The quote reflects very little of our half hour conversation, but does get a lot of the facts in there. I pointed out to Hedler that PV appears to be ensuring the State Land Department's cooperation in approving easements for the Big Chino water pipeline. The land department spokesman confirms it. (the agreement blocks SLD's opposition to actions on trust land that will move this project forward)

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Prescott Valley to supply water to state trust lands

By Ken Hedler

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PRESCOTT VALLEY - The town is working on an agreement to supply water to state trust lands in exchange for permission to build waterlines and other infrastructure on those lands.

The proposed intergovernmental agreement would require the town to supply 2,000 acre-feet of water a year to state trust lands within Prescott Valley's planning area. The water would come from the town's annual allotment of 8,717 acre-feet in the pipeline that the town and the City of Prescott plan to build to carry water from the Big Chino Water Ranch near Paulden.

"We have long worked toward having a better relationship with the State Land Department and look at land entitlements to encourage the appropriate urban development and discourage sprawl," Town Manager Larry Tarkowski said.

Tarkowski and other town officials believe water access will enhance the value of the trust lands and make it easier to sell to potential developers. The town would sell water to developers at market value, which currently is a minimum of \$19,500 per acre-foot, according to the draft agreement.

State law requires the Land Department to lease or sell trust lands to the highest bidder, with proceeds benefiting public schools.

Town Council members discussed the draft agreement at a work/study meeting May 15, and await a review from the state Attorney General's office.

Andrea Esquer, press secretary to Attorney General <u>Terry Goddard</u>, declined to discuss the proposed agreement, citing attorney-client privilege because her office represents the Land Department.

However, Deputy Land Commissioner Jamie Hogue said this past week, "I am hopeful that we can get this done in the next month or so."

State land and town officials met for about 18 months before Prescott Valley's community development director, Richard Parker, presented the draft agreement at the May 15 meeting. Parker said the town is seeking easements on trust lands for a future water tank for the Mingus West subdivision off Highway 89A. He added the town seeks a lease agreement for a repeater station for law enforcement agencies atop Glassford Hill.

Prescott Valley also may need an easement for a pipeline carrying Big Chino water, Parker said.

"The town gets the value of the water as well," Parker said.

Hogue said, "We have pieces of land within Prescott Valley that currently do not have access to water," adding her agency may not sell land if it lacks a water source.

Hogue explained the agreement would focus on three 640-acres sections north of Highway 89A and another section off Robert and Fain roads because they are near the town's urban growth corridor.

"There is development on two or three sides of state trust land," she said. "It makes sense for the town or for us to develop some of the land."

The proposed agreement has drawn opposition from the Tucson-based Center for Biological Diversity. The environmental organization previously threatened to sue Prescott Valley and Prescott over the Big Chino pipeline for fear it would damage the Verde River ecosystem.

"I did read the agreement, and it really does seem inappropriate at this time," said Michelle Harrington, rivers conservation manager for the organization. "Prescott Valley does not have the 2,000 acre-feet of Big Chino water in hand, but the agreement essentially promises that 2,000 acre-feet of water to the State Land Department."

Tarkowski declined to respond to Harrington's comments.

The development community also is taking an interest in the proposed agreement.

"No developer that I am aware of has made any plans that is dependent on that water, but there are certainly thousands of acres that can be developed when that water becomes available," said Al Bradshaw, a Prescott public relations practitioner who represents developers.

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