

WATER QUALITY ASSURANCE REVOLVING FUND (WQARF)

ANNUAL REPORT

FY26



FOREWORD



The Water Quality Assurance Revolving Fund (WQARF) program identifies, assesses, and mitigates contamination of groundwater and overlying soil at sites throughout Arizona. This program is essential to protect and remediate Arizona's aquifers, which all are designated by state law as sources of drinking water. Many Arizona communities and families rely solely on groundwater as their drinking water source and look to the Arizona Department of Environmental Quality (ADEQ) to safeguard it.

ADEQ continues to carefully evaluate and list new sites that require investigation and cleanup, and works with affected communities to inform and engage them as WQARF sites are addressed through the cleanup and delisting process. WQARF funding also is deployed to respond to emergencies that involve hazardous materials and evaluate the impacts of wildfires.

Additionally, during Fiscal Year (FY) 2025, ADEQ proactively sought groundwater data to understand the extent of per- and polyfluoroalkyl substances (PFAS) in groundwater at WQARF sites. The presence of

PFAS at WQARF sites is likely to bring a new challenge to the WQARF program, as in many cases it is difficult to determine either a source or potentially responsible parties. To better understand potential impacts of PFAS and other sites, during FY26 ADEQ completed a new actuarial study of assessment and cleanup costs for known and potential future WQARF sites. This data will serve to inform policymakers and stakeholders, as together we consider how best to maintain the long-term sustainability of WQARF funding.

I am grateful to all of our stakeholders for their steadfast support of this critical program. ADEQ is fully committed to them and to all of the residents of our state. Our investment in WQARF helps to ensure Arizona's long-term water security and sustainability, and to fulfill ADEQ's mission to protect and enhance public health and the environment.

Karen Peters
Director

MISSION AND VISION

TO PROTECT AND ENHANCE PUBLIC HEALTH AND THE ENVIRONMENT IN ARIZONA.

Through consistent, science-based environmental regulation; and clear, equitable engagement and communication;

With integrity, respect, and the highest standards of effectiveness and efficiency;

Because Arizonans treasure the unique environment of our state and its essential role in sustaining well-being and economic vitality, today and for future generations.

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EXECUTIVE SUMMARY

This report has been prepared for the WQARF program as required under Arizona Senate Bill 1847 (Laws 2026, Chapter 1226, Section 33), and meets the requirements for both the September 1, 2026, and October 1, 2026, reporting deadlines.

Created under the Environmental Quality Act of 1986, the WQARF program is administered by ADEQ, which is responsible for identifying, prioritizing, assessing, and mitigating the public health and environmental threat of contaminants in groundwater and overlying soil at sites in the state. In 1997, the WQARF Program underwent significant legislative reform that included a change from joint and several to proportionate liability for the costs of site investigation and cleanup; mandated annual funding of \$18 million to pay for the orphan share created from the new proportionate liability; enhanced community involvement; more flexibility of cleanup methods and goals; and guidance for site prioritization.

37

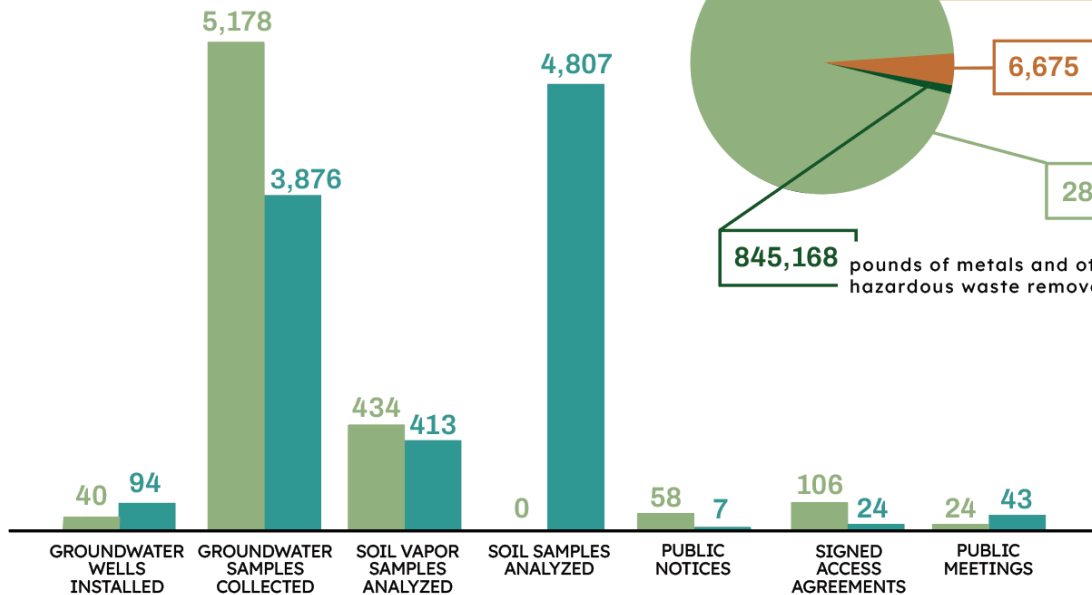
of the state's worst
contaminated sites are being
cleaned up through WQARF

20

additional sites are being
monitored or evaluated for
WQARF listing

FY26 SUPPORTING ACTIVITIES FOR STATE AND FEDERAL SITES

WQARF
FEDERAL

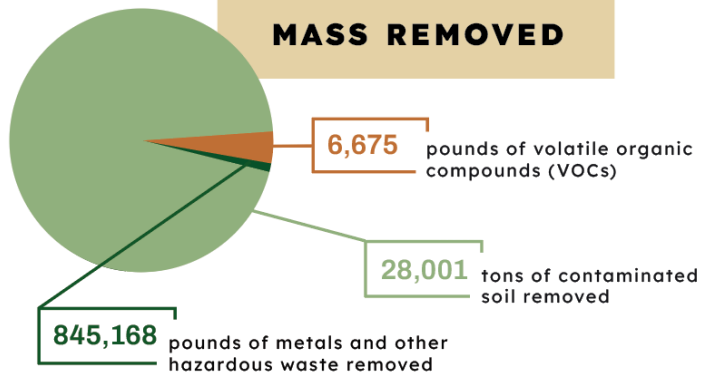


FY26 MISSION OUTCOMES (OVERALL TOTALS)



12,031,713,952
GALLONS OF CONTAMINATED
GROUNDWATER TREATED

MASS REMOVED





PROJECT HIGHLIGHT

PFAS INVESTIGATION AT WQARF SITES

In fall 2024, ADEQ collected and analyzed groundwater samples from 36 WQARF sites for PFAS. Samples collected at 31 of the 36 WQARF sites detected PFAS that the U.S. Environmental Protection Agency (EPA) classifies as hazardous substances.

ADEQ evaluated the sampling data and identified six priority sites for investigation. The sites were selected based on multiple factors, including PFAS concentrations, location within the state, and proximity to vital drinking water sources.

The six priority sites and the associated investigation activities follow:

- Cooper Road and Commerce Avenue, Mesa: Installed and tested six new groundwater monitoring wells; collected 45 PFAS samples.
- Lake Havasu Avenue and Holly Avenue, Lake Havasu: Installed and tested five new groundwater monitoring wells; collected 49 PFAS samples.

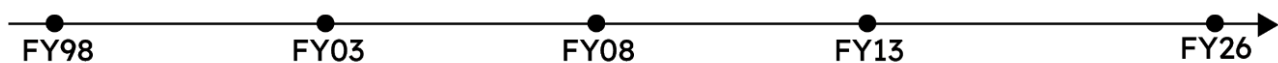
- Miller Valley and Hillside Avenue, Prescott: Installed and tested five new groundwater monitoring wells; collected 54 PFAS samples.
- Miracle Mile, Tucson: Installed one new monitoring well (two additional new wells are currently being installed in FY27); collected 17 PFAS samples.
- Shannon Road / El Camino Del Cerro, Tucson: Installed four new monitoring wells; collected 19 PFAS samples.
- West Central Phoenix (WCP) - West Osborn Complex, Phoenix: Collected 41 PFAS samples.

