



— BUREAU OF —
RECLAMATION

Bringing Water to the Diné

Implementing the Navajo's San Juan River Basin Water Rights Settlement

NGWSP Update for the NM Legislature Indian Affairs Committee
July 17, 2025

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Bureau of Reclamation Four Corners Construction Office

Navajo-Gallup Water Supply Project (NGWSP)

- Navajo-San Juan Water Rights Settlement
 - Project concept evolved over 6 decades
 - Navajo Nation and State signed Settlement Agreement in 2005
 - Largest project-based settlement (indexed ceiling) in U.S. history;
 - Largest dollar project Reclamation has funded and built;
 - Settles Navajo’s water rights on the San Juan River basin in New Mexico
 - Bureau of Reclamation charged with designing and constructing NGWSP

Public Law 111-11
111th Congress

An Act

To designate certain land as components of the National Wilderness Preservation System, to authorize certain programs and activities in the Department of the Interior and the Department of Agriculture, and for other purposes.

Mar. 30, 2009
[H.R. 146]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the “Omnibus Public Land Management Act of 2009”.

(b) TABLE OF CONTENTS.—The table of contents of this Act is as follows:

Sec. 1. Short title; table of contents.

TITLE I—ADDITIONS TO THE NATIONAL WILDERNESS PRESERVATION SYSTEM

Omnibus
Public Land
Management Act
of 2009.
16 USC 1 note.



NGWSP Background



- Navajo-Gallup Water Supply Project (NGWSP) authorized by the Northwestern New Mexico Rural Water Projects Act in Public Law 111-11 in 2009
- Construct and design NGWSP in substantial accordance with the preferred alternative in the Draft Environmental Impact Statement
- Beneficiaries: Navajo, Jicarilla Apache, City of Gallup
- State of New Mexico -- \$50M cost-share
- Authorized \$870M (2007 price level), indexed and tracked using the Construction Cost Estimate (CCE) based on appraisal-level design



Project Details

San Juan Lateral

Animas River

San Juan River

Cutter Lateral

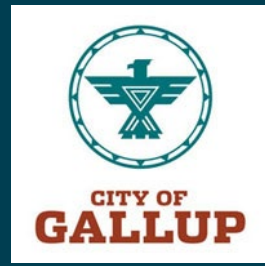


2 Water Treatment Plants
300 miles of pipeline
19 pumping plants
Numerous storage tanks



Project Details

- \$2.2 Billion – estimate (October 2023 price level)
- Being constructed by Reclamation, Navajo Nation, City of Gallup, and Indian Health Service w/Reclamation \$
- Facilities designed/constructed by others w/ State or other funding using their own authorities:
 - Eastern Navajo Water Pipeline
 - Gallup Regional System



Reach 6 Horizontal Directional Drill Pullback – February 2022

Project Details (cont)

- Construction began – June 2012
- Deadline for completion – December 2024-2029
- Ownership: Reclamation will retain title for the majority of Project; eventually transferring to Navajo Nation in the future
- Reclamation is and will be contracting with the Navajo Tribal Utility Authority to operate and maintain the Project



