

Implementation of Indian Water Rights Settlements

Animas-La Plata & Navajo San Juan

NARF and WSWC Symposium

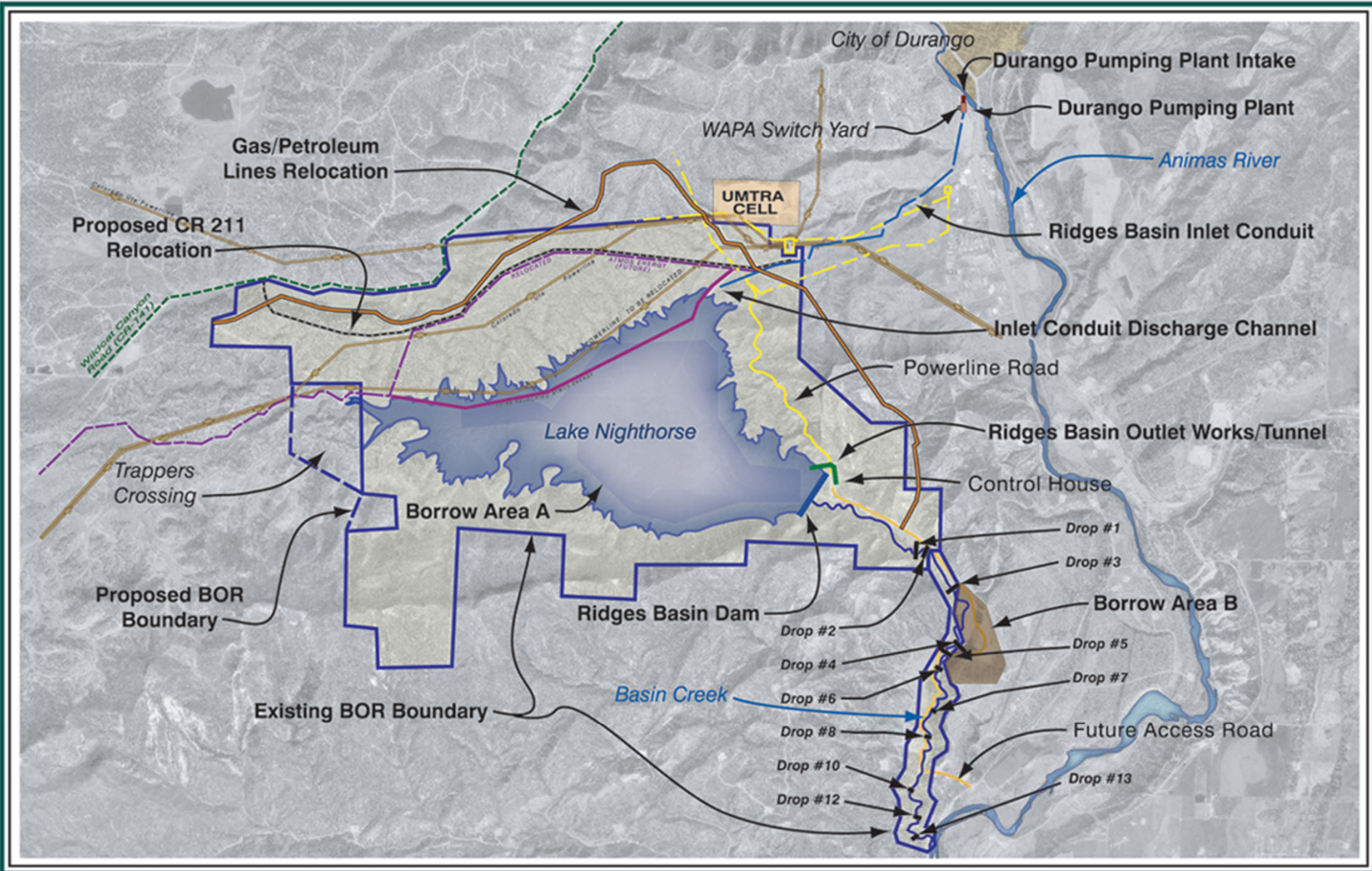
Billings, MT - August 2011

RECLAMATION

Animas-La Plata Project

- Sponsors
 - Southern Ute Indian Tribe
 - Ute Mountain Ute Indian Tribe
 - Navajo Nation
 - Animas-La Plata Water Conservancy District
 - City of Durango
 - San Juan Water Commission
 - La Plata Conservancy District (NM)
 - Colorado Water Resources Development and Power Authority
 - State of Colorado

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Durango Pumping Plant July 16, 2009

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Animas - La Plata Project
Computation of Management Reserve (See Footnote)

