

**arizona municipal water users association**

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**AGENDA ITEM #4B**

October 8, 2009

TO: Members of the SROG Committee

FROM: Donald P. Sehorn, Program Manager

SUBJECT: AUTHORIZATION TO EXERCISE THE FIRST OPTION OF THE 1994 AGREEMENT WITH THE BUCKEYE IRRIGATION COMPANY (BIC)

This request is seeking authorization to exercise the first option of the 1994 agreement with the BIC to provide 20,000 acre-feet of SROG effluent from the 91<sup>st</sup> Avenue WWTP to the BIC per year for the term of the first option.

This requested action is pursuant to a 1994 revised agreement with the BIC. The original agreement expires in 2011. The new agreement consists of four, five-year options for effluent sales covering the period 2011 through 2030.

At least one year prior to the BIC's deadline to exercise each option, the SROG cities shall collectively notify the BIC of the annual quantity of effluent to be available to the BIC during the following five-year period. The first notification by the SROG cities to BIC is required by December 31, 2009, and every five years thereafter, with the last notification deadline required by December 31, 2024.

According to the agreement, the total amount of effluent made available must be at least 20,000 acre-feet per year with a maximum of 40,000 acre-feet per year. This action will provide for 20,000 acre-feet per year for the first, five-year term

RECOMMENDATION

At their September 17, 2009 meeting, the SROG Advisory Committee recommended that:

the SROG Committee authorize the City of Phoenix to exercise the first option of the 1994 agreement with the BIC to provide 20,000 acre-feet of SROG effluent from the 91<sup>st</sup> Avenue WWTP to the BIC per year for the term of the first option.

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