HOUSE MEMORIAL 18

54TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2019

INTRODUCED BY

Gail Armstrong

A MEMORIAL

SUPPORTING EFFORTS TO OBTAIN FOURTEEN THOUSAND ACRE-FEET OF NEW WATER FOR THE STATE OF NEW MEXICO.

WHEREAS, between 1952 and 1955, New Mexico, Nevada, Utah and the federal government, on behalf of a number of tribes, became parties in the longest running water rights litigation, Arizona vs. California, 376 U.S. 340 (1963); and

WHEREAS, a special master was tasked with awarding divisions of the lower Colorado river water rights between the parties in that litigation; and

WHEREAS, based on the "present uses" that could be documented at the time, the special master awarded Arizona users two million eight hundred thousand acre-feet of water annually. The upper Gila river users in New Mexico were awarded maximums of fifteen thousand eight hundred ninety-five .212627.1

acre-feet of water annually and the San Francisco river users in New Mexico were awarded maximums of four thousand one hundred twelve acre-feet of water annually; and

WHEREAS, New Mexico argued in that litigation that due to the Great Depression, drought and World War II, many of the agricultural lands previously in use in New Mexico were fallow but should be considered in allocating water rights; and

WHEREAS, in the 1963 United States congressional hearings for consideration of legislation for the central Arizona project, the concept was introduced to allow increases of present water uses in New Mexico through the use of downstream exchanges of deliveries of Colorado river water to the senior Indian water right holders; and

WHEREAS, on April 6, 1964, New Mexico Governor Jack
Campbell transmitted a letter to Senator Clinton P. Anderson
reinforcing an earlier interstate stream commission
recommendation that the senator "not support S. 1658 unless
certain amendments were made"; and

WHEREAS, New Mexico State Engineer Steve Reynolds requested an additional forty-six thousand acre-feet of water for New Mexico at the hearing for the central Arizona project as a part of the federal Colorado River Basin Project Act; and

WHEREAS, on May 12, 1965, a memorandum was adopted amending the federal Colorado River Basin Project Act allowing for construction of Hooker dam and reservoir with an initial

capacity of ninety-eight thousand acre-feet and an additional eighteen thousand acre-feet of New Mexico consumptive water use "only to the extent possible without economic injury or cost to present downstream users"; and

WHEREAS, the federal Colorado River Basin Project Act is the same act that authorized the Animas-La Plata project for development of water in northwestern New Mexico and southwestern Colorado: and

WHEREAS, as an outgrowth of the 1992 southwest regional water planning process, the southwest New Mexico water study group was formed; and

WHEREAS, the drafting of the successor Gila-San Francisco water commission joint powers agreement was commenced early in 2005 and was finalized in 2007; and

WHEREAS, the Gila-San Francisco water commission initiated planning for conservation of water projects and designs for a New Mexico central Arizona project that resulted in recommendations for water conservation projects that the interstate stream commission eventually funded at nine million one hundred thousand dollars (\$9,100,000); and

WHEREAS, the federal Arizona Water Settlements Act amended the federal Colorado River Basin Project Act by striking Paragraph (1) and inserting: "(1) In the operation of the Central Arizona Project, the Secretary shall offer to contract with water users in the State of New Mexico, with the approval

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of its Interstate Stream Commission, or with the State of New Mexico, through its Interstate Stream Commission, for water from the Gila River, its tributaries and underground water sources in amounts that will permit consumptive use of water in New Mexico of not to exceed an annual average in any period of 10 consecutive years of 14,000 acre-feet, including reservoir evaporation, over and above the consumptive uses provided for by article IV of the decree of the Supreme Court of the United States in Arizona vs. California (376 U.S. 340)"; and

WHEREAS, the result of these changes reduced the amount of water immediately available for New Mexico by four thousand acre-feet and extinguished an additional thirty thousand acrefeet that would have been made available to New Mexico if the Colorado river were augmented from an outside source at some future time; and

WHEREAS, what State Engineer Reynolds and Senator Anderson fought so hard for, to make whole the loss of water rights through the decree in the *Arizona vs. California* litigation, was lost through the federal Arizona Water Settlements Act; and

WHEREAS, the consumptive use and forbearance agreement was made a part of the federal Arizona Water Settlements Act to ensure that no downstream Arizona water users are affected by diversion in New Mexico and to eliminate environmental impacts due to reduction of in-stream flows; and

WHEREAS, the goals of the consumptive use and forbearance .212627.1

agreement are accomplished through strict requirements that water diverted and stored only occurs during high-flood flows; and

WHEREAS, the fourteen thousand acre-feet of water made available to New Mexico through the Arizona Water Settlements Act is the only new water available for the state; and

WHEREAS, using the low current cost of an acre-foot of water, the additional fourteen thousand acre-feet represent a one-hundred-forty-million-dollar (\$140,000,000) asset; and

WHEREAS, depending on how water is used, the value of water can differ significantly; and

WHEREAS, California farmers pay an average of seventy dollars (\$70.00) per acre-foot for water to irrigate crops, but the value of that acre-foot is two million four hundred thousand dollars (\$2,400,000) if it were bottled; and

WHEREAS, according to the conclusion of a 2014 university of Arizona study, "... if society is to respond appropriately to water challenges, it is important to understand the implications of limited current supplies and growing demands. Action today is needed to forestall shocks, either in price spikes resulting from the need for supplies that are expensive to acquire, or the loss of reliability resulting from failure to secure additional supplies. Better to appreciate the value of water now then regret our lack of understanding in the future."; and

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WHEREAS, based on the construction costs for comparable diversion and storage projects around the nation, it is estimated that the price per acre-foot for the additional fourteen thousand acre-feet would be around two thousand five hundred dollars (\$2,500) and approximately one hundred fifty-seven dollars (\$157) per acre-foot for delivery of exchange water to downstream Arizona users; and

WHEREAS, all proposed projects shall undergo a full environmental impact analysis and threatened and endangered species analysis; and

WHEREAS, the total amount received by New Mexico pursuant to the federal Arizona Water Settlements Act and deposited into the New Mexico unit fund since January 2012 is sixty-five million eight hundred thousand dollars (\$65,800,000); as of December 26, 2018, the cumulative total expenditures for fiscal years 2012 through 2018 is fourteen million eight hundred thirty thousand dollars (\$14,830,000); the current fund balance is fifty-three million nine hundred sixty thousand dollars (\$53,960,000); and there will be three more payments of nine million forty thousand dollars (\$9,040,000); and

WHEREAS, an additional sixty-two million dollars (\$62,000,000) for diversions and storage projects will be lost if New Mexico does not go forward with construction of the New Mexico unit of the central Arizona project by 2019 based on a United States secretary of the interior record of decision; and

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WHEREAS, every acre-foot of additional water would be available for purchase or lease in the southwest New Mexico four-county area and would allow for bonding to complete future storage and distribution systems; and

WHEREAS, the New Mexico central Arizona project entity has also explored the storage and marketing of water to provide funding for the future phases of federal Arizona Water Settlements Act projects;

NOW, THEREFORE, BE IT RESOLVED BY THE HOUSE OF REPRESENTATIVES OF THE STATE OF NEW MEXICO that the state support the efforts of the New Mexico central Arizona project entity to provide for water conservation projects and additional consumptive storage and use of fourteen thousand acre-feet of water annually; and

BE IT FURTHER RESOLVED that copies of this memorial be transmitted to the United States secretary of the interior and New Mexico's congressional delegation, governor and state engineer.

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