Sahuarita Farms News

September 2011

An Update to our Neighbors in the Santa Cruz River Valley

FICO PROVIDED LAND FOR SCHOOL SITE

Walden Grove High School Opens

At 8:30 AM on Monday, August 8th, the bell rang on the first day of classes at Walden Grove High School.

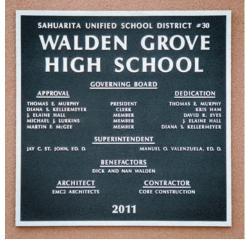
Over the last 17 months, Walden Grove High School rose from the ground as it was being built adjacent to FICO's pecan groves Now it opened its doors to 400 new students.

Walden Grove High School is located on land donated by FICO's Dick and Nan Walden and is Sahuarita's second comprehensive High School. It is strategically located in an area forecasted to grow, according the Sahuarita Unified School District (SUSD) Superintendent Manuel Valenzuela.

"Former Superintendent Jay St. John identified good sites strategically located," Valenzuela said. "The

donation of the land by FICO enabled the District to leverage its resources to get more out of its investment. We are grateful for our partnership with FICO."

"We have always been strong supporters of public schools and we are pleased that FICO was able to do its part to make Walden Grove a reality",



said Dick Walden, FICO President. "This contribution along with our ongoing Sahuarita Farms land planning are being done with an eye

"We are grateful for our partnership with FICO."

Dr. Manuel Valenzuela SUSD Superintendent to the future of our community." Additionally Freeport

Superintendent McMoran and Pima County need to be recognized for their respective contribu-

tions to providing facilities at Walden Grove.

The public Grand Opening ceremony for Walden Grove is set for September 27th.■

Sahuarita Farms Land/River

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Welcome

Dear Neighbor,

Welcome to the first edition of the Sahuarita Farms News. We want this newsletter to be a means to keep you up-to-date on issues and developments related to our efforts to master plan our farm land.

We love our community and our neighbors. That is why we are undertaking this planning process. We want future uses of our land to embody the values and vision of our community.

The Sahuarita Farms plan will provide a road map over the next 40 -50 years as to how our land will gradually evolve into a sustainable community where people will want to live, work, and play.

We strongly believe it is important to take steps now to ensure that future uses of our land are consistent with our community's values.



Dick and Nan Walden

RMP Q&A

Q. How much will the River Master Plan (RMP) cost and who will pay for it?

A. Preliminary cost estimates for the RMP range from \$60 to \$65 million and will be implemented incrementally in segments over 40-50+ years.

> Because both public and private value will be created, public and private funding will be needed to make it a reality.

> The public value will arise from the development of recreation, open space, wildlife habitat and flood control. The RMP will also create sustainable economic activity which will result in increased tax revenues and employment opportunities.

> FICO also understands that it will realize value from this project resulting from some of its land being removed from the flood plain and is committed to paying its fair share.

Q. Will the RMP receive regulatory and environmental reviews?

A. Yes. Initially, Pima County and the Town of Sahuarita will review the RMP. The RMP will comply with all required local, regional and national laws and permitting requirements such as NEPA and the Clean Water Act as applicable.■

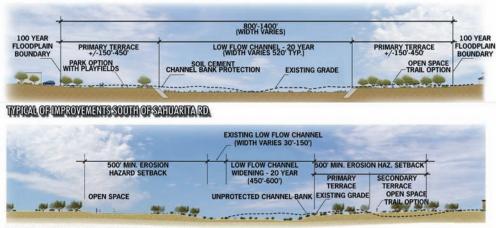


Santa Cruz River Master Plan: A Rare Opportunity

The temperamental Santa Cruz River meandering through 14-miles of FICO's pecan groves provides a rare opportunity for Southern Arizona to protect our natural resources while providing low-impact flood control that will spur sustainable economic development and recreation for future generations.

As a major landowner along its banks, FICO is closely working with state, county and local governments, private citizens and other stakeholder to develop a comprehensive Santa Cruz River Master Plan that will benefit the entire region as it is implemented over the next 50 years. Just as it donated land for Walden Grove High School, FICO will donate all the land for the public facilities as well as the entire riparian corridor. This will become a vibrant habitat for birds, fish, plants and animals. The plan also includes an easement for the Juan Bautista de Anza National Historic Trail.

The River Master Plan will take approximately 3,587 acres of FICO property out of the 100-year floodplain. This will allow for significant economic development as the pecan groves slowly give way to a visionary, self-sufficient, ecologically-sensitive master-planned community that could include up to 19,000 homes, extensive job creation



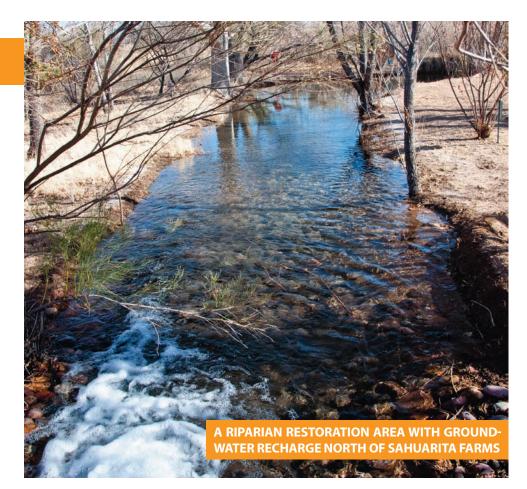
TYPICAL OF IMPROVEMENTS NORTH OF SAHUARITA RD.

