

**TOWN OF PRESCOTT VALLEY
REQUEST FOR COUNCIL ACTION**

Date: January 13, 2011

SUBJECT: Arizona State Land Dept Right-of-Way/Lease, Lone Tree Recharge Project

SUBMITTING DEPARTMENT: Water Resource Management

PREPARED BY: John Munderloh, Water Resources Manager

AGENDA LOCATION: Comments/Communications , Consent , Work/Study ,
New Business , Public Hearing , Second Reading

ATTACHMENTS: a) ASLD Right-of-Way/Lease Agreement

SUMMARY BACKGROUND: In 2008, the Town applied for a Right-of-Way (ROW) permit from the Arizona State Land Department (ASLD) to construct a reclaimed water recharge facility on state trust land adjacent to the Agua Fria River bed. We have called it the Lone Tree project. This new facility is an integral part of the Town's efforts to obtain credit from the Arizona Department of Water Resources (ADWR) for the full amount of reclaimed water produced at the Advanced Treatment Facility. The facility involves approximately 140 acres of land in Section 8, Township 14N, Range 1E, (south of Lakeshore Drive and west of Fain Road).

On December 9, 2010, the ASLD Commissioner approved the ROW permit and the necessary ROW/Lease has been prepared for Town approval. This approval is required before the permit will be finalized.

It should be noted that this action moves the project forward considerably. Still to be obtained are permits from ADWR and the Arizona Dept of Environmental Quality.

PREVIOUS ACTIONS: On November 18, 2010, the Town Council approved expenditure of \$82,240 and a one-time fee of approximately \$21,390 (total \$103,630) for the ROW/Lease payment.

OPTION ANALYSIS: The Council may vote to:

- 1.) approve the ROW/Lease agreement, **OR**
- 2.) not approve the ROW/Lease agreement, **AND/OR**
- 3.) direct staff to pursue other options.

ACTION OPTION: Motion to approve the ASLD Right-of-Way No. 17-113618 agreement. **VOTE.**

RECOMMENDATION: Town staff recommends approval of this ROW/Lease agreement.

FISCAL ANALYSIS: The Council approved a budget of \$80,000 for land (541-7040-641-4510) and \$2,500,000 (541-7040-700-7320) for development of a recharge facility in the Town's FY 2010-11 budget. This project is related to the Town's earlier sale of its effluent credits.

REVIEWED BY:

Management Services Director _____ Town Clerk _____

Town Attorney _____

Town Manager _____

COUNCIL ACTION:

Approved Denied Tabled/Deferred Assigned to _____