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Sheila Stoeller

From: Pjbonthron@aol.com
Sent: Sunday, December 09, 2007 5:34 PM
To: Mayes-WebEmail; Mundell-Web; Gleason-WebEmail; Hatch-WebEmail; Pierce-Web; Deborah Reagan
Subject: Public Hearing December 5, 2007
Attachments: ACC Corporation.doc; Final Final Presentation.ppt

To the Arizona Corporation Commission.

As I stated in my memo, we were called out of town to due an urgent matter with our oldest son in Wichita, Kansas. We had to leave Monday and did not return until Saturday. I hope that you will accept my memo and presentation that are attached. Please take the time to read information that I have provided for you. I hope this help in making your final decision.

Peggy Bonthron

Check out AOL Money & Finance's list of the hottest products and top money wasters of 2007.

Arizona Corporation Commission
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**GUNNAR AND PEGGY BONTRON
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December 9, 2007

TO: MEMBERS OF THE ARIZONA CORPORATION COMMISSION

SUBJECT: PROPOSED CAP WATER PIPELINE BY
COMMUNITY WATER COMPANY AND A
CANADIAN BASED MINING COMPANY

We were unable to attend the Public Hearing on December 5, 2007 as we had an urgent matter with one of our children that caused us to leave for Wichita, Kansas. We hope that you will take a moment to read our comments.

We have read the articles in the newspaper regarding this public hearing, and as you can see from the attendance, there is a real serious concern about our possible looming water crisis in this basin. Commissioner Mayes, we can understand why you left the meeting with more questions than when the meeting began.

Sometimes you have to back up, look at history, and wonder why we are at this crossroad in the community. I would like to provide the Commission with information that we have learned over this past 16 months.

When we were looking to relocate to Green Valley, we were told by about 6 developers that water was not an issue, there was an assured 100 years of water. This was in April 2003. We have gotten to know from over 600 couples in our various HOA's that were also told the same thing. These are retired people that starting buying new homes in April 2001 to present. Remember, we are retired, have spent a great deal of our retirement money on paying cash for our homes. If something happens to our property, we are at an age where we cannot recoup our losses. We are very concerned about subsidence (ground sinking) as there has been such a serious drawdown this past six years.

For those of us who moved here since 2001, the first indication that this area may have water problems was newspaper articles in the local paper and the Arizona Daily Star beginning in the Spring of 2004 regarding the copper mine discharge. We then discovered that the leaching of substances from the tailings impoundment had created a plume of sulfate, total dissolved solids, and other contaminants in the aquifer. The plume was so severe that Community Water ("CWC") had stopped using two of its four production wells. This same plume is a potential threat to CWC customers even today.

Pima County has known about this plume for a long time and has not contributed any effort to assist in mitigating this groundwater problem. Further, none of the other five water companies, nor FICO have stepped up to assist CWC during the past 10 years. We are all using water from the same basin, but the old adage, "keep quiet as long as it is not affecting my operations." During this process, we also learned that we were in a serious overdraft for this area, and it is only getting worse each year. So CWC needs this additional CAP recharge to sink into our area so that the groundwater will not become so contaminated that it will start to damage the water delivery system. When the water table gets to a low enough level, we will all be in danger in the CWC delivery area. The current owners of the copper mine are reviewing options to mitigate the sulfate plume, but that plume is there and it is not going away. FICO is now concerned that if this new mine goes in, and the water table goes down, the plume will travel to their area of the basin. Where have they been for all of these years, keeping quiet until it starts to affect them.

Then many of us started to ask questions and research on the Internet about the groundwater in this area. What we have begun to uncover is extremely disturbing. The Arizona Department of Water Resources-AMA, Pima County and FICO were a major part of a study that was done in this area between 1997-1998. It is called the Central Arizona Project Water Use Feasibility Analysis and Delivery System Optimization Study, done by Malcolm Pirnie Environmental Engineers. This was published September 1998. In this study it talks about a proposed CAP pipeline. But it also outlines the water use in this area out to 2025. They have all known for 10 years this looming water shortage was coming and nothing, I mean nothing has been done about it.

