

December 23, 2024

Governor Katie Hobbs c/o General Counsel Bo Dul bdul@az.gov

Arizona Department of Water Resources Director Thomas Buschatzke tbuschatzke@azwater.gov

Dear Governor Hobbs and Director Buschatzke,

RE: The Governor and the Arizona Department of Water Resources Director have violated their obligation to review and to revoke 47 invalid 100-year Designations of Adequate Water Supply in the Fort Huachuca/Sierra Vista area.

The Governor and the Director of the Arizona Department of Water Resources ("ADWR") have violated their obligation to review and to revoke the 100-year Designation of Adequate Water Supply for each of the following 47 Fort Huachuca/Sierra Vista area developments and providers ("designations") listed in this complaint.

Eight of 13 mandatory court-ordered San Pedro Riparian National Conservation Area ("SPRNCA") protection monitoring well water levels and streamflow amounts are being violated.

These violations are occurring at five of the nine monitoring wells, <u>Palominas well #5</u>, <u>Cottonwood</u>, <u>Boquillas #2</u>, <u>Boquillas 1</u>, and <u>Summers</u>, and these violations are occurring at three of the four streamflow gages, <u>Charleston</u> gage, <u>Tombstone</u> gage, and <u>Babocomari</u> gage. Documentation specifics of the violation of five of the nine mandatory monitoring well water levels and documentation specifics of the violation of the mandatory stream flow amounts at three of the four mandatory stream gages are included in our December 16, 2024, News Advisory.

Violations of the mandatory monitoring well water levels published as findings of fact in the <u>earlier August 24, 2023, ruling</u>, and the mandatory streamflow amounts published in the new <u>December 12, 2024, order</u>, mean that a 100-year of water supply adequacy no longer exists in the Fort Huachuca/Sierra Vista area.

This also means that none of the 100-year Designations of Adequate Water Supply adequacy certificates in the Fort Huachuca/Sierra Vista area are valid.

We have already noticed challenges to you for 51 subdivisions and providers with inappropriate and inaccurate designations in the Fort Huachuca/Sierra Vista area; however, as Governor, you have failed even to acknowledge that federally reserved water rights area being violated.

On July 16, 2024, we sent you an unanswered complaint regarding the review and revocation of Pueblo Del Sol's designation.

On October 31, 2024, you <u>agreed to review</u> the Pueblo Del Sol's designation only after <u>our August 15, 2024, lawsuit</u> forced you to do so.

We sent you 11 similar unanswered complaints regarding the review and revocation of other designations or adequacy analyses on August 30, 2024, regarding <u>Buffalo Soldier Ranch</u>; on September 9, 2024, regarding <u>Ranchos San Pedro</u>; on September 9, 2024, regarding <u>Kinjockity Ranch</u>; on September 12, 2024, regarding <u>Babocomari Development Group's Babocomari Subdivision</u>; on September 16, 2024, regarding the <u>City of Benson's July 14, 2008, Designation of Water Adequacy for Vigneto</u>; on September 30, 2024, regarding <u>St. David Springs</u>; on September 30, 2024, regarding <u>Trinity Terrace</u>; on October 3, 2024, regarding <u>Crossroads Commerce Center Phase II</u>; on October 3, 2024, regarding <u>Campus Drive Business Park</u>.; on October 3, 2024, regarding <u>Wildhorse II</u>; and on October 5, 2024, regarding <u>St. David Countryside Estates</u>.

Also on October 5, 2024, we sent you a <u>compilation of 23 similarly unanswered complaints</u> regarding 23 developments with invalid 100-year Designation of Adequate Water Supply certificates. The developments in our October 5, 2024, complaint included <u>Bella Sonoma</u>, <u>Canada Vista</u>, <u>Casa Antigua Condominiums</u>, <u>Cimmaron Place</u>, <u>Copper Pointe Estates</u>, <u>Copper Sky Estates</u>, <u>Coronado Commons</u>, <u>Crossing Point</u>, <u>Gatewood</u>, <u>Grandeur Carmel</u>, <u>Legends at Valiente Phase I</u>, <u>Legends at Valient II</u>, <u>London Square Two</u>, <u>Oakmont Subdivision</u>, <u>Ocotillo Villas</u>, <u>Quail Hollow</u>, <u>Pueblo Las Brisas</u>, <u>Reflections at Valiente</u>, <u>Remington Park West</u>, <u>Sierra Court</u>, <u>Sierra Springs</u>, <u>Villas San Luis</u>, and <u>Vistaview Estates</u>.

And on November 18, 2024, we sent you another <u>compilation of 16</u> <u>similarly unanswered complaints</u> regarding 16 developments with invalid 100-year Designation of Adequate Water Supply certificates. The developments in our November 18, 2024, complaint included <u>Campstone</u>, <u>Chaparral Village North</u>, <u>Compass Point</u>, <u>Covey Run</u>, <u>Highland Park Estates</u>, <u>Hobby Horse Ranch</u>, <u>La Pradera Estates</u>, <u>Los Ranchos Subdivision</u>, <u>Mesa Verde Estates</u>, <u>Rancho Arizona</u>, <u>Rio Corte Estates</u>, <u>Rio Mesa</u>, <u>San Pedro Terrace</u>, <u>The Ranch</u>, <u>Tierra Del Sol Estates</u>, and Whetstone Mesa Estates #5.