Reach 12A Pipeline – May 2013



Bahastl'ah Pumping Plant – August 2023



Project Status

4A/4B Pipeline
Completion: Dec. 2025

San Juan Lateral WTP
Const. Completion: Dec. 2028

Pumping Plants 2 & 3
Completion: Sept. 2025

Cutter Lateral

Pumping Plants 4 & 7
Completion: May 2025

San Juan Lateral

Navajo Code Talkers
Completion: May 2025

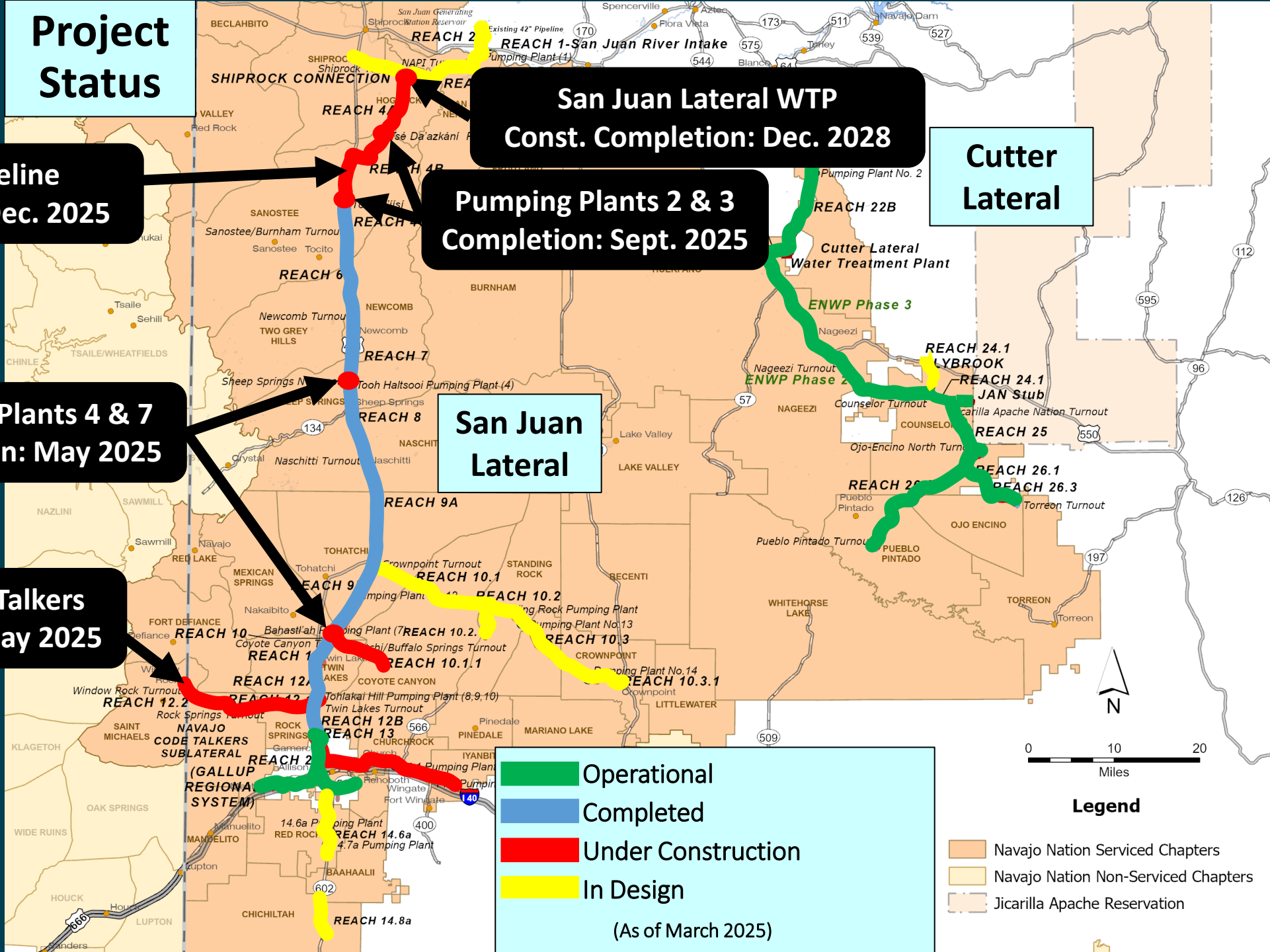
Legend

- █ Operational
- █ Completed
- █ Under Construction
- █ In Design

(As of March 2025)

Legend

- Navajo Nation Serviced Chapters
- Navajo Nation Non-Serviced Chapters
- Jicarilla Apache Reservation



