Municipal Water Providers Play a Crucial Role in Ensuring Arizona Prospers

The Phoenix metropolitan area is blessed with surface water made available through canals operated by the Salt River Project, and both the Phoenix and Tucson regions are fortunate to receive water from the Central Arizona Project. But these essential supplies from the Salt, Verde, and Colorado Rivers are only useful to our citizens because municipal water providers, like the ten AMWUA cities and the City of Tucson, have invested billions of dollars to build and maintain the infrastructure necessary to treat and deliver this water to their customers.



The use of these rivers' waters over the last three decades has also allowed

municipal water providers in central and southern Arizona to significantly reduce their reliance on groundwater, a finite water supply that is essential to preserve for times of shortage and drought.

The ten AMWUA cities and the City of Tucson are ultimately responsible for making sure water is delivered every day of the year to the collective 4.5 million residents within their communities, along with the businesses and industries crucial not just to central and southern Arizona's economies, but also to the national economy. This is a responsibility that municipal water providers take seriously at all levels – from elected mayors and councils to meter readers, water treatment plant operators, and all water professionals within their utility.

Their continual planning and investments in <u>water resources and infrastructure</u> have resulted in each of these water providers being granted a Designation of Assured Water Supply by the State of Arizona. A Designation means that the Arizona Department of Water Resources has determined that each city has a 100-year water supply to serve all of their existing and future water users. The AMWUA municipalities, City of Tucson, and other designated municipal providers' willingness to meet this platinum standard for consumer protection and economic resiliency has turned central and southern Arizona into an economic powerhouse that generated more than \$356 billion in Real Gross Domestic Product (GDP) in 2022. High-tech industries, manufacturing, defense, financial services, health care, higher education institutions, and other businesses and services that support the regional and national economies are thriving here because their communities have invested in the necessary water resources and infrastructure required to serve their needs.

Arizona's overall economic prosperity is a direct result of the safe, reliable water systems built, operated, and maintained by the AMWUA cities, the City of Tucson, and other designated municipal providers in central and southern Arizona. Their continual planning, managing, and investing in water resources and infrastructure to demonstrate a 100-year Assured Water Supply has been first and foremost why we are able to thrive in the desert. Workers, entrepreneurs, small business owners, major companies, and industries have the confidence to invest in Arizona because its major cities have proven that they have the water necessary to prosper and make Arizona their home.

Now, more than ever, municipal water utilities face enormous challenges. Inflation and supply chain disruptions have elevated all costs – from treating water and constructing critical capital projects to maintaining and adapting infrastructure to meet ongoing and future needs. Tightening federal regulations for water quality have also increased the price of providing safe drinking water, while an aging workforce and tight job market complicate the recruiting and retention of water professionals required to do this critical work.

Along with facing the day-to-day challenges and increasing costs of operating and maintaining their water systems, the AMWUA cities and other designated water providers are preparing for an inevitable future with less Colorado River water. This will only increase the pressures on our finite groundwater, so investing in developing new water supplies is essential. Whether the new supplies come from raising Bartlett Dam on the Verde River, stretching water supplies through Advanced Water Purification, or finding other water sources, any new supply and the necessary infrastructure to make it available to residents means that water will be far more costly than what we pay today. For all these reasons, investing in water supplies and infrastructure now is vital to securing a solid economic future. The longer we wait, the more expensive our water will get.

As the Arizona State Legislature begins its new session, we urge our state leaders to consider how they can best support municipal water providers in meeting their stewardship obligation and responsibility to provide safe, reliable water for the long-term viability of their communities. This includes:

- <u>Defending and enhancing the 100-year Assured Water Supply Program</u>. Any weakening
 of this platinum standard of sustainable water management will weaken our economy
 and threaten our future.
- Strengthening water management throughout the State to protect all Arizonans will demonstrate to investors that Arizona is effectively managing its groundwater.
- Fulfilling the State's commitment to WIFA's Long-Term Water Augmentation Fund.
- Finding more ways for Arizona to invest in near-term and long-term development of new supplies and the necessary infrastructure to ensure that we build water resilience for our state.

Municipal water providers understand that they are in the forever business. That means they are continually planning and investing to provide the needed water to their citizens and

businesses right now and into the future. Providing safe, reliable water should not be a partisan nor an urban vs. rural issue. We need the Legislature to work with municipal leaders and water professionals to ensure that central and southern Arizona's municipal water systems remain resilient to sustain and strengthen Arizona's economy. All Arizonans will benefit from that effort.

For 55 years, the Arizona Municipal Water Users Association has worked to protect our member cities' ability to provide assured, safe, and sustainable water supplies to their communities. For more water information, visit www.amwua.org.