Well installation, follow-up groundwater sampling, and site-specific investigation reporting activities are in progress and will be completed in FY27. This work is funded by a \$5 million grant ADEQ received from Governor Hobbs through the American Rescue Plan Act.

WQARF PROGRAM TIMELINE

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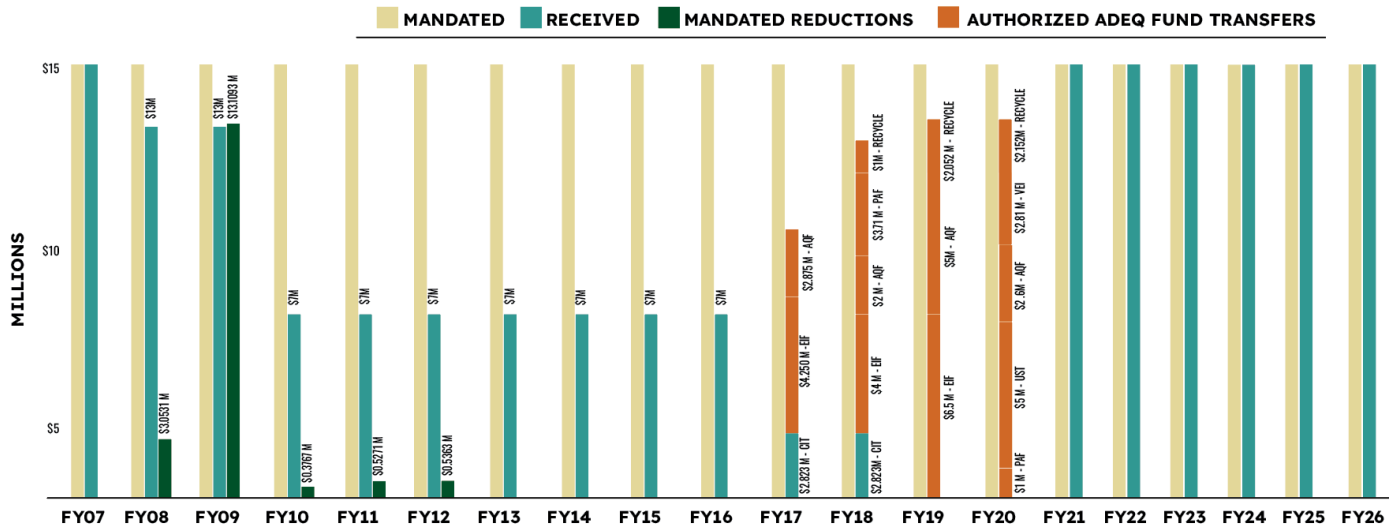
ACTIVE



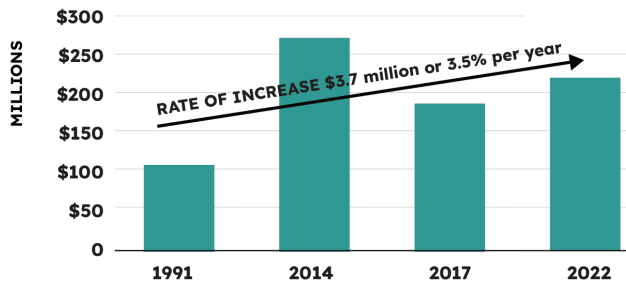
WQARF FUNDING

Arizona Revised Statutes (A.R.S) §49-282(B) specifies a cap of \$18 million annually with \$15 million of that coming from Corporate Income Tax (CIT) revenue. Since FY21, ADEQ has received the annual \$15 million that was statutorily mandated from the state's general fund.

CORPORATE INCOME TAX REVENUE COMPARISON FY07 – FY26



ESTIMATED STATE LIABILITY FOR ORPHAN SHARE



An “orphan share” is the percentage of total assessment and cleanup costs for a WQARF site that cannot be attributed to any viable responsible party. As a result of the 1997 legislative reforms, the State is responsible for paying the orphan share using WQARF funds. WQARF’s orphan share liability estimate was modeled using Remedial Action Cost Engineering Requirements (RACER®) software, supported by AECOM Asset Management Division, an ADEQ contractor.

WQARF’s orphan share increased from 35% of the total liability in 1991 to 62.5% in 2014. In 2026, it was estimated at 65 to 75%. This means the State remains liable for nearly two-thirds of the costs of cleanup currently needed due to a lack of a viable third party in place to address the contamination. Current estimates indicate State liability at \$220 to \$254 million.

During FY26, ADEQ initiated a new actuarial study of assessment and cleanup costs for known and potential future WQARF sites. This study will inform development of a future comprehensive funding strategy. A draft is currently in review and is anticipated to be finalized during the first quarter of FY27.

Funds have been used for:

- **WQARF Registry** | Conducting remedial actions at sites currently in the WQARF program
- **Third Party Work** | Oversight of privately-funded cleanup efforts at WQARF Registry sites
- **Cross-Program Remedial Action** | Cleanup of selected sites and/or water quality data gathering for projects led by other programs within ADEQ
- **Emergency Response** | Immediate action to address confirmed contamination or threat of contamination that could impact public health and/or the environment
- **Agency Partners** | Work conducted by other State agencies
- **Federal Oversight** | Review and oversight of work done by the EPA under the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA)
- **Voluntary Remediation Program** | Oversight of voluntary cleanup funded by property owners and other interested parties

FY26 WQARF SITE MISSION OUTCOMES

29 REMEDIATION SYSTEMS OPERATED AT WQARF AND PRELIMINARY INVESTIGATION SITES

29 Existing Systems Operated
(Installed prior to FY26)

0 Systems Installed in FY26

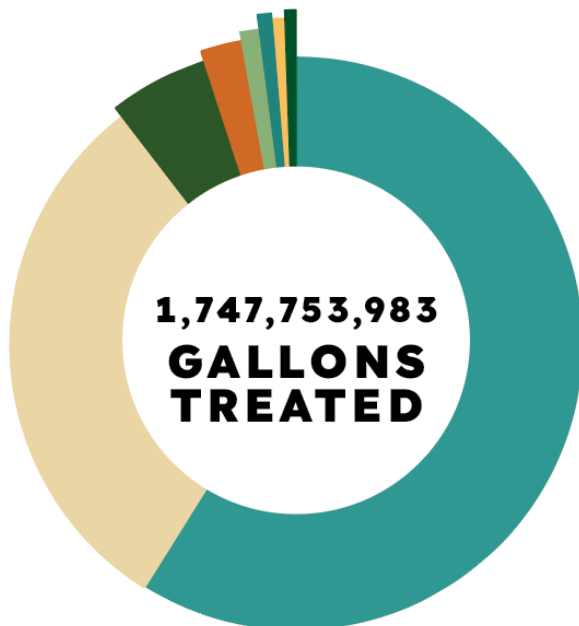
845,150

Pounds of Metals
and Other Hazardous
Substances Removed
from Pinal Creek

POUNDS OF VOCS REMOVED

Los Reales Landfill	2	
Shannon Road & El Camino del Cerro	3	
56th Street & Earll Drive	8	
Cooper Road & Commerce Avenue	18	
Central Avenue & Camelback Road	33	
WCP North Plume	48	
Silverbell Landfill	75	
27th Avenue & Glendale Avenue (PI Site)	88	

