ARIZONA DEPARTMENT OF WATER RESOURCES BEFORE THE DIRECTOR

IN RE: SUBSEQUENT ACTIVE)	
MANAGEMENT AREA: WILLCOX) FINDINGS, DECISION A	ND
GROUNDWATER BASIN,) ORDER	
GRAHAM AND COCHISE)	
COUNTIES)	
)	

Pursuant to Arizona Revised Statute ("A.R.S.") § 45-414, the Director of the Arizona Department of Water Resources ("Director") issues findings and his decision to designate the Willcox Groundwater Basin, in Graham and Cochise Counties ("Basin"), Arizona as a subsequent Active Management Area ("AMA") on the grounds set forth herein.

BACKGROUND

I. Director's Order Initiating Designation Proceedings

On September 26, 2024, the Arizona Department of Water Resources ("ADWR" or "Department") held an informal public meeting to present hydrologic and regulatory information, accept public comments, and answer questions regarding the possible initiation of procedures to designate the Basin as a subsequent AMA. The information presented by the Department at the September 26 meeting is incorporated into the record for this matter. Public comments were accepted until 5:00PM on October 4, 2024. On October 21, 2024, the chief hydrologist for the Department provided a memorandum ("Technical Memo") describing the hydrologic information on file regarding the Basin, including the information presented at the public meeting. The Technical Memo is hereby incorporated by reference. Based on hydrologic evidence and public comments

¹ <u>Technical Memorandum regarding Groundwater Conditions in the Willcox Basin</u>, October 21, 2024, to Thomas Buschatzke, Director, ADWR, from Ryan Mitchell, Chief Hydrologist, ADWR.

received, on October 23, 2024, the Director issued an Order to Initiate Proceedings ("Initiation Order") and an Order for a Hearing.

II. Notice of Initiation of Proceedings, Public Hearing and Comment Period

On October 23rd and October 30th, 2024, the Department published notice of the Initiation Order in both the *Sierra Vista Herald Review* and the *Eastern Arizona Courier*. The Department held a public hearing pursuant to A.R.S. § 45-413 in Willcox, Arizona, on November 22, 2024. At the hearing, the Department presented factual data related to hydrologic conditions in the Basin. Specifically, the Department presented water level measurements that the Department collected from monitoring wells in the Basin, land subsidence data, and earth fissure maps and photos. The Department also received oral comments and evidence at the public hearing and accepted written comments and evidence until 11:59 PM on November 22, 2024.

During the public hearing on November 22, 2024, 38 people provided oral comments and evidence. The Department also received 423 written comments and evidence. Commentors included Arizona legislators, a county supervisor for a county outside the Basin, agricultural users, ranchers, vintners, and residents of the Basin. The Director has considered all comments and evidence submitted. Where particular comments or evidence are relevant to a specific Finding made by the Director, the comments are discussed in the "Findings" section below.

FINDINGS

1. The boundaries of the proposed active management area encompass the entire Willcox Groundwater Basin. The Basin is generally located in the northern Sulfur Springs Valley and is the entire surface watershed area that contributes to Willcox Playa, plus the upper watersheds of Leslie Creek and Rucker Canyon that lie east of the Swisshelm Mountains in the Whitewater Draw watershed.

2. The only dependable water source in the Basin is groundwater, which is used for agricultural, industrial, domestic, and municipal water supply.

- 3. ADWR relied on empirical data when reviewing aquifer depletion throughout the Basin. Groundwater in the Willcox Basin is unregulated, meaning users are not required to measure, meter, or report actual water use. Therefore, water level trends over time are used to determine if the aquifer system is in balance, i.e., the inflows into the aquifer system are approximately equal to the outflows.
- 4. ADWR collected data from 52 active wells that it measures at regular intervals ("index wells") in the Willcox Basin. Additionally, since 1990, ADWR has conducted six basin sweeps in the Basin, where 4,627 additional well measurements were taken. More information related to the data collecting and testing done by ADWR can be found in the Technical Memo. ADWR compiled groundwater statistical data, including water level change statistics from 2000 to 2020 for each of the 51 groundwater basins in Arizona, within ADWR Open File Report No. 20.
- 5. The Willcox Groundwater Basin is documented as showing significant declines in ADWR Open File Report No. 20, with a median water level decline of 53.55 feet over the 20-year period.
- 6. Over the same 20-year period, ADWR data shows multiple index wells with significantly greater water level changes, including 3 index wells with water level declines of greater than 90 feet and one index well with a water level decline of 141.9 feet, or an average of 7.095 feet per year.
- 7. Over multiple decades, water level trends in the Basin have shown widespread decline, with at least one well showing a decline of 402 feet over the last 69 years.
- 8. Excessive groundwater mining and declining water levels have caused multiple wells in the Basin to go dry. The Department has attempted to measure water levels in 29 wells that previously had water and have gone dry in the last 10 years.