1. Pima County has allowed all of this new development to come into Green Valley and Sahuarita since the beginning of 1999. They have known all along that there was no way to replenish the groundwater being withdrawn. They wanted the revenue from permits and property taxes. When we started to ask some stern, intelligent questions about a year ago, the County knew "the cat was out of the bag". We began to ask where was all of our property taxes going, as we knew very little was coming back to Green Valley. They had to publish something, so here comes the memo from C. H. Huckleberry dated October 2, 2007 re: Long-Term Green Valley Water Supply. The County was very careful to state that Pima County is not a Water provider, but a provider of reclaimed water. This is a county government that has been a big part of our groundwater dilemma. They do not want to put forth any visible effort on resolving this issue, other than being a facilitator. Where have they been this past 10 years, knowing that each year the overdraft was getting worse. When one of the Supervisors, for whatever reason, began to put forth fear and doubt in peoples mind, it was such a disservice to the community. This is community, where people do not know the complete story and are too old to grasp. The County well knows that CWC's proposal is not the permanent solution (as we all do) to our groundwater problem, it is only the beginning. Then they quickly prepare and adopt a Resolution the day before the hearing, even before they received public comments. The most comforting thing we have seen from the County, is an article that Supervisor Ann Day had published in the Arizona Star

on November 18, 2007 stating that regional water policy planning is essential. She has our respect to be forward thinking enough to look at the complete picture.

2. Remember that DWR-AMA was a part of this 1998 Study. Knowing the potential groundwater problem facing this community, (not a viable groundwater recharge capability), this department continues to issue the 100 Year Water Supply Certificates. One developer was issued a permit, and was allowed to draw down our groundwater but recharge in the Marana area 650 AF annually. Does that make good business sense to you, when we are in such an deficit on groundwater recharge.

3. On October 30, 2007 you received a letter from FICO's attorney stating their concerns of this additional groundwater drawdown by Rosemont Copper Company may cause the migration of a sulfate plume from mining operations located to the west of the FICO property with resulting intrusion of sulfate-laden water into both the agricultural and municipal supply wells of FICO and Farmers Water Company. This comes from a company that has known about the potential groundwater problem since 1998. They have been of no help in assisting CWC in the past on resolving the sulfate plume. This could have helped the community immensely. FICO has a recharge facility at one of their sites, so it would have been easy for them to put in a CAP pipeline, or even assist CWC on this pipeline endeavor and save about \$6 million. They only get really concerned when it may affect their backyard.,

One comment that I want to make is that in the mid 1990's FICO and the copper mine forfeited around **23,000 AF annually of CAP allocation**. If they, had accepted that and made provisions to start using CAP water by 2000, what a difference this would have made. They had the Malcolm Pirnie 1998 Report on the pipeline route, it could have been so easy. However, they hide behind their water rights, grandfathered rights and 1872 mining law to continue to pump pristine groundwater.

Community Water secured an amount of the CAP allocation that they thought would protect their customers. They have been talking to other water providers and users in the community for years to seek a way to build this pipeline. We believe there is another small amount of CAP allocation that was secured by a developer that is now owned by Green Valley Domestic Water Improvement District. Why have they not wanted to partner with CWC to seek a solution to the groundwater issue. I personally have asked CWC many times over the past seven months if other water providers and users have tried to assist in resolving this matter. The comment was, "it has been very silent from others in the community."

When I retired in 2001, I had worked for 13 years in a regional water authority that worked with 100 water agencies, three counties, many cities, corporations, flood control districts and others. Our primary charter was to assist in resolving groundwater issues in seven large basins that comprised a 1800 square mile watershed. So when I started to get really concerned at the beginning of this year, the more I researched, the more I knew we are in trouble. I made a presentation, (attached) on September 28 at the West Center in Green Valley where over 250 people attended. When water providers and users started to

realize the community was coming awake and getting madder by the day, things started to happen.

I am pleased that the water providers and major water users are beginning to form the Upper Santa Cruz Providers and Users Group. This could have all be avoided if everyone had done the right thing 10 years ago. They have many challenges ahead of them, and if their hearts are in the right place, hopefully something can be accomplished.

One of my most serious concerns, is going to be the continued annual drawdown with no visible means of any substantial recharge. It will take this Group at least four years to seek a sound solution due to all the entities involved. Because there is now such a shortage of CAP allotments left, and even from the Replenishment District, if they do not put first on their agenda seeking and securing water allotments, then there will be no water to purchase when they have come up with a plan. One other thing that we did in California, and that I have mentioned here, let us all voluntarily agree to a 30% annual water reduction until we can reach a solution. That way it will slow down the drawdown. If we wait until it reaches crisis stage, it is going to be three times as costly. Further, we have a community of some old people that need to be protected. How can you ask 70-85 year old people to go and get bottled water. The stress alone would put them into an early grave.