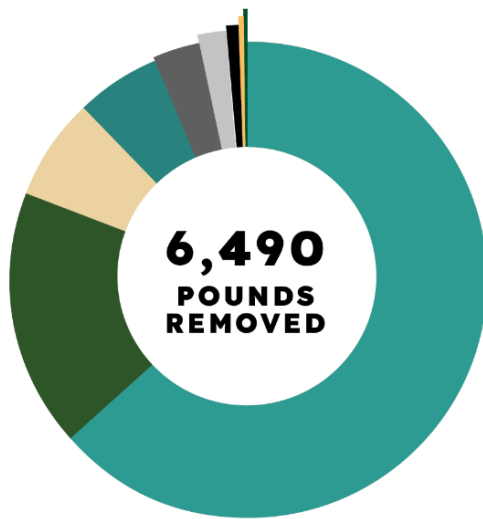
TOTAL POUNDS: 275



GALLONS OF GROUNDWATER TREATED

Highway 260 & Main Street	2,019,165	
Miracle Mile	10,952,707	
Payson PCE	23,448,942	
Los Reales Landfill	32,053,981	
56th Street & Earll Drive	68,100,000	
Shannon Road & El Camino del Cerro	177,190,000	
Silverbell Landfill	402,225,188	
Pinal Creek	1,031,764,000	

FY26 FEDERAL SITE MISSION OUTCOMES



VOLATILE ORGANIC COMPOUNDS (VOCs) REMOVED

Williams Air Force Base	4,128	
North & South Indian Bend Wash	1,122	
Motorola 52nd Street Operating Unit (OU) 1	461	
Phoenix-Goodyear Airport (PGA) North	377	
Motorola 52nd Street OU2	203	
Tucson Airport Remediation Project (TARP)	122	
PGA South/Western Avenue	56	
Tucson Airport Property	19	
Hassayampa Landfill	2	

18

Pounds of Metals
and Other
Hazardous
Substances
Removed

28,001 TONS CONTAMINATED SOIL REMOVED

55 PGA South/Western Avenue

27,946 Yuma Marine Corps Air Station

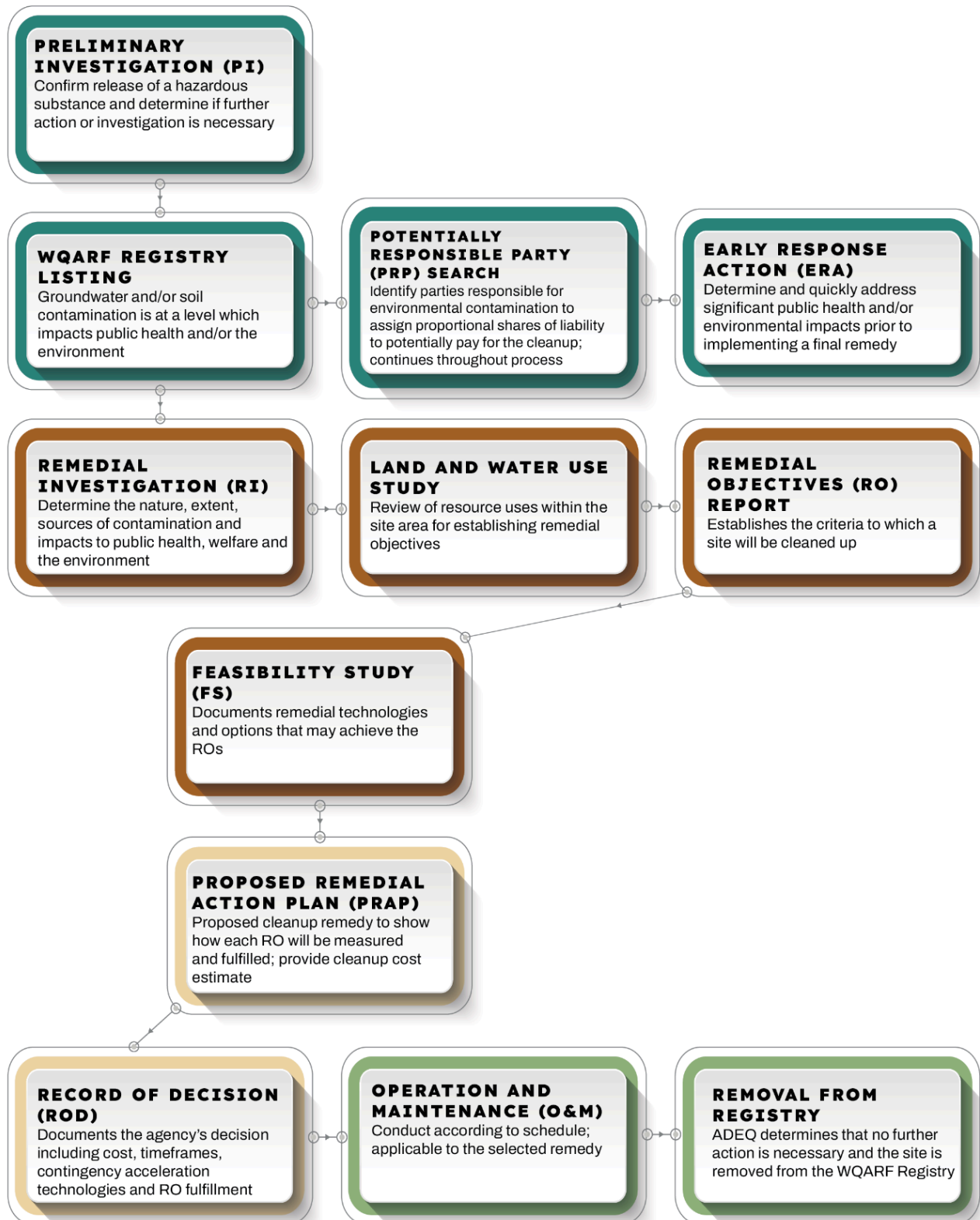
GALLONS OF GROUNDWATER TREATED

Air Force Plant 44	13,800	
Hassayampa Landfill	1,356,000	
Tucson Airport Property	20,341,728	
Apache Powder	80,747,163	
Motorola 52nd St. OU1	91,199,278	
Luke Air Force Base	263,561,000	
Motorola 52nd St. OU2	519,112,000	
PGA South/Western Avenue	816,300,000	
PGA North	2,025,000,000	
TARP	2,311,000,000	
North & South Indian Bend Wash	4,155,327,000	

10,283,959,969

**GALLONS
TREATED**

WQARF PHASES AND TERMS



FY26 WQARF REMEDIATION WORK

PDF VERSION AVAILABLE AT [AZDEQ.GOV/WQARF/2026WQARF_ANNUALREPORT.PDF](https://azdeq.gov/WQARF/2026WQARF_ANNUALREPORT.PDF)

CLICK EACH OF THE FOLLOWING SITES TO VISIT ASSOCIATED WEBPAGES

7TH STREET AND ARIZONA AVENUE

Continued groundwater monitoring under ROD

7TH AVENUE AND BETHANY HOME ROAD

Continued MNA of groundwater under ROD



7TH STREET AND MISSOURI AVENUE

Continued operation of an in situ groundwater treatment system, operation of SVE system, and MNA of the groundwater under ROD



20TH STREET AND FACTOR AVENUE

Continued MNA of groundwater and engineered cap maintenance under ROD

51ST AVENUE AND CAMELBACK ROAD

Continued remedial investigation and work on Draft RI Report



56TH STREET AND EARLL DRIVE

Continued operation of groundwater treatment system and work on ROD



BAHAMA AVENUE AND BIMINI LANE

Continued remedial investigation, operation of SVE system, and issue Draft RI Report