Status of Project Construction



Pumping Plant 4 Interior Pump Room
– Completed in April 2025



Pumping Plant 3 Aerial Photo
(looking NW towards Shiprock) –
June 2025



Status of Project Construction



Navajo Code Talkers Pipeline
9 Completed May 2025



Reach 4B HDD Pullback – June 2025



Status of Project Construction



Pumping Plant 2 (looking west towards Table Mesa) – June 2025



Pumping Plant 2 Storage Tank Construction – June 2025



Status of Project Construction



Navajo Nation President Dr. Buu Nygren addressing dignitaries & guests at Navajo blessing ceremony for SJLWTP groundbreaking – 4/16/2025

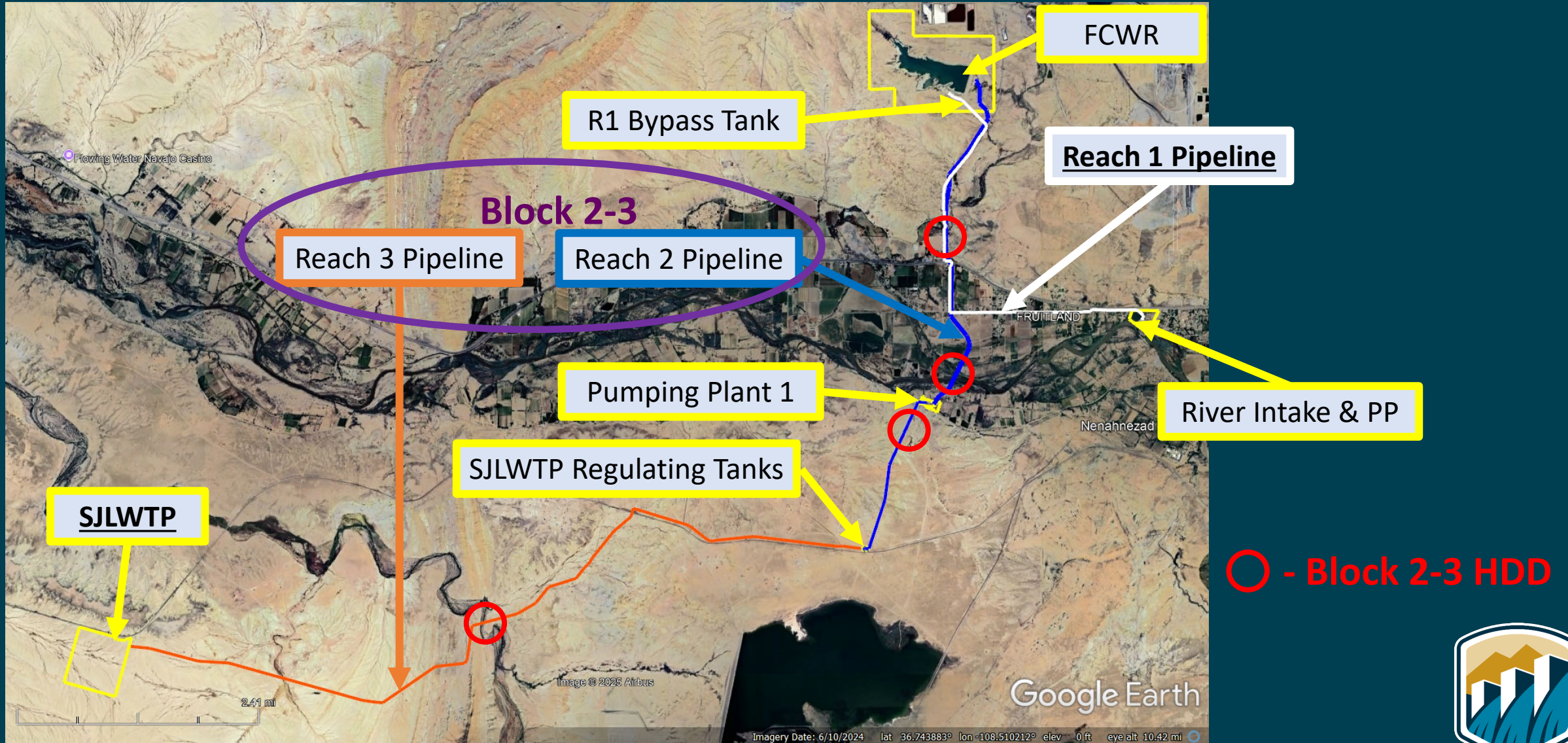


Aerial Photo of SJLWTP Construction – 6/23/2025

Jacobs



Project Details - Raw Water System



Project Details

Community Connections

San Juan Lateral Turnouts

- City of Gallup Regional
- Twin Lakes
- Rock Springs
- 2 Future PWS Turnouts (Navajo Code Talkers Sublateral)
- Window Rock
- Tohatchi
- Coyote Canyon
- Crownpoint
- Naschitti
- Sheep Springs
- Newcomb
- Sanostee
- Shiprock Turnout
- NAPI - Raw Water Meter and SCADA



NGWSP Funding Status

- Current Appropriation Authority from Sec. 161 of P.L. 118-158 amendment to PL 111-11 § 10609 (a)(1)
 - Appropriation Ceiling = \$1.640B
 - Fiscal years 2009 through 2025
- Federal Funding appropriated to date = \$1.640B
- FY 2024 Working Cost Estimate is \$2.2B, resulting in an estimated funding gap of approx. \$600 million



NGWSP Remaining Challenges

- Additional funding needed in FY 2026 to continue without schedule impacts
- Managing the costs of the upcoming construction projects
 - Industry Day held in April to increase interest and competition in the 10 remaining contracts
- Assistance to the City with providing an update of their Ability-to-Pay Study that sets the percentage (25%-35%) for their repayment contract
- Collaboration and coordination with the Navajo Nation and NTUA to help the Nation plan, fund, and build community connections