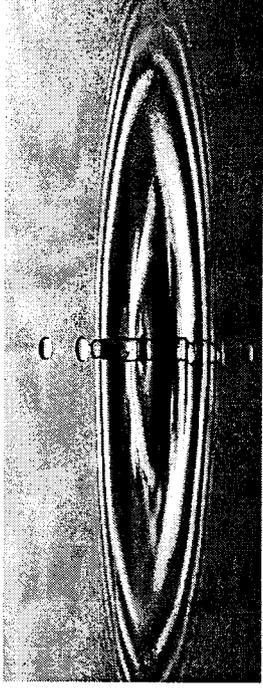
Is Community Water' proposal a good one? It is for its members. CWC ratepayers cannot be asked to pay \$9-\$15 million dollars for a pipeline, and then sink the water into the ground whereby others will also receive the benefit. There are no gates down there telling water that you have to stay here and not go over there. CWC did seek out and found a solution when others were being quiet, hoping to not be faced with the situation. This proposal is totally separate from the possibility of Rosemont mine being issued permits. We can only hope that the Bureau of Land Management, and other governmental agencies do their due diligence before a decision is made. But I worked with powerful lobbyist and weak politicians in California, so forgive me if I have my doubts the right thing will be done when it comes to Rosemont mine coming into fruition.

The best that we can hope for is that you will sit down with CWC and their attorney to review every line item. Make sure you have all the facts. If you do, then we can accept your decision. The one concern I have is that if CWC cannot show before too long to CAP that we will have a means of transporting this water allotment, CWC may lose their allotment, and that would be tragic. These water allotments are rapidly going to become gold, and the smart ones will survive.

Thank you for reading my material. I could have gone 20 pages with all that we have learned, but I just wanted to state some of the history so you will understand why we are also confused and mad as hell that we were not told the truth when we purchased our homes.

Peggy Bonthron

"ONE WATER – ONE BASIN"



OUR BASIN

"North of Tubac, South of Pima
Mine Road"

"East of the mining properties and
West of the Santa Ritas"

WATER PROVIDERS

- COMMUNITY WATER COMPANY OF GV (1974)
- FARMERS WATER COMPANY (1959)
- GREEN VALLEY WATER COMPANY (1977)
- QUAIL CREEK WATER COMPANY (1999)
- LAS QUINTAS SERENAS WATER CO. (1965)
- RANCHO SAHUARITA WATER COMPANY (1999)

WHO USES THE GROUNDWATER IN OUR BASIN

- ANNUAL USE (EST) 68,000 Acre Feet
(Began Operation)
- PECAN GROVE 29,800 AF 1965
- COPPER MINE 27,000 AF 1970
- GOLF COURSES 4,435 AF
- MUNICIPAL 6,700 AF
(Green Valley/Sahuarita)
- SAND/GRAVEL 465 AF

CURRENT RECHARGE AMOUNT

Total = 28,000 AF

- NATURAL STORM WATER 19,000 AF
- PECAN GROVE INCIDENTAL 7,000 AF
- EFFLUENT 2,000 AF
- GROUND WATER RD 650 AF_(REPLINISHED IN MARANA)

This leaves a deficit of 40,000 AF/YR
(Say for 5 years 188,000 AF Loss of GW)

HOW DEEP IS THE AQUIFER IN OUR BASIN

It is said to be between 1,000 – 3,000 ft deep under the riverbed, and becomes more shallow as it spreads out. Percentage of water in the gravel and sand averages about 30%. Currently, the water level is about 300 feet below the surface.

Note: One local water company drilling two wells hit bedrock at 1,000 ft and 1,450 ft.

HOW MUCH HAS THE GROUNDWATER TABLE GONE DOWN OVER THE PAST 5 YEARS

Varies according to pumping and recharge areas in the basin from 2 to 3 feet per year.

(Averages 12 feet for the past 5 years)
Could be higher over the next 5 years due to climate change and demand.

WHAT ABOUT FUTURE GROUNDWATER DRAWDOWN

WHAT ARE THE VARIABLES:

1. Climate change - Rising temperature
2. Less Rain
3. More demand by the Pecan Grove-climate
4. 24/7 operation by the copper mine due to demand
5. Golf courses forced to use more water due to climate change
6. Increase in population

PROBLEMS IF WE CANNOT RECHARGE THE BASIN

- Water quality will degrade
 - Shortage of water
 - Subsidence (ground will sink)
 - Cost to provide water will increase
1. Cost to filter low quality water
 2. Cost of electricity to pump deeper
 3. Cost of having to drill deeper wells

**CAN WE CHANGE THE ABOVE
NEGATIVES INTO POSITIVES FOR
OUR BASIN**

"YES"

"HOW"

We could have enough clean water for agricultural, mining, municipal and environmental if proper decisions-making for water quality and quantity is coordinated.