- 9. The rate of decline has increased over time. As the widespread decline in water levels indicates, the aquifer system's outflows far exceed its inflows. If current rates of groundwater withdrawal continue or increase and recharge rates do not change, groundwater level declines will continue to worsen.
- 10. Active management practices are necessary to preserve the existing supply of groundwater for future needs.
- 11. Since 1969, over 11.5 feet of land subsidence has been observed in the Willcox Basin using interferometric synthetic aperture radar ("InSAR") satellites.
- 12. Additionally, 48.76 miles of earth fissures in the Willcox Basin have been mapped through the Arizona Geological Survey ("AZGS"). These earth fissures have already damaged roads, fences, and other property in the Basin.
 - 13. Land subsidence has been measured at an increasing rate year over year.
- 14. Land subsidence is predominantly inelastic and non-recoverable, permanently reducing the aquifer's storage capacity.
- 15. If left unaddressed, water level declines, land subsidence, and earth fissuring would continue to worsen at an accelerating rate.
- 16. The Basin satisfies the criteria in A.R.S. § 45-412(A)(1) ("Active management practices are necessary to preserve the existing supply of groundwater for future needs." and (2) ("Land subsidence or fissuring is endangering property or potential groundwater storage capacity.") for designation as a subsequent AMA.
- 17. The following is a summary of the substantive comments received and the Department's responses thereto:
 - a. <u>Comment</u>: The proposal for local initiation to designate the Willcox AMA was on the ballot during the 2022 election cycle and did not pass local election.
 - Response: The Arizona legislature established two separate paths to designating subsequent AMAs. The legislature provided authority for local

initiation of designation of an AMA on petition by ten percent of the registered voters residing within the boundaries of the proposed AMA, to be voted upon pursuant to the general election laws of this state. A.R.S. § 45-415. The legislature also vested independent authority to initiate designation procedures with the Director if the criteria in A.R.S. § 45-412(A) are met. Nothing in statute prevents the Director from designating a basin as an AMA based on the results of an election.

- b. <u>Comment</u>: Several commenters stated concerns that local input will not be taken into consideration during the creation of an AMA.
 - Response: ADWR received and considered local input prior to making the decision to designate the Willcox Basin an AMA. After designation of an AMA, ADWR continues to receive and consider input from local stakeholders throughout the process of developing the management goal and management plans.
- c. <u>Comment</u>: Several Commenters stated their property was damaged through land subsidence and fissures.
 - Response: Hydrologic data collected by ADWR corroborates property damage from subsidence and fissures throughout the Basin.
- d. <u>Comment</u>: Several Commenters stated that their wells are rapidly depleting and running dry, leading to a significant concern over water availability. <u>Response</u>: Hydrologic data collected by ADWR corroborates depletion of the water table causing some wells in the Basin to run dry.
- e. <u>Comment</u>: Several Commenters stated that the wells examined by ADWR were too small of a sample size to reach conclusions regarding the entire Basin.
 - Response: As discussed above in Finding No. 4, as well as the Technical Memo, ADWR collected evidence through 52 index wells in the Basin and

through 4,627 additional well measurements. In addition, outside of well data, there is ample evidence of land subsidence and land fissuring in the Basin.

f. <u>Comment</u>: Several Commenters stated that property owners have the rights to water beneath their land and that ADWR does not have the authority to regulate their water use.

Response: Through the 1980 Groundwater Management Act, the legislature vested ADWR with the authority to designate subsequent AMAs to protect and preserve groundwater resources. A.R.S. § 45-412. The Arizona Supreme Court has held that landowners do not own the groundwater under their land; they own the right to use groundwater subject to state law.² Property owners who have legally withdrawn and used groundwater within the Basin prior to the initiation of designation procedures according to the criteria in statute will be able to apply for grandfathered groundwater rights. A.R.S. §§ 45-462; 45-476; 45-477.01.

g. <u>Comment</u>: The designation of an AMA would not fix the current groundwater issues; rather, it would preserve existing irrigation.