Updated on: 13-Jan-05

	CURRENT CONTRACT AMOUNT	CCE BREAKOUT (Indexed to Oct 04)	BUDGET ADJUSTMENTS
RIDGES BASIN DAM			
LAND AND RIGHTS			
CONTRACT VALUE - CURRENT	\$ 10,952,801	\$ 9,257,020	
CONTINGENCY - CURRENT	\$ 271,484	\$ 720,000	
FIELD VALUE - CURRENT	\$ 11,224,285	\$ 9,977,020	\$ (1,247,265)
RELOCATIONS			
CONTRACT VALUE - CURRENT	\$ 38,275,104	\$ 44,802,984	
CONTINGENCY - CURRENT	\$ 5,690,000	\$ 5,690,000	
FIELD VALUE - CURRENT	\$ 43,965,104	\$ 50,492,984	\$ 6,527,880
OUTLET WORKS PORTAL EXCAVATION - #8750			
CONTRACT VALUE - FINAL	\$ 2,570,920	\$ 2,620,181	
CONTINGENCY - REMAINING	\$ -	\$ 79,819	
FIELD COST - FINAL	\$ 2,570,920	\$ 2,700,000	\$ 129,080
2003 CONSTRUCTION TASKS - #8034			
CONTRACT VALUE - CURRENT	\$ 4,425,690	\$ 4,324,273	
CONTINGENCY - CURRENT	\$ 191,896	\$ 811,896	
FIELD COST - CURRENT 1/	\$ 4,617,586	\$ 5,136,159	\$ 518,573
DAM FOUNDATION, ROADS, AND DROP STRUCTURE - #8051			
CONTRACT VALUE - CURRENT	\$ 20,805,918	\$ 27,805,154	
CONTINGENCY - CURRENT	\$ 4,134,073	\$ 4,175,315	
FIELD COST - CURRENT	\$ 24,939,991	\$ 31,980,469	\$ 7,040,478
MATERIALS PROCESSING PLANT - #8058			
CONTRACT VALUE - CURRENT	\$ 10,401,787	\$ 2,724,681	
CONTINGENCY - CURRENT	\$ 408,702	\$ 408,702	
FIELD COST - CURRENT 1/	\$ 10,810,489	\$ 3,133,383	\$ (7,677,106)
OUTLET WORKS TUNNEL EXCAVATION - #8054			
CONTRACT VALUE - CURRENT	\$ 5,935,162	\$ 6,292,692	
CONTINGENCY - CURRENT	\$ 883,929	\$ 883,929	
FIELD COST - CURRENT	\$ 6,819,091	\$ 7,176,621	\$ 357,530
DURANGO PUMPING PLANT			
STAGE 1 - #8008			
CONTRACT VALUE - CURRENT	\$ 6,190,348	\$ 6,043,767	
CONTINGENCY - CURRENT	\$ 460,347	\$ 643,057	
FIELD COST - CURRENT	\$ 6,650,695	\$ 6,687,424	\$ 36,729
STAGE 2 - #8013			
CONTRACT VALUE - CURRENT	\$ 51,554,367	\$ 55,779,484	
CONTINGENCY - CURRENT	\$ 6,600,590	\$ 6,600,590	
FIELD COST - CURRENT	\$ 58,154,957	\$ 62,380,074	\$ 4,225,117
TOTALS - MANAGEMENT RESERVE			

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Implementation Lessons Learned

- Budget Process
 - The Reclamation Reality
- Get organized and become an operational team
- Manage communication, create a process
 - Project Construction Committee
- Transparency to sponsors
- Manage costs (accounting)
- Manage the risks
- Full cost disclosure
- Comprehensive schedule
 - NAGPRA/NEPA/Procurement/Accounting/Budget

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Navajo San Juan Settlement Implementation