To date, the Governor has answered none of these 50 challenged designations besides that of Pueblo Del Sol.

We incorporate the complaints of every one of these previously noticed unanswered designations in today's complaint so as to not needlessly repeat the same facts.

While the Governor and ADWR are now "<u>initiating a review of Pueblo Del Sol's Designation</u>," such an action fails to address the fact that, in the Fort Huachuca/Sierra Vista area, <u>new homes are still being actively sold with inaccurate subdivision public reports.</u>

These homes are being sold to unwitting buyers, and mortgages for these homes are being underwritten without the knowledge of and the consideration of the violations of federal reserve water rights and without warnings of inevitable future property devaluation.

Merely initiating a review of the Pueblo Del Sol designation alone fails to address the other 50 designations, all of which involve properties that will now be facing inevitable future devaluation.

Merely initiating a review of the Pueblo Del Sol designation alone also fails to address the blatant violation of Arizona's consumer protection statute, <u>A.R.S. §</u> 44-1522.

Arizona's consumer protection statute, A.R.S. § 44-1522, declares unlawful:

"The act, use or employment by any person of any deception, deceptive or unfair act or practice, fraud, false pretense, false promise, misrepresentation, or concealment, suppression or omission of any material fact with intent that others rely on such concealment, suppression or omission, in connection with the sale or advertisement of any merchandise..."

In today's complaint, we now notice challenges to an additional 47 designations of developments and providers in the Fort Huachuca/Sierra Vista area.

These 47 developments and water providers with invalid designations include Bachmann Springs; Canyon De Flores Phase 1-C; Canyon de Flores 1D; Canyon De Flores Phase 1F; Canyon De Flores Phase II; Canyon De Flores Phase E; Canyon De Flores Phase ID; Canyon De Flores Phase II; Charleston Village; Circle G at Ramsey Canyon Ranch; Cochise Terrace; Coronado Place; Deer Ridge Estates; Golden Vistas; Golden Vistas Phases 2 & 3; Greenbriar Estates Lots 1-32; Holiday at Pueblo Del Sol; Kayenta Estates; La Marquesa; La Terraza Phase B; La Terraza Phase C; Linda Vista; Mesa Verde/Mountain View; Mountain Shadows Phase F Lots 255-294; Ocotillo Terrace Subdivision 1-22; Rancho San Marcos; Ranchos Carmella Phases 3 and 4; Seminole Winds; Silverado; St. David Water Association; Sulger City #2; Sulger City Lots 33-51; Sulger City Subdivision; Tanque Vista; The Retreat Phases I & II; Tombstone Territory Estates #1; Track 114 Lots 1-35 Pueblo Del Sol; Track 117 Lots 1-67 Pueblo Del Sol; Vista del Oro; Vista del Oro; Vista Montanas; Whetstone Hills; Wetstone Ranch WAL; Wildhorse; Winterhaven Country Club Estates Phase I; Winterhaven Phases 2E, 3, 4A and 5; and Y-Lightning Subdivision.

Every one of these subdivisions or providers has a classification of "issued adequate" in the ADWR database spreadsheet, "<u>ADWR ASSURED ADEQUATE</u> DATA BASE LTFReport - 12 22 2024.csv."

Every one of these 47 "issued adequate" designations for every one of these subdivisions or providers within the Fort Huachuca/Sierra Vista is no longer accurate, appropriate nor valid.

Every one of these 47 "issued adequate" designations must be reviewed and revoked owing to the fact that a 100-year adequate water supply is not available in the Fort Huachuca/Sierra Vista area as SPRNCA federally reserved water rights are being violated.

The responsibilities of the Governor and the ADWR Director and the A.R.S. statutes being violated by the Governor and the ADWR Director with respect to failure to reevaluate and revoke all of the inaccurate, inappropriate, and invalid Fort Huachuca/Sierra Vista area designations are clearly laid out in our <u>August 15, 2024, Complaint for Special Action, Declaratory and Injunctive Relief</u> regarding Pueblo Del Sol's 100-year Designation of Adequate Water Supply.

We hope that the Governor and the ADWR Director will choose to obey the law requiring reevaluation and revocation of each and every one of the 97 designations now noticed in addition to that of Pueblo Del Sol to avoid further enforcing litigation.

We copy Attorney General Kris Mayes with this correspondence to ensure that these violations of Arizona's consumer protection statute, A.R.S. § 44-1522, are stopped.

Please let us know if you will be initiating a review of the designations for the 97 designations now noticed in addition to Pueblo Del Sol or if you will need us to file a lawsuit to force you to obey the law. If you have any questions, please contact, Dr. Robin Silver at (602) 799-3275; or rsilver@biologicaldiversity.org.

Sincerely,

Robin Silver, M.D.

Co-Founder and Board Member

CC: Attorney General Kris Mayes