BROADWAY-PANTANO

Engineered cap maintenance, groundwater monitoring, and work on ROD



CENTRAL AVENUE AND CAMELBACK ROAD

Continued operation of SVE system, groundwater monitoring under ROD



Remediation acronyms on page 14

COOPER ROAD AND COMMERCE AVENUE

Continued MNA of the groundwater and optimization of SVE system under ROD

EAST CENTRAL PHOENIX (ECP) - 24TH STREET AND GRAND CANAL

Continued MNA of the groundwater under ROD

ECP - 32ND STREET AND INDIAN SCHOOL ROAD

Continued MNA of the groundwater and work on ROD

ECP - 38TH STREET AND INDIAN SCHOOL ROAD

Conducted additional characterization of the groundwater plume and work on PRAP



ECP - 40TH STREET AND OSBORN ROAD

Continued groundwater monitoring and work on PRAP



ECP - 48TH STREET AND INDIAN SCHOOL ROAD

Continued groundwater monitoring and work on ROD

ESTES LANDFILL

Continued MNA of the groundwater under ROD

HIGHWAY 260 AND JOHNSON LANE

Continued operation of 3 wellhead treatment systems and groundwater monitoring under the ROD

HIGHWAY 260 AND MAIN STREET

Continued operation of 12 wellhead treatment systems, MNA of the groundwater, and work on the ROD



KLONDYKE TAILINGS PROJECT

Maintenance of engineered repository under ROD



LAKE HAVASU AVENUE AND HOLLY AVENUE

Continued operation of ERD groundwater treatment pilot test, groundwater monitoring, and work on PRAP



LOS REALES LANDFILL

Continued operation of pump and treat system under the RAP

MILLER VALLEY AND HILLSIDE AVENUE

Conducted in-situ groundwater treatment pilot study, groundwater monitoring, and work on PRAP



MIRACLE MILE

Continued operation of two wellhead treatment systems at mobile home parks which supply drinking water to residents, groundwater monitoring, and work on ROD

PARK-EUCLID

Continued operation of SVE system and MNA of the groundwater under ROD

PAYSON PCE

Continued operation of groundwater treatment system and MNA of the groundwater under ROD

PINAL CREEK

Continued source control, groundwater remediation, and groundwater monitoring under RAP



SHANNON ROAD/EL CAMINO DEL CERRO

Continued operation of a groundwater treatment system for Metro Water to supply drinking water to residents, MNA of the groundwater, and work on ROD



SILVERBELL LANDFILL

Continued operation of groundwater extraction and treatment system under RAP

SOUTH MESA

Continued MNA of the groundwater under ROD

STONE AVENUE AND GRANT ROAD

Continued operation of SVE system under ROD

VULTURE MILL

Maintenance of soil cap under ROD



WEST CENTRAL PHOENIX (WCP) - EAST GRAND AVENUE

Continued MNA of the groundwater under ROD

WCP - NORTH CANAL PLUME

Continued operation of SVE system, groundwater monitoring, and work on ROD

WCP - NORTH PLUME

Continued optimization of SVE system and MNA of the groundwater under ROD

WCP - WEST OSBORN COMPLEX

Continued groundwater monitoring and work on ROD



WESTERN AVENUE PLUME

Continued operation of groundwater treatment system and MNA of the groundwater under ROD

WEST VAN BUREN

Continued work on PRAP



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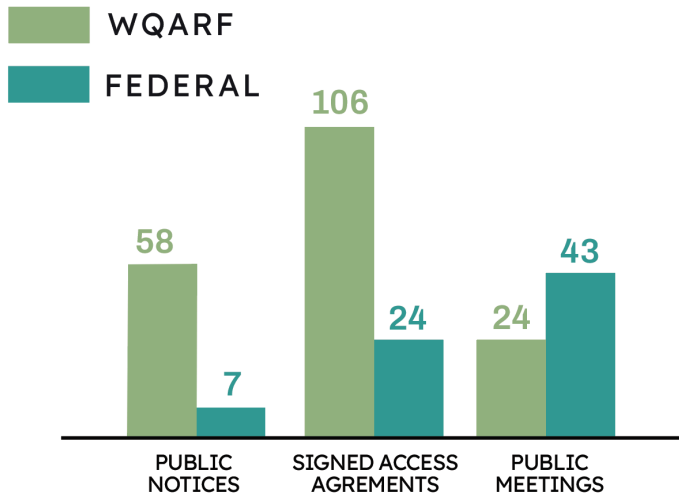
1. 16th Street and Camelback Road
(Phoenix) | FY25
2. Harrison Road and Millmar Road Dross
(Tucson) | FY20
3. WCP – West Grand Avenue
(Phoenix) | FY17
4. ECP – 40th Street and Indian School Road
(Phoenix) | FY17
5. Tyson Wash
(Quartzite) | FY17
6. Tonto and Cherry
(Payson) | FY14
7. East Washington Fluff
(Phoenix) | FY13

REMEDIATION ACRONYMS

- ERD** | Enhanced Reductive Dechlorination
- MNA** | Monitored Natural Attenuation
- SVE** | Soil Vapor Extraction

WQARF PROGRAM COMMUNITY INVOLVEMENT

The WQARF program includes robust community involvement requirements. ADEQ staff recruit and manage Community Advisory Boards (CABs) for each site on the WQARF Registry, provide regular site updates via CAB meetings and the ADEQ website, maintain up-to-date Community Involvement Plans, interact with community members and elected officials, and seek opportunities to inform and engage stakeholders via presentations, public notices, and fact sheets.



WQARF STATUS

SITE	ERA			RI			FS			PRAP			ROD			O&M		
	FY25	FY26	FY27	FY25	FY26	FY27	FY25	FY26	FY27	FY25	FY26	FY27	FY25	FY26	FY27	FY25	FY26	FY27
An 'X' indicates the WQARF phase the Site was in during the fiscal year displayed at the top of the column.																		
7th Avenue & Arizona Avenue													X	X	X	X	X	X
7th Street & Bethany Home Road													X	X	X	X	X	X
7th Street & Missouri Avenue													X	X	X	X	X	X
20th Street & Factor Avenue													X	X	X	X	X	X
51st Avenue & Camelback Road				X				X	X									
56th Street & Earll Drive	X	X								X	X				X			X
Bahama Avenue & Bimini Lane	X	X		X	X	X			X									
Broadway-Pantano										X	X				X			X
Central Avenue & Camelback Road													X	X	X	X	X	X
Cooper Road & Commerce Avenue													X	X	X	X	X	X
ECP – 24th Street & Grand Canal	X									X				X	X		X	X
ECP – 32nd Street & Indian School Road	X									X	X				X			X
ECP – 38nd Street & Indian School Road							X	X				X						
ECP – 40th Street & Osborn Road										X	X				X			X
ECP – 48th Street & Indian School Road										X	X				X			X
Estes Landfill													X	X	X	X	X	X
Highway 260 & Johnson Lane													X	X	X	X	X	X
Highway 260 & Main Street	X									X				X	X		X	X
Klondyke Tailings Project													X	X	X	X	X	X
Lake Havasu Avenue & Holly Avenue	X	X									X				X			X
Los Reales Landfill (Pre-1997 WQARF*)													X	X	X	X	X	X
Miller Valley & Hillside Avenue	X	X								X	X				X			X
Miracle Mile	X	X								X	X				X			X
Park-Euclid													X	X	X	X	X	X
Payson PCE													X	X	X	X	X	X
Pinal Creek (Pre-1997 WQARF*)													X	X	X	X	X	X
Shannon Road & El Camino del Cerro	X	X								X	X				X			X
Silverbell Landfill (Pre-1997 WQARF*)													X	X	X	X	X	X
South Mesa													X	X	X	X	X	X
Stone Avenue & Grant Road													X	X	X	X	X	X
Vulture Mill													X	X	X	X	X	X
WCP – East Grand Avenue													X	X	X	X	X	X
WCP – North Canal Plume	X	X								X	X				X			X
WCP – North Plume													X	X	X	X	X	X
WCP – West Osborn Complex										X				X	X		X	X
Western Avenue Plume													X	X	X	X	X	X
West Van Buren										X	X				X			

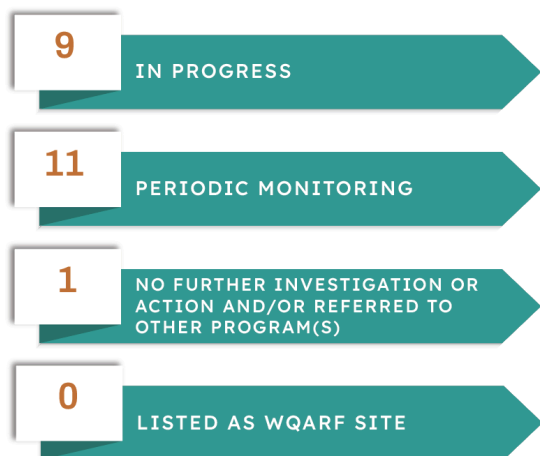
* Under Pre-1997 WQARF, RAPs are equivalent to RODs

FY26 WQARF PROGRESS



PHASES COMPLETED

PI



THIRD-PARTY WORK

ADEQ also oversees WQARF site investigation and remedial activities that cooperating parties pay for and conduct. Costs ADEQ incurs for this oversight are recoverable.