PL 111-11

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Engineering Features

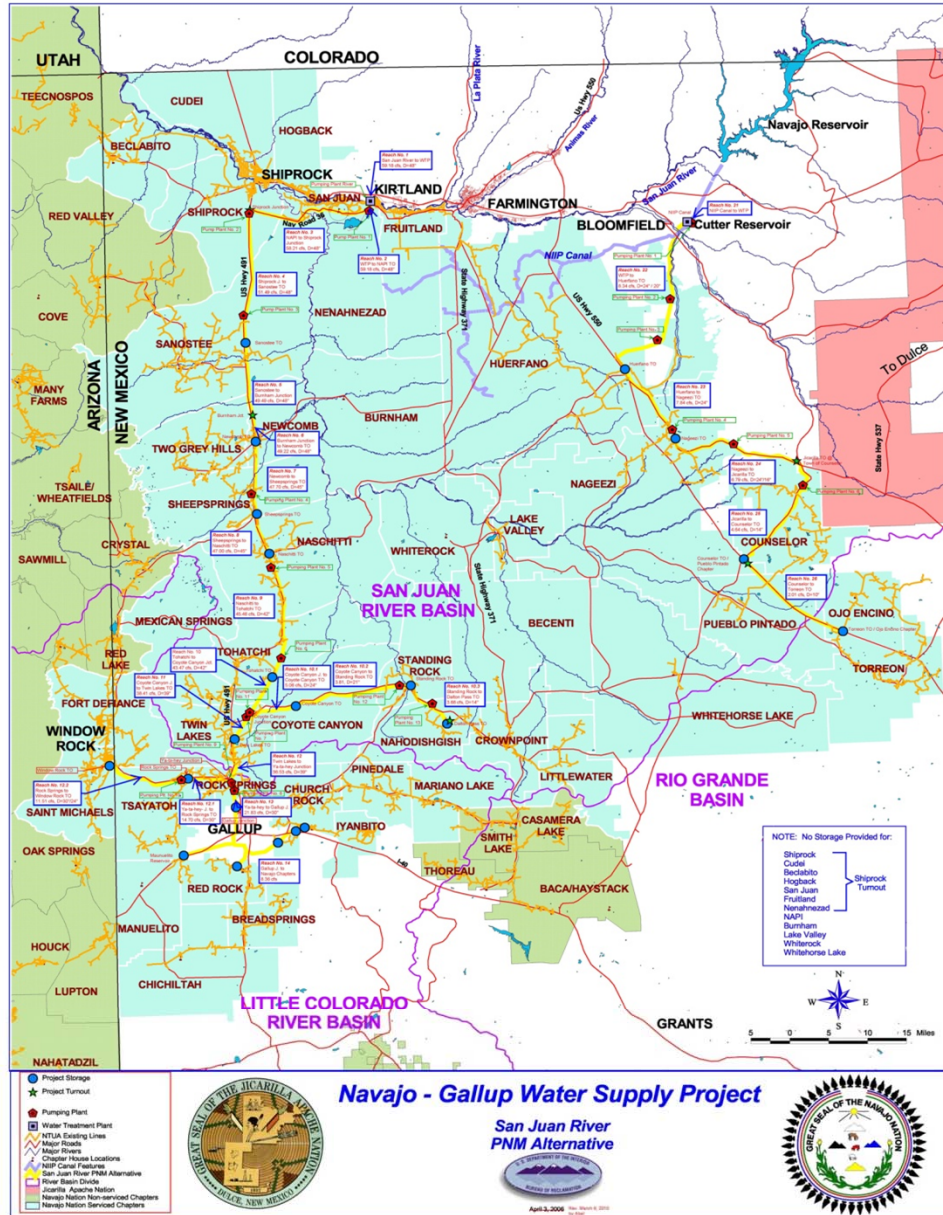
- **Conjunctive Use Wells**
 - NN has long term plan to install > 100 wells in three basins, totaling 3,200 afy
 - PL111-11 authorizes \$ 30M for San Juan Basin and “such sums as necessary” for the Little Colorado and Rio Grande basin GW
- **Navajo Irrigation Rehabilitation**
 - Fruitland/Cambridge, \$ 7.7M
 - Hogback/Cudei, \$ 15.4M

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Engineering Features (cont.)

- **Non Navajo Irrigation Rehabilitation**
 - Competitive proposal process
 - \$ 20M with 50% State cost share
- **Navajo Gallup Water Supply Project**
 - 37,764 afy diversion
 - \$ 995 M
 - Details discussed later

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Settlement Team Operations

(Engineers, Lawyers, and Feds)

- Membership:
 - Navajo Nation (DOJ & DWR)
 - State of New Mexico (ISC)
 - Federal (DOI - SIWRO), BIA, FWS, SOL, DOJ Reclamation)
 - Non-settlement beneficiaries
 - Jicarilla Apache Nation
 - City of Gallup
- Business Plan and techniques employed
- Project Construction Committee