Sensitive to protecting environmental resources and restoring natural Sonoran Desert riparian habitats where possible, the River Master Plan will also tame periodic flooding that has caused serious damage across vast areas of the Santa Cruz River Valley.

Featuring a low-flow channel flanked by terraces, the flood control project will serve a dual purpose of safely corralling high flows through the valley protecting public infrastructure and private property while providing significant recreation and public access to the river. The low-impact design allows the river terraces to include trails, parks, and habitat enhancements all compatible with a river-oriented community. opportunities and educational resources over the next 40-50 years.

A flood-control and public amenities project of this magnitude will require both public and private investment. Project costs are projected at about \$65 million. FICO will provide its share of the costs as it recognizes that it will benefit from the project.

The River Master Plan is an important first step in the project, but far from the end of discussions. The plan will be subject to extensive environmental review and before construction begins, it must comply with required local, state and federal laws including the National Environmental Policy Act (NEPA) and the Clean Water Act.■



Did You Know?

The 185 mile long Santa Cruz River begins in the San Rafael Valley south of Patagonia surrounded by the Patagonia Mountains and the Canelo Hills. It initially flows south into Mexico and makes a 25-mile loop in Mexico, and begins flowing north, reentering the United States near Nogales.

The Santa Cruz River ends at its confluence with the Gila River near Casa Grande.

The portion of the Santa Cruz River corridor included in the Sahuarita Farms River Master Plan extends over 14 linear miles -- from Canoa Ranch on the south to Pima Mine Road on the north.

Rarely do opportunities such as this exist to develop a long-term plan for a resource such as the Santa Cruz River Corridor and allow it to become a recreational and natural asset benefitting existing and future generations. ■

WATER NOTE: FICO's Groundwater Savings Facility (GSF)

In its farming operations, FICO consistently seeks ways to conserve groundwater for future generations. A Groundwater Savings Facility (GSF) is one such way.

Arizona's groundwater resources were once viewed as limitless. Unchecked groundwater pumping across all economic sectors (mining, residential, agriculture) over the better part of the last century, however, created awareness that groundwater is finite.

Terms like "groundwater overdraft" – where more groundwater is pumped in a given year than replenished – became a part of Arizona's water language. Concerns about overdraft led to the 1980 Groundwater Management Act (GMA).

The GMA ushered in an era that encourages groundwater conservation through use of renewable water supplies like the Central Arizona Project (CAP). The GMA also fostered various water management tools, such as groundwater recharge. The Arizona Department of Water Resources (ADWR) is the state agency tasked with administering the laws and water management tools governing the GMA.

One of the more innovative recharge management tools under the GMA is the Groundwater Savings Facility (GSF). A GSF authorizes an entity, such as FICO, to use a renewable water supply instead of groundwater, so the groundwater is left in the ground and "saved" for future use.

Consequently, the aquifer is recharged indirectly by not pumping groundwater. As a typical example, a farm is permitted as a GSF to use renewable supplies like CAP water as a gallon-forgallon substitute for pumping groundwater.

In 2001, FICO, recognizing that it was a major water user, voluntarily sought a permit from ADWR to use its Sahuarita Farm as a GSF. FICO's GSF is permitted

to use 22,000 acre-feet per year of renewable CAP water in lieu of pumping an equivalent amount of groundwater. The GSF allows those entities with a CAP allocation to put their CAP water to use today in the FICO GSF and receive groundwater credits for future use.

Currently, FICO and the region have no way of conveying CAP water to its GSF. But, there is hope through FICO's proposed regional CAP pipeline. Once built, this pipeline will allow FICO to fully utilize its GSF by bringing CAP water to the pecan groves.

The bottom-line is that FICO's GSF can conserve groundwater for tomorrow by using CAP water today.

Quick Water Fact:

According to the Arizona Department of Water Resources, 25% of the water FICO uses for irrigation is returned to the aquifer.■

The Anza Trail - A walk through time

In 1774, two years before our own Declaration of Independence, a Captain in the Spanish Army, Juan Bautista de Anza, set out from Tubac, Arizona to find an overland trade route to California.

Ultimately, de Anza and his party arrived in San Francisco and established the first Mission and Presidio there.

Today, thanks to the efforts of a few visionaries, we have the opportunity to retrace de Anza's steps through the establishment of the Juan Bautista de Anza National Historic Trail.

When completed, this trail will provide visitors the opportunity to explore the 1,210 mile route taken by de Anza and his expedition. In southern Arizona, the Trail is completed and open to the public throughout all of Santa Cruz County and portions of southern Pima County.

A priority of FICO and its Sahuarita Farms team is to develop an important segment of the Anza Trail that runs through its land. This segment will provide up to 12 miles of linear trail corridor along the river, eventually connecting to the segments already completed.

Currently, the Sahuarita Farms team is discussing with Pima County, the Town of Sahuarita and other interested stakeholder on an appropriate alignment of the trail through FICO's land. Upon approval of the Sahuarita Farms Land and Master Plan, FICO intends to contribute the easements through its property for the Juan Bautista de Anza National Historic Trail.

For more information, go to: http://anzatrail.com/ http://www.nps.gov/juba/



For further information about Sahuarita Farms

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If you have story ideas such as a profile of a community organization or an event that you would like featured in our newsletter, please send us an email at the address above.



Come out of your shell for the THE NUTTIEST FESTIVAL IN SOUTHERN ARIZONA! Fun for all ages, including a local crafts market, pecan treats & other delicious foods, harvest hay rides, children's area, music, fun run and more! Sahuarita Farms News 1525 E. Sahuarita Road Sahuarita, AZ 85629

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