Response: In addition to limiting new uses of groundwater, the designation of an AMA will also lead to the adoption of a management plan that includes measures for reducing groundwater withdrawals. A.R.S. § 45-569(B).

h. <u>Comment</u>: Several Commenters stated their concern that the designation of an AMA will adversely impact the growth and economic development of the wine industry within the Willcox Basin as well as discourage innovation within the industry.

Response: Absent active management within the Basin, continued aquifer depletion will threaten the ability of the existing wine industry and other

² Town of Chino Valley v. City of Prescott, 131 Ariz. 78, 82 (1981).

existing groundwater users to maintain a supply of groundwater for their operations, which would have a substantial negative economic impact. Additional land subsidence and fissuring will also continue to damage property, which will have negative effects on the local economy, and reduce aquifer storage capacity, which will limit opportunities to improve groundwater conditions in the long term.

- i. <u>Comment</u>: Several Commenters stated their support of the AMA with concern about extensive agricultural water usage in the Willcox Basin.
 - Response: Management strategies such as conservation and efficiency requirements for all non-exempt groundwater users, including agricultural users, will be implemented as part of active management of the Basin.
- j. Comment: Several Commenters stated that the designation of an AMA places limits on irrigation expansion but does not place conservation requirements on non-irrigation groundwater users, such as municipal and industrial users.

 Response: After designation of a subsequent AMA, the Director must adopt a management plan, which will include conservation programs for both irrigation and non-irrigation uses of groundwater, including municipal and industrial uses. A.R.S. § 45-569.
- k. <u>Comment</u>: Several Commenters stated that the designation of an AMA is not necessary and that the Director should designate the Basin as an Irrigation Non-Expansion Area ("INA").

Response: The Director may designate an INA only if the establishment of an active management area pursuant to Arizona Revised Statutes section 45-412 is not necessary. A.R.S. § 45-432(A). Based on the information available to the Department and the evidence presented at the public hearing, the Willcox

Groundwater Basin satisfies the criteria for designation of a subsequent AMA. Therefore, designation of an INA would not be appropriate.

1. <u>Comment</u>: Several Commenters stated that only a subbasin should be designated as an AMA, rather than the entire Basin.

Response: Pursuant to Arizona statute, subsequent AMAs may include more than one groundwater basin but shall not be smaller than a groundwater basin or include only a portion of a groundwater basin. The Director does not have authority to designate a subbasin as a subsequent AMA. A.R.S. § 45-412(B). Further, the Willcox Basin does not contain subbasins.

DIRECTOR'S DECISION

In consideration of the Findings set forth above, the Director has determined that the Willcox Groundwater Basin, as described in Finding No. 1 above and depicted in the map attached hereto as Exhibit A, meets the following criteria for designation of a subsequent AMA set forth in A.R.S. § 45-412(A):

- 1. Active management practices are necessary to preserve the existing supply of groundwater for future needs; and
- 2. Land subsidence or fissuring is endangering property or potential groundwater storage capacity.

As a result, the Willcox Groundwater Basin shall be designated as an AMA.

ORDER

IT IS HEREBY ORDERED:

1. That a notice of the above Findings and Decision shall be published once each week for two consecutive weeks in a newspaper of general circulation in both Cochise and Graham Counties.

- 2. These Findings, Decision, and Order shall become effective upon the second publication described in Order No. 1 above.
- 3. The Director shall file a true copy of a map identifying the lands included in the AMA with the offices of the Cochise and Graham County Recorders.
- 4. The prohibition on the irrigation of new acres pursuant to A.R.S. § 45-416 and the Initiation Order will remain in effect permanently.
- 5. Pursuant to A.R.S. § 45-604(A), any person who withdraws groundwater from a non-exempt well for irrigation use and each person withdrawing more than ten acre-feet of groundwater per year from a non-exempt well for non-irrigation use within the boundaries of the AMA shall use a water measuring method and device approved by the Director. An approved measuring device must be installed by March 31, 2025. A list of approved measuring methods and devices can be found in A.A.C. <u>R12-15-903</u>.
- 6. Each person withdrawing groundwater from a non-exempt well shall file an annual water withdrawal and use report on a form prescribed by the Director no later than March 31 of each calendar year. The first annual report for this AMA shall be filed on or before March 31, 2026.

This Decision is subject to rehearing, review, and judicial review as provided in A.R.S. § 45-414(B).

DATED this 19th day of December, 2024.

Thomas Buschatzke

Director

EXHIBIT A

