



**Southern Arizona
Home Builders
Association**

2840 N. Country Club Rd.
Tucson, AZ 85716
P: 520.795.5114
www.sahba.org

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February 17, 2023

Dr. Jing Luo, PhD, PE
Water Director
Town of Marana
11555 W. Civic Center Dr.
Marana, AZ 85653

RE: Draft Drought Preparedness Plan

Dear Dr. Luo:

On behalf of the Southern Arizona Home Builders Association (SAHBA) we submit this letter with our initial comments on the proposed January 2023 Draft Drought Preparedness Plan (the "Plan") for your consideration. We also respectfully request an opportunity to have an in-person meeting with our members to learn more about the Plan, the Town's objectives and to discuss our comments.

We commend the Town for its commitment to proactively addressing potential interruptions in water services caused by drought related challenges and proposed defensive steps. Further, we appreciate your willingness to seek input from SAHBA and the home building/residential development community. Our members have a vested interest in the Town's future. Together, we can work collaboratively to ensure the economic benefits to the Town attributable to real estate, development and construction face little or no unnecessary interruption.

- 1. Focus the Plan more on drought response events, but continue long term water resource planning outside the Plan** - Our Association and industry recognize the significance of the water issues facing our state, including an ongoing drought and the severity of the conditions on the Colorado River (River). We know it is important for the Town to plan for specific actions to take to address potential water shortages for existing customers during drought events, and we fully support this effort in drafting this Plan. The Town's current Plan includes many of the shorter-term conservation staged response measures we would expect to be implemented in drought management scenarios. We recognize that some of these measures might need to continue for extended periods of times if drought events continue in a manner that threatens continued water customer service shortages. However, the water service agreement moratorium item in Stage 3 of the Plan is misplaced in a drought response plan.

We recommend that the Town remove the Stage 3 action stating "New water service agreements for new construction will not be issued." This item appears to be an anti-growth provision that, if it

stops new water hook-ups, is a moratorium on new construction and development under A.R.S. 9-463.06.A. The Plan's Stage 3 definition of a water shortage does not support a moratorium on new water service under A.R.S. 9-463.06.A. Such a moratorium declaration must be addressed based on facts outside the Plan's framework as a long-term planning item for the Town. Even from a good policy standpoint, growth should not be started and stopped in reaction to a short-term drought event per the Plan, but instead should be evaluated through the Town's long term water resource planning process including the Town's Designation of Assured Water Supply process. A.R.S. section 9-463.06.B requires for a moratorium that the Town demonstrate that the Town cannot provide an assured water supply to the new customers; not that a short-term drought condition is occurring. These are different considerations that will likely occur at different times. The Town in adopting the Plan would not want to create the impression that it lacks an assured water supply when a Stage 3 or Stage 4 condition occurs.

Despite asking to remove the water service agreement item from the Stage 3 responses in the Plan, we believe it is appropriate to include in Stage 4 that "the Town will begin the process set forth in A.R.S. 9-463.06 to consider adopting a moratorium on the issuance of permits and approvals for new water consuming uses and activities" as the Town in general should continuously monitor its water resources status and whether any emergency moratorium circumstance exists. For example, at Stage 4, there could be a circumstance that occurs such as multiple well failures that would also require a moratorium for a number of months while the well infrastructure failure is addressed. However, the moratorium condition is a different evidentiary consideration from whether the Town still has an assured water supply for the long term. The Plan can predict the need to save water resources in a drought scenario, but should not automatically assume that conditions will exist that require a moratorium. A requirement to study the circumstances and Marana's water system capability to serve customers during a Stage 4 drought is an appropriate measure.

- 2. Decouple Town's Stages 3 and 4 triggers from regional conditions to focus only on local conditions** – We recommend that, except for the more basic Stage 1 and Stage 2 measures, the more difficult Stage 3 and Stage 4 conservation efforts not be triggered by federal/state River shortage declarations. In Stages 3 and 4, the Town will be asking residents to take significant conservation steps including payment of surcharges, and those serious impacts to customers should be directly related to the actual water shortage to the Town's local water supply and the Town's actual ability to meet the customer's normal demand with that reduced water supply. For example, if the Town expects a 20% reduction in its CAP supply as a result of a Tier declaration, but if the Town is not actually using that quantity of water directly anyway, then the Town should consider whether it is appropriate to require customers to adopt serious conservation actions like imposition of landscape limitations when there is sufficient water available to meet the normal local demand. Further, the current River agreement tiered shortage structure expires in 2025 and could change earlier based on Basin States negotiations and federal engagement, so the tiers should not be used as a benchmark for the Town's Plan stages. A better measure of a River shortage for the Plan purposes is the percentage reduction in the quantity of CAP water to be delivered and used by the Town. Groundwater level drops are rather arbitrary measures to justify painful conservation actions to customers, but groundwater level drops are at least a more local measure of the Town's physical water source that includes the local impact of recharged CAP water and effluent near municipal wells.

3. **The Plan should not adversely affect home building** – In making any further revisions to the Plan, please consider that home building and residential development activity contributes greatly to the local economy and directly to the Town through various fees and taxes. It is important that the Plan not contain provisions that appear to impose automatic moratoria without reference to the steps required to support such a determination. Denying agreements or permits in response to regional water drought shortages that are not sufficiently related to the then-current condition of the Marana Designation of Assured Water Supply portfolio would have a profoundly negative effect on Marana’s housing market, economy and revenue in what could be the very near future.

4. **Additional consideration of other and/or alternative measures** – The Plan makes reference to “additional conservation programs may be initiated.” What other conservation programs have been considered? If so, what are they and why have they not been incorporated to the Plan? For example, the Southern Nevada Water Authority is investing in “smart meters” as a way to conserve water. Has the Town considered this and if so, why is it not part of the Plan? Similarly has the Town considered the removal or prohibition of non-functional turf. Some jurisdictions have gone so far as to require flow restrictors for customers that waste water. Is that something the Town has considered? Would the Town consider optional conservation measures that could be implemented by builders to assist the Town in meeting the new water service customer concerns identified in the current draft of the Plan? For example, perhaps the Town could consider offering Plan incentives to builders that construct homes to the WaterSense 2.0 requirements, demonstrating their efforts to assist likely permanent water savings from new customers.

Thank you in advance for your consideration of our comments and questions. We look forward to working collaboratively with you on finalizing the Plan.

Sincerely,



David Godlewski
President & CEO
SAHBA