



**STATE OF NEW MEXICO
OFFICE OF THE STATE ENGINEER**

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**TOM BLAINE, P.E.
STATE ENGINEER**

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October 4, 2018

VIA U.S. MAIL AND ELECTRONIC MAIL

The Honorable Tom Udall, Senator
B40d Dirksen Senate Office Building
Washington DC, 20510

The Honorable Martin Heinrich, Senator
303 Hart Office Building,
Washington, D.C. 20510

The Honorable Steve Pearce, Representative
United States House of Representatives
1408 Longworth Building
Washington, D.C. 20515

The Honorable Ben Ray Lujan, Representative
United States House of Representatives
2231 Rayburn HOB
Washington, D.C, 20515

The Honorable Michelle Lujan Grisham, Representative
United States House of Representatives
214 Cannon House Office Building
Washington, DC 20515

Dear Senators Udall, Heinrich, Reps. Pearce, Lujan and Grisham:

I write to express the State of New Mexico's continued support of the Aamodt Water Rights Settlement Agreement and the construction of the Pojoaque Basin Regional Water System. New Mexico has worked diligently and committed significant resources over the last several years to meet the State's obligations under the Aamodt Settlement Agreement.

The State has fulfilled the following conditions precedent which the federal settlement legislation required to be completed by September 15, 2017:

- Governor Susana Martinez signed the conformed Settlement Agreement and the Cost Sharing and System Integration Agreement with the Secretary of the Interior and other parties in Santa Fe in March 2013.
- In March, 2014, the Governor signed legislation amending the water use leasing statute to allow the Pueblos to lease adjudicated water rights for 99 years.
- In July 2014 the State entered into the required Funding Agreement with the U.S. Bureau of Reclamation for the State's payment of its share of costs for planning, design and construction of the regional water system.
- In September 2014 the State advanced \$15 million to Reclamation toward New Mexico's total cost share obligation.
- In March 2016 the federal judge in the Aamodt water rights adjudication suit issued his decision approving the Settlement Agreement and entered the Partial Final Judgment and Decree adjudicating the Pueblos' water rights.
- The State completed the adjudication of all remaining water rights in the Nambe-Pojoaque-Tesuque basin to obtain the entry by the Court of a Final Decree for all water rights (both Pueblo and Non-Indian) in the Aamodt adjudication on July 14, 2017, bringing 51 years of litigation to a final conclusion.
- In July and August, 2017, the State Engineer issued permits to the Regional Water Authority for the diversion and consumptive use of at least 2,381 afy by the Pueblos, including 1,079 afy of water supply contracts from the San Juan-Chama Project.
- In September, 2017, the State Engineer promulgated District Specific Rules for the administration of all water rights in the NPT Basin to implement the Settlement Agreement.
- In October, 2017, the State Engineer issued a Metering Order for all wells in the NPT Water Master District.
- In the 2018 Legislative Session, strongly advocated for and obtained \$9M in funding for the State's cost share.

The State of New Mexico also has a strong track record of following through on its cost share funding commitments in Indian water rights settlements. In 2017, New Mexico fulfilled its \$50M cost share obligation for the Navajo Nation settlement on the San Juan River adjudication through a combination of state appropriations and credits approved by Reclamation for construction of non-Navajo portions of the Navajo-Gallup Water Supply Project. New Mexico also satisfied its \$20.05M cost share obligation for the Taos Pueblo Water Right Settlement with

a \$12.7M appropriation in the 2015 Legislative special session. In 2019 the State will be seeking to obtain \$18M in funding towards the State's cost share.

While the State recognizes that the project may be underfunded, the State agreed to contribute \$50M (the same amount that the State is contributing toward the Navajo-Gallup Water Supply Project, currently estimated to exceed \$1B) with the explicit provision that the State's obligation would be capped. The State supports Santa Fe County's proposal to increase its contribution, and will assist the County in identifying funding sources for the non-federal cost share. An additional amount that the State is contributing is in its ongoing administrative costs, which have not been recognized in the costs of the settlement. In addition to the State's existing cost-share to the construction of the Regional Water System, the State of New Mexico has contributed over \$1M and is continuing to contribute over \$250,000 per year to the implementation of the *Aamodt* Settlement Agreement for the resources necessary to administer the Nambe-Pojoaque-Tesuque stream system (NPT) consistent with the Settlement Agreement.

The State's support of the Aamodt settlement and its fulfillment of its obligations has been unwavering. New Mexico encourages the full funding of the Regional Water System and beginning construction as soon as possible. The State remains committed to meeting its remaining cost-share obligations under the Settlement Act and agreements.

Sincerely,



Tom Blaine, P.E
New Mexico State Engineer

TB/kme

VIA ELECTRONIC MAIL

cc: Brenda Burman, Commissioner, Bureau of Reclamation
Alan Mikkelsen, Office of the Secretary, Department of the Interior
Jennifer Faler, Area Manager, Bureau of Reclamation
Katherine Miller, Manager, Santa Fe County
Aaron Ray, Office of Management and Budget
Governor Phillip Perez, Pueblo of Nambe
Governor Joseph Talachy, Pueblo of Pojoaque
Governor Fredrick Vigil, Pueblo of Tesuque
Governor Perry Martinez, Pueblo of San Ildefonso