SITE	3RD PARTY	TERMS OF ACTIVITY
56th Street and Earll Drive	NXP USA, Inc. (formerly Freescale Semiconductor, Inc.)	Consent Order
Los Reales Landfill	City of Tucson	Remedial Action Plan
Pinal Creek	Freeport McMoRan Inc. as successors of interest under a Consent Decree; BHP and Pinal Creek Working Group	Consent Decree
Silverbell Landfill	City of Tucson	Remedial Action Plan
West Van Buren	ChemResearch	Working Agreement
West Van Buren	Western Area Power Administration	Working Agreement

CROSS-PROGRAM REMEDIAL ACTION

WQARF funds can also be used to perform Remedial Actions pursuant to A.R.S. §49-281(12) and §49-282(E)(2)(a), as well as to fund cleanup of selected sites to protect public health and the environment from a release or threat of release of a hazardous substance or pollutant under authority of A.R.S. §49-282.02. Under this authority, the WQARF program conducted work at the following site:

MOUNTAIN VIEW ESTATES (GLOBE)

Performed operation and maintenance of a soil cap for this former delisted Federal Superfund site.

FY26 SURFACE WATER QUALITY ASSESSMENT AND MANAGEMENT

The WQARF program also helped provide the ADEQ Surface Water Quality Improvement Section with data necessary to evaluate the quality of Arizona's water bodies, develop watershed improvement plans, assess projects implemented, and improve water quality throughout Arizona.

- Internal staff and contractors collected and analyzed 270 samples from 127 stream sites.
- Volunteers collected and analyzed 664 samples from 131 stream sites.
- Internal staff and contractors collected and analyzed 62 samples from 46 lakes.
- Internal staff and contractors evaluated 28 Arizona water bodies using Streamflow Duration Assessment Methods to determine flow regimes.
- WQARF funding supported staff in the Watershed Improvement Unit in conducting site investigations and permitting activities prior to remediation at 11 abandoned mine sites and performing post remediation stream sampling at nine abandoned mine sites.

ADEQ EMERGENCY RESPONSE UNIT (ERU) ACTIONS

WQARF funds are used for a wide array of critical remedial response actions taken by the ERU to protect public health and the environment from a release or threat of release of a hazardous substance or pollutant through A.R.S. 49-282(E)(8).

These actions included:

- Responding to chemical spills.
- Coordinating statewide emergency response actions (e.g., wildfires).
- Serving on multi-agency task forces to address potential statewide health risks.
- Monitoring air quality during unplanned or emergency events (e.g., industrial facility fires).
- Detecting and identifying potentially harmful chemicals for fire departments and public safety personnel.

PREPAREDNESS RESPONSE SUMMARY

In FY26, ERU:

- Responded to three incidents
- Participated in nine statewide preparedness drills and training exercises
- Provided technical assistance to outside agencies for six incidents
- Participated in 23 planning committees and workshops

AIR QUALITY MONITORING SUPPORT FOR EMERGENCY RESPONSE

ERU assists public safety personnel with air quality monitoring during incidents with high impact to communities in metropolitan areas in Maricopa County.

In FY26, ERU provided support for one incident response for air quality monitoring in the Phoenix metropolitan area.

EMERGENCY RESPONSE SPOTLIGHT

On September 27, 2025, at 5:08 a.m., severe thunderstorms and heavy rainfall in Gila County caused extensive flooding, widespread damage, and scattered debris, including hundreds of propane tanks, across the Globe/Miami area. Local officials notified ERU and requested air monitoring support. ERU conducted monitoring at multiple locations to verify the safety of the displaced tanks. While most monitored tanks showed no elevated readings, crews detected a slow leak registering 250 parts per billion VOC in one tank located at 990 N. Broad St. in Globe. Contractors were subsequently secured to remove the displaced propane tanks. Having completed the monitoring and determined no further threat existed, ERU departed the scene.

On April 24, 2026, at 3:23 p.m., ERU received notification of a fire at a recycling facility in Surprise, raising concerns regarding local air quality. ERU initially coordinated with ADEQ's Air Quality Division and external stakeholders, remaining on standby to provide support as needed. On April 30 at approximately 1:03 p.m., ERU deployed to conduct air monitoring for toxics following an increase in community complaints. Upon arrival, ERU consulted with the Surprise fire chief, communications director, and a city council member, providing real-time data that indicated no readings above background levels. ERU conducted monitoring over a four-hour period across seven locations, including nearby residential neighborhoods. While tests detected slight elevations at the facility due to smoke from the smoldering fire, all other monitored areas registered normal levels. After consulting with the fire chief, it was determined that no further monitoring was necessary. Having verified the safety of the area, ERU departed with no additional assistance required.



AGENCY PARTNERS

ARIZONA DEPARTMENT OF WATER RESOURCES (ADWR)

WQARF funds can be used to fund support services to WQARF provided by ADWR pursuant to A.R.S. §49-282(C) and §49-282(E)(12).

These services are part of WQARF and include:

- Perform technical review of well applications (Notices of Intent to Drill/Abandon/Deepen/Modify/Replace a Well, Applications to Drill and Operate a Non-Exempt Well, and Groundwater Withdrawal Permits)* and consult with ADEQ regarding new wells, abandonments or modifications to wells near remedial action sites.
- Conduct well inventories to support ADEQ's WQARF Program as requested.
- Coordinate with ADEQ regarding database needs in support of ADEQ's WQARF Program. **
- Establish a mechanism to exchange verified well locations and GPS measurements within ADWR's Well Registry (WELLS55) database.
- Perform other WQARF and water quality activities as required by statute, rule, or Interagency Service Agreement (ISA).

**Recommended by Groundwater Cleanup Task Force*

***Required by statute or law*

FY26 WQARF PROGRAM ACCOMPLISHMENTS

3,891 | Reviews of new NOIs to Drill/Abandon/Deepen/Modify/Replace wells and late well registrations were reviewed for proximity to WQARF/CERCLA or other remedial action sites

388 | Reviews of NOIs to Drill/Abandon/Deepen/Modify/Replace wells near or within WQARF/CERCLA or other remedial action sites for water quality concerns, potential contaminant plume migration and well construction

