must clear other hurdles:

- FICO needs a separate approval from the Central Arizona Project to connect to the
 existing city of Tucson-CAP pipeline at its Pima Mine Road recharge facility. FICO,
 which opposes Rosemont Mine and the Community Water Co. pipeline, will have to
 persuade CAP's governing board not to go along with CAP staff's position that the
 water project must approve both pipelines or neither.
- Once it gets its state groundwater recharge permit, Community Water must convince the Tucson City Council that its pipeline will provide a net benefit to the aquifer. The council decided that's criteria any new pipeline in that area must meet. Some council members are skeptical that the pipeline meets those criteria, although Community Water says it does.

A two-day report

Today: The status of two CAP pipeline plans.

Tuesday: Pecan growers worry about high water table from CAP recharge.

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