- Resources to ensure that the San Juan Lateral becomes operational in late-2028 and NGWSP is completed in 2029



S.637/H.R.1482 - NGWSP Amendments Act Provisions

- Raises appropriation ceiling to \$2.175 billion
 - \$2.138 billion (Reclamation's FY23 working cost estimate)
 - \$6.25 million (Renewable Energy)
 - \$30 million (Navajo community connections)
 - Adds inflation language for future ceiling adjustments
- Provides \$250 million trust fund for the Navajo Nation for OM&R & up to \$10 million for the Jicarilla Apache Nation (subject to an ability to pay analysis)
- Provides for a cap on Gallup's repayment obligation at max of \$76 million
- Additional \$7M (separate from NGWSP) for Conjunctive Groundwater Program
- Extends service area to Rio San Jose Basin (NM) and Lupton (AZ)
 - All funding for expansion included in other Navajo Nation proposed settlements



S. 1898/H.R. 3977 - NGWSP Amendments Act Provisions

- Extends Construction Completion Deadline to 12/31/2029 (necessary to incorporate newly acquired SJGS diversion/conveyance/storage facilities)
 - Deadline was extended separately under written agreement of the Settlement Parties (Navajo Nation, State of New Mexico, and United States) in September 2024
- Amendment to utilize NGWSP to “store, treat, and convey” no more than 2,000 ac-ft of non-Project (Navajo-Utah Settlement water) to be added.
- Eliminates potential for NGWSP contractors being double taxed; not currently included in Reclamation’s budget



BOTTOM LINE...

- Fulfilling Obligations and Bringing Safe Drinking Water to Indigenous Communities!
- Economic development and job growth opportunities.
- First Project water delivery on Cutter Lateral & transfer to O&M --- 2020 - 2022
- First Project water delivery on San Juan Lateral, completion of the Project, and fulfillment of the United States' and State of New Mexico's commitment to the Navajo people in 2028/2029



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Questions?