4 | Quarterly reports submitted to ADEQ as required by ISA

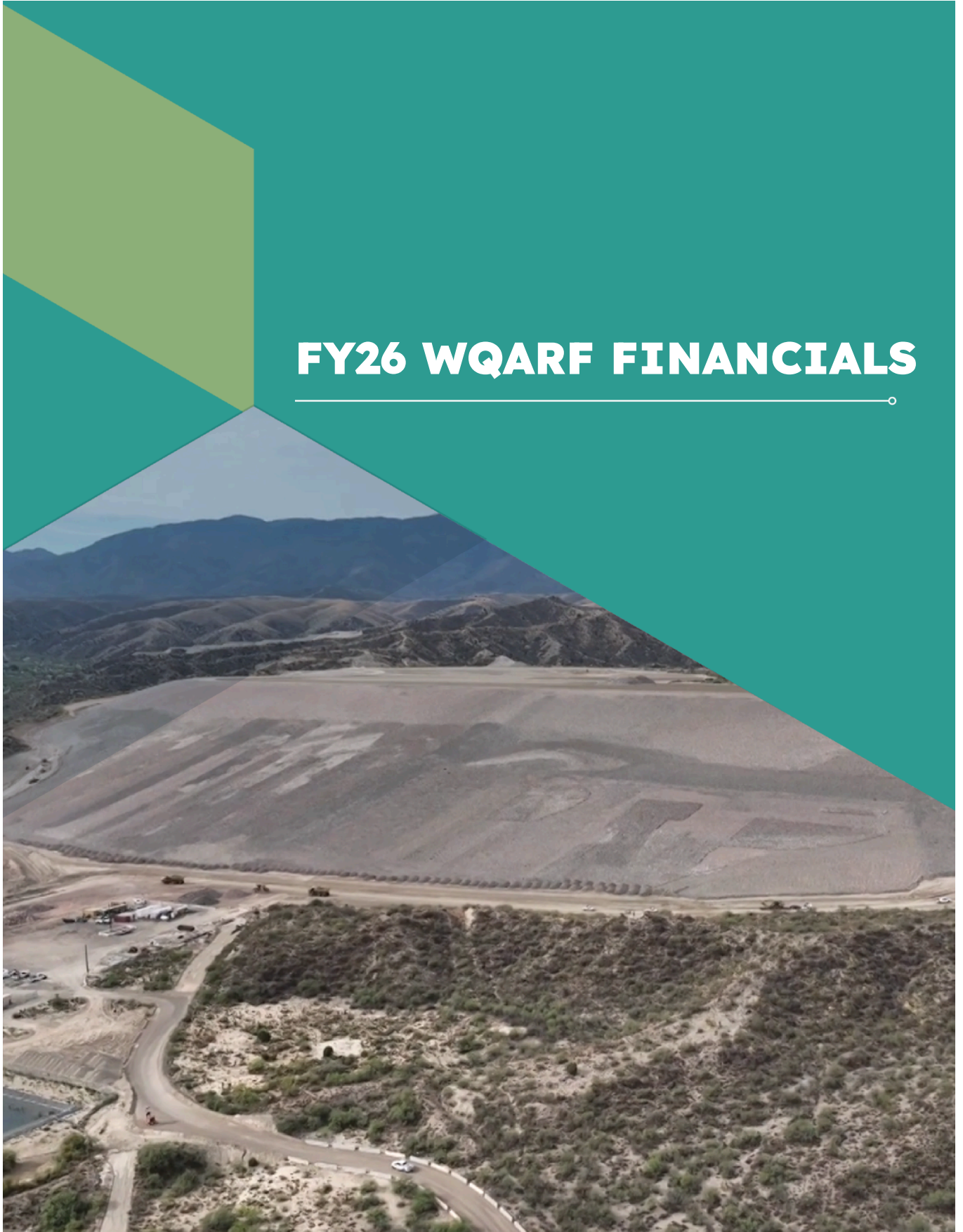
1 | Annual FY26 report on ADWR WQARF activities submitted to the Governor and Legislature

ARIZONA DEPARTMENT OF HEALTH SERVICES (ADHS)

WQARF funds can be used for assessment and evaluation of the effects to public health of hazardous substances releases or threatened releases by the ADHS pursuant to A.R.S. § 49-282(E)(15).

ADHS declined funding in FY26.

FY26 WQARF FINANCIALS



FY26 COST RECOVERY ACTIVITY

SITE CODE	SITE NAME	NUMBER OF COST RECOVERY PACKAGES	AMOUNT (IN DOLLARS)
030016-99	Camp Navajo DEMA	3	\$986.02
040010-00	Pinal Creek	2	\$19,767.55
040042-00	Copper Cities Unit	2	\$15,780.95
040050-00	Miami Tailings Reprocessing	2	\$15,558.65
400000-04	North Indian Bend Wash	1	\$50,887.72
509216-00	56th Street and Earll Drive	2	\$5,630.48
512357-00	Honeywell 34th Street	4	\$29,105.03
512820-00	Kingman Range NDNODS	1	\$135.25
Total			\$137,851.65
Total Payments Received			\$110,261.42

FY26 WQARF REVENUES AND EXPENDITURES

Note: All figures expressed in thousands.

BALANCE	FY25 ACTUAL	FY26 PROJECTION	FY26 ACTUAL
Beginning Fund Balance - WQARF & Priority Sites	\$11,487.8	\$11,487.7	\$7,121.7
Beginning Fund Balance - Site Specific Account	\$354.9	\$354.9	\$ 269.7
Subtotal: Funds Available	\$11,842.7	\$11,842.6	\$7,391.4
Prior Year CIT Reversion	\$0	\$0	\$0
Total Balance from Prior Year	\$11,842.7	\$11,842.6	\$7,391.4

REVENUE SUBJECT TO 18M CAP	FY25 ACTUAL	FY26 PROJECTION	FY26 ACTUAL
Corporate Income Tax (CIT) (26 U.S. Code § 4901)	\$15,000	\$15,000	\$0
Other Fines, Forfeitures, Penalties and Damages	(\$6,200)	\$0	\$7
Emissions Inspection Fund	\$0	\$0	\$0
Air Quality Fund	\$0	\$0	\$0
Underground Storage Tank Fund	\$0	\$0	\$0
Permit Administration Fund	\$0	\$0	\$0
Long-term Water Augmentation Fund	\$0	\$0	\$15,000
Recycling Fund	\$0	\$0	\$0
FEES:			
Municipal Water (A.R.S. § 42-5302) (§ 4199)	\$891.4	\$627.5	\$891.4
Fertilizer Registration (A.R.S. § 3-272) (§ 4449)	\$101.1	\$63.7	\$65.4
HW Facility Registration Fee (A.R.S. §§ 49-929/ 49-930)	\$175.7	\$181.5	\$195.6
HW Manifest Re-submittal Fee (A.R.S. § 49-922.01)	\$0	\$0	\$0
Industrial Discharge Permit Fee (A.R.S. § 49-209)	\$29.8	\$30.4	\$26.9
Pesticide Registration (A.R.S. § 3-351)	\$1,063.4	\$1,017.6	\$1,024.8
Quality Assurance Fee (A.R.S. § 45-616)	\$0	\$0	\$0
Subtotal: Fees	\$2,261.4	\$1,920.7	\$2,204.2
Total Revenue Subject to 18M Cap	\$11,061.4	\$16,920.7	\$17,211.2

REVENUE NOT SUBJECT TO 18M CAP	FY25 ACTUAL	FY26 PROJECTION	FY26 ACTUAL
Consent Decrees	\$325	\$0	\$621.9
Cost Recovery (A.R.S. § 49-282)*	\$251.5	\$0	\$1,990.5
Responsible Parties	\$576.5	\$0	\$2,612.4
<i>*Includes revenue from prior year packets</i>			
Prospective Purchaser Agreement (A.R.S. § 49-285.01)	\$14.4	\$0	\$6.2
Interest (A.R.S. § 49-282)	\$711.5	\$275.6	\$552.3
Other Income	\$0	\$0	\$0
Other Revenue	\$725.9	\$275.6	\$558.5
Total: Revenue Not Subject to 18M Cap	\$1,302.4	\$275.6	\$3,170.9
Beginning Balance and Revenue	\$24,206.5	\$29,038.9	\$27,773.5

EXPENDITURES	FY25 ACTUAL	FY26 PROJECTION	FY26 ACTUAL
Non-Site Expenditures	\$8,246	\$8,995	\$7,108.3
Site Expenditures	\$8,428.1	\$15,945.4	\$7,203.9
Transfers Out	\$141	\$140	\$141
General Fund Sweep	\$0	\$0	\$0
Total Expenditures	\$16,815.1	\$25,080.4	\$14,453.2