FIRST – CREATE A LOCAL (INFORMAL) PLANNING GROUP

SUGGESTED TITLE OF LOCAL GROUP:

“Green Valley/Sahuarita Water
Basin Planning Group”

Possibly Consist of: (for discussion purposes today)

The 6 Water Companies

Pecan Grove

Copper Mine

Golf Courses

LOCAL PLANNING GROUP

AD HOC MEMBERS

Coalition of Participating Agencies/Organizations:

Pima County (water/wastewater)

Department of Water Resources (Groundwater)

University of Arizona (Water Resources)

Pima County Flood Control (recharge)

This Planning pillar could provide technical data and knowledge that will eventually lead to a coherent local and regional vision.

STRUCTURE OF OUR LOCAL INFORMAL PLANNING GROUP

1. A decision-maker from each company that will first set the goals and objectives to be followed. Create and work under a Memorandum of Understanding.
2. Planning group to define problems and solutions for current and future problems.
3. Work towards the preparation of an Optimum Basin Management Plan.
4. Facilitator – A person that will be able to maintain a positive and cohesive approach during all of the planning process.

LOCAL PLANNING GROUP (CONTINUED)

PURPOSE:

1. To come together and prepare a local Basin Plan for WATER that will protect and enhance our quality of life, providing for a sustainable environmental and economic vitality.
2. To define that all water use be "reasonable and beneficial." The beneficial uses should include municipal, agricultural/industrial uses, irrigation, recreational uses, wildlife protection and aesthetic enjoyment.

LOCAL PLANNING WORK PHASES

- Define problems in our basin.
- Define and initiate a water conservation plan that will slow down the drawdown of the groundwater.
- Gather planning and project data by using existing data where available or by generating new data.
- Conduct integrated meetings with other working groups to determine local benefits.
- Problem consensus – short term and long term threats.
- Solutions –each problem identified, have a consensus.
- Strategy implementation towards creating an Optimum Basin Management Plan.

WHAT WOULD BE THE COST TO ORGANIZE A LOCAL WATER PLANNING GROUP

- Meeting Location – use what the community has to offer (library/GVR)
- Facilitator – could cost, but shared among member participants would not be that much
- Administrative Staff-use community volunteers
- Technical Support – local, DWR, UA, counties and other groups that have done similar prior planning.
- Time – staff labor time from companies that participate.

WHY HAVE A LOCAL PLANNING GROUP FIRST BEFORE A MORE FORMAL ORGANIZATION

1. We are at a plateau in protecting the precious water supply for our basin. There cannot be protection for just one water need.
2. Unprecedented population growth is altering the demographics and economic landscape that is elevating demands for water and energy. We must act now, to create and sustain a quality of life that is as magnificent as the scenery that surrounds us.
3. Good decisions requires that the community come together to look at problems, define what is important, and determine which assets they will expend and which they will protect and conserve.

FORMALIZE THE PLANNING GROUP

TITLE: (for discussion purposes today)

"Green Valley-Sahuarita Water Basin Authority"

MEMBERS: Will be determined by the Planning Group

MISSION: Facilitate Communications both Local and Regional, Identify Emerging Opportunities, Develop Regional Plans for Our Basin, Secure Funding, Implement Programs, Possibly Build Projects, and most importantly – Maintain a Safe Water Supply.

Allow the Authority to include other planning communities, inviting public and private sector planners to increase awareness on the benefits of planning on a watershed scale and to integrate watershed thinking into the everyday planning process.

FORMAL STRUCTURE OF THE AUTHORITY AGREEMENT

1. Title of the Authority
2. Purpose
3. Powers
4. Eligible members - governing body
5. Voting rights
6. Meeting Times
7. Officers
8. Budget
9. Funding
10. Structure of Finalizing an Optimum Basin
Management Plan

WHAT'S NEXT

1. Let us all come together and roll up our sleeves and get to work.
2. Ask the water providers and primary water users to schedule a meeting to begin discussions on the possibility of first organizing an informal water planning group.
3. We, as a community, give this Group our full support, and when assistance is needed, volunteer our services.