FY27 WQARF EXPENDITURE STATEMENT

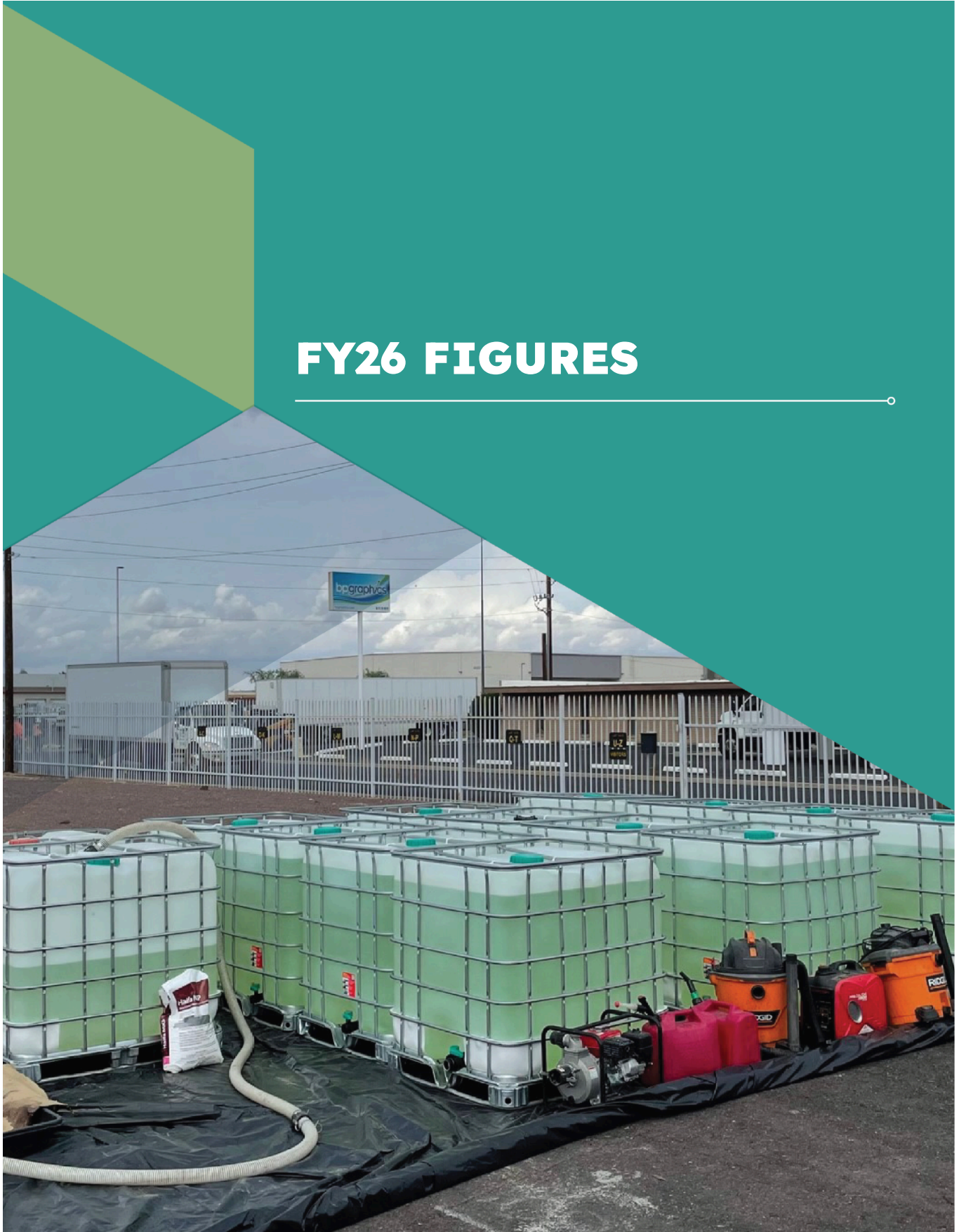
Note: All figures expressed in thousands.

CORE EXPENDITURES	FY27 SPENDING PLAN
WQARF Professional & Support Staff	\$5,440.6
Professional & Outside - Remedial Projects	\$47.3
Hydrologic Support & Assessment	\$1,503.6
Professional & Outside Hydrologic Support & Assessment	\$1.7
Emergency Response	\$322.4
Attorney General's Office	\$150.0
PRP Identification/Liability	\$125.0
Litigation	\$0
Appeals	\$0
Advisory Board	\$0
Rule Development	\$0
Community Involvement/General WQARF	\$0
Core Expenditures	\$7,590.6
REGISTRY SITES AND PRELIMINARY INVESTIGATIONS (PI)	FY27 SPENDING PLAN
RI/FS - Site Specific WQARF	\$1,000
Clean up - Site Specific WQARF	\$3,737
ERA	\$570
O&M	\$1,985
Community Involvement	\$0
Preliminary Investigations	\$2,000
Registry Sites & PI	\$9,292
Subtotal: WQARF Program	\$16,882.6
TRANSFERS AND DISBURSEMENTS	FY27 SPENDING PLAN
Department of Health Services - Risk Assessment	\$0
Department of Water Resources - Appropriation Transfer Out	\$141
Aid to Municipalities	\$0
Voluntary Program	\$0
SUBTOTAL: TRANSFERS & DISBURSEMENTS	\$141
TOTAL DISBURSEMENTS	\$17,023.6

FY27 WQARF SITE BUDGET

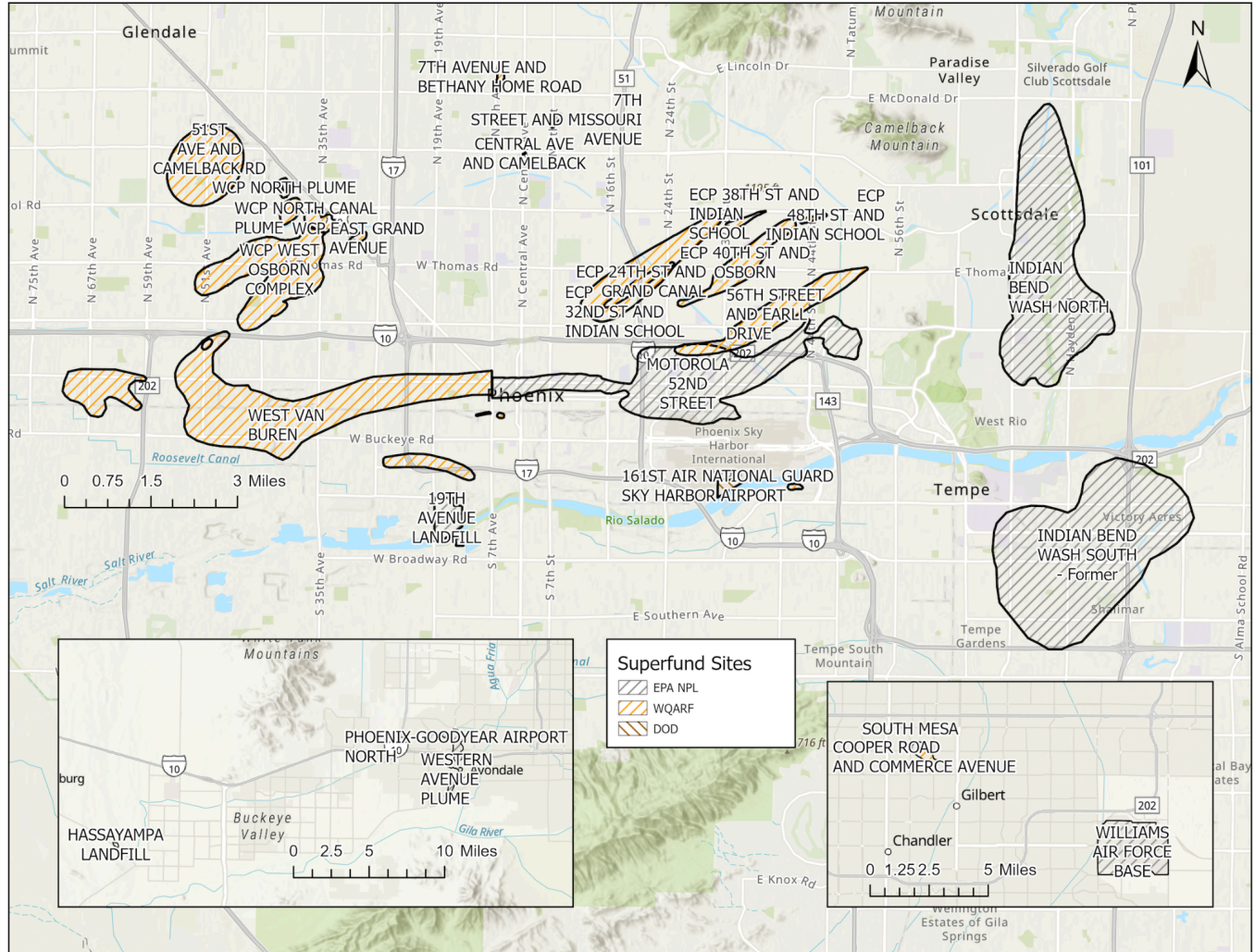
SITE	FY27 PROJECTED BUDGET
20th Street & Factor Avenue	\$130,000
51st Street & Camelback Road	\$400,000
56th Street & Earll Drive	\$200,000
7th Avenue & Bethany Home Road	\$32,000
7th Street & Arizona Avenue	\$250,000
7th Street & Missouri Avenue	\$200,000
Bahama Avenue & Bimini Lane	\$450,000
Broadway-Pantano	\$200,000
Central Avenue & Camelback Road	\$200,000
Cooper Road & Commerce Avenue	\$125,000
Ecp - 24th Street & Grand Canal	\$100,000
Ecp - 32nd Street & Indian School Road	\$200,000
Ecp - 38th Street & Indian School Road	\$300,000
Ecp - 40th Street & Osborn Road	\$200,000
Ecp - 48th Street & Indian School Road	\$100,000
Estes Landfill	\$30,000
Harrison Road & Millmar Road Dross	\$200,000
Highway 260 & Johnson Lane	\$175,000
Highway 260 & Main Street	\$350,000
Klondyke Tailings Project	\$10,000
Lake Havasu & Holly Avenue	\$250,000
Los Reales Landfill (Pre-1997 WQARF)	\$0
Miller Valley Road & Hillside Avenue	\$200,000
Miracle Mile	\$300,000
Park-Euclid	\$270,000
Payson Pce (Town of Payson)	\$325,000
Pinal Creek (Pre-1997 WQARF)	\$0
Shannon Road/El Camino Del Cerro	\$350,000
Silverbell Landfill (Pre-1997 WQARF)	\$0
South Mesa	\$150,000
Stone Avenue & Grant Road	\$300,000
Vulture Mill	\$75,000
Wcp - East Grand Avenue	\$75,000
Wcp - North Canal Plume	\$220,000
Wcp - North Plume	\$250,000
Wcp - West Osborn Complex	\$100,000
West Van Buren	\$500,000
Western Avenue	\$75,000
Various Preliminary Investigations	\$2,000,000
WQARF SITE BUDGETS FY27	\$9,292,000

FY26 FIGURES



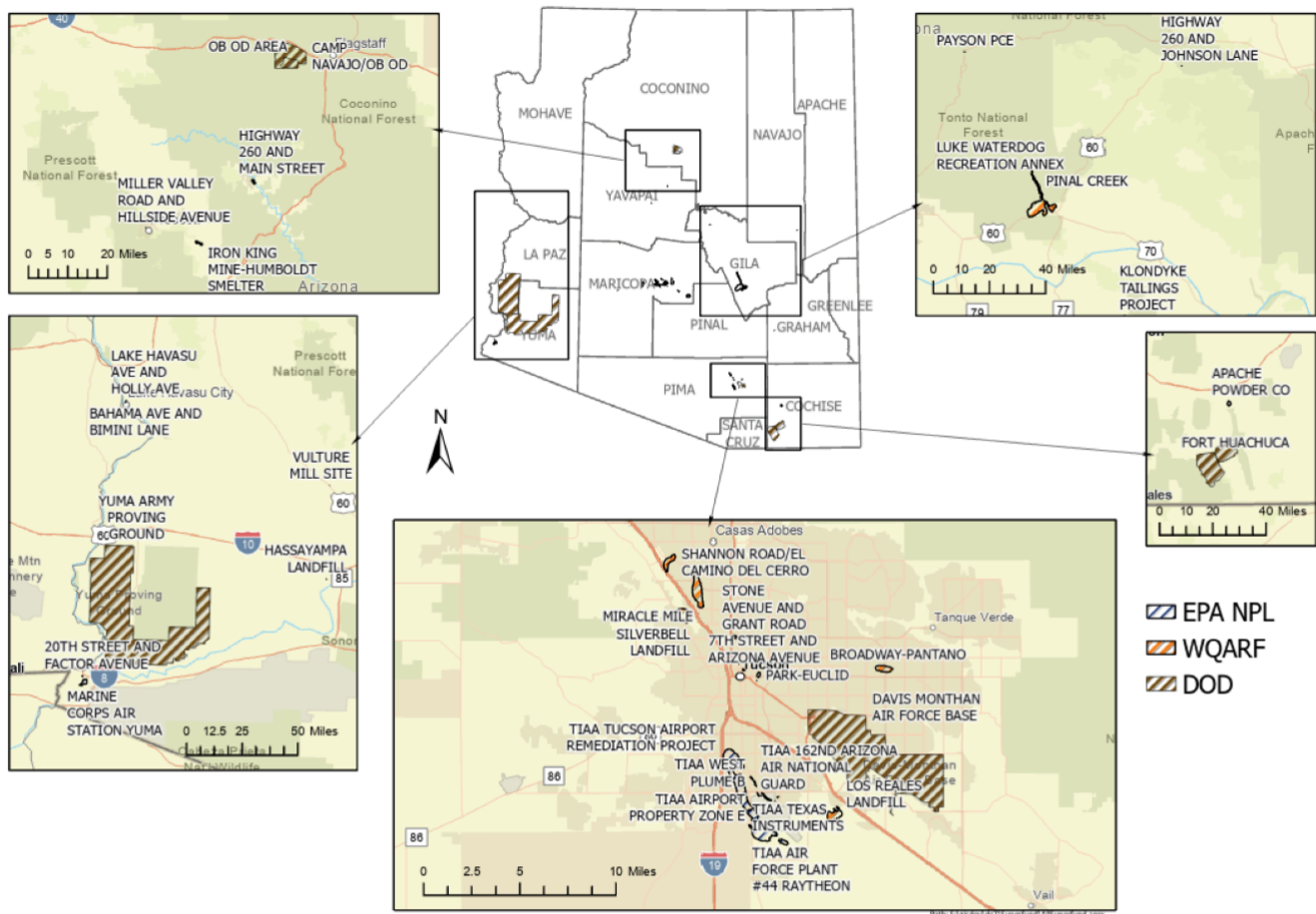
METROPOLITAN PHOENIX SITES

The boundaries for these sites are subject to change in the future as new information becomes available.



STATEWIDE SITES

The boundaries for these sites are subject to change in the future as new information becomes available.



WATER QUALITY ASSURANCE REVOLVING FUND FY26 ANNUAL REPORT

Sept. 1, 2026

EQR-26-07

COVER PHOTO:

Freeport-McMoRan's stormwater management for the Webster Gulch Infill Project at the Pinal Creek WQARF Site.