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Spawning of Agreements

				NSJS - AGENCY TO AGENCY & GOVERNMENT TO GOVERNMENT UPDATED ACTIVITIES	BOR - POLITICAL ACTIVITIES	BLUE = COMPLETED
				Intermediate Steps (w/Sched. Comp. Date)	STATUS	Note
Primary Activities	Lead Agency	Precedent to Construction (Required by PL-111-11)	Execution date required		STATUS	Note
1 Settlement Agreement	Federal Implementation Team	Yes (Section 10602 d (1))	Completed 12/17/10		Completed	
2 Settlement Contract	BOR	Yes(Section 10602 d (1))	Completed 12/17/10		Completed	
3 Partial Final Decree [EHAT]	DOI	No	12/31/2013	- BIA develop agree w/ NM on hydrographic survey results [TBD] - Public meetings (5) scheduled for June 22, 23, and 28 - Hearing on proper notice procedures [7/19] - Status conference with Special Magistrate [8/15] - Formal scheduling conference to determine interse procedures [10/3]	Preparations are being made for the public meetings. Expert reports being worked on.	Motion filed on 12/30/10. Magistrates procedural order being followed.
4 Supplemental Partial Final Decree [EHAT]	DOI	No	12/31/2016	Same as partial Final Decree	Same as Partial Final Decree	Same as Partial Final Decree
5 New Mexico Cost Share Agreement [EHAT]	BOR	Yes (Section 10602 d (1))	7/4/2011	[EHAT] - Request from BOR to execute the agreement [6/9] - Approval by NM ISC [6/22] - Surname Agreement by SOI [6/24] - MOU re: "process responsibilities between NMED/ISC/NN/JAN/City [7/4] ?????[OPEZ] - Execute Agreement by BOR [7/4]	Final bids (minor) being made. Transmittal of final to be sent by BOR to NM the week of 6/6. Preliminary credit request by NM to be rejected by BOR due to lack of required information.	Required date is the scheduled start of construction for Navajo Gallup Water Supply Project
6 Jicarilla Apache Nation Repayment Contract [PAGE]	BOR	Yes (Section 10602 d (1) & 10604)	7/18/2011	[PAGE] - BOR to present Ability to Pay analysis to JAN [????] - Concur re: the application of NM cost share letter agreement [????] - Publish Final Draft [????] - JAN Present to Council [??] - Surname by BOR's RDirector [????]	Reclamation is re-evaluating the original ATP analysis based upon information received from the JAN and City. Following discussions with the Tribe, the data and other relevant information will be forwarded for approval from the RD to the BOR's policy office.	Required date is the scheduled start of construction for Navajo Gallup Water Supply Project
7 City of Gallup Repayment Contract [PAGE]	BOR	Yes (Section 10602 d (1) & 10604)	8/31/2011	[PAT PAGE] - BOR to present Ability to Pay analysis to City [7/6] - Publish Final Draft [8/16] - Concur re: the application of NM cost share letter agreement [8/23] - City present to Council [8/23] - Surname by BOR's RDirector [8/31]	Reclamation is re-evaluating the original ATP analysis based upon information received from the JAN and City. Following discussions with the Tribe, the data and other relevant information will be forwarded for approval from the RD to the BOR's policy office.	Required date is the scheduled start of construction for Navajo Gallup Water Supply Project
8 City of Gallup Water Supply Contract [ALIGOOD]	City	Yes (Section 106024 b (7))	8/31/2011	- COG sign contract and submit to BOR for approval [5/6] - BOR NEPA Compliance [5/13] - BOR approval [6/6]	JAN Council approved on 3/28 and COG council approved on 4/13. Signed contract being forwarded to BOR for approval. BOR currently reviewing for NEPA compliance and for approval.	Required prior to execution of Repayment Contract. Required date is the scheduled start of construction for Navajo Gallup Water Supply Project
9 Financial Assistance Agreement with City of Gallup [EHAT/ALIGOOD]	BOR	Yes (for Reach 13 and 27)	8/31/2011	- Final draft complete [6/22] - BOR NEPA Compliance [7/1] - City to present to council [8/23] - Execute agreement [8/31]	Drafts being actively worked on	This agreement is modeled after the City of Farmington Agreement used for the A-LP
10 Right of Capacity Agreement between COG and BOR [EHAT/ALIGOOD]	BOR/City	Yes (for Reach 13 and 27)	8/31/2011	- Final draft complete [6/22] - BOR NEPA Compliance [7/1] - City to present to council [8/23] - Execute agreement [8/31]	Legal discussion on going regarding "remedy" [Carter Brown action]	This agreement is modeled after the City of Farmington Agreement used for the A-LP
11 Agreement by NN that COG design/construct/O&M Reach 13 and 27 [PAGE]	NN	Yes (for Reach 13 and 27)	7/18/2011	[PAGE] - NEED TO CHECK IF NN LETTER DATED ?? WILL SUFFICE ???	[PAGE/JAN REPRESENTATIVE] - BOR reviewing NN ?? letter ??? - DO we need to have JAN agree also???	Necessary to assure all affected parties agree.
12 Treatment and Conveyance contract between COG and NN for Reach 14 [ALIGOOD/LEEFER]	COG/NN	[ALIGOOD/LEEFER] NO (needed prior to operation of R 14 ???)	TBD	[ALIGOOD/LEEFER] - Estimated start of negotiations [??] - Execute long term water service contract [????]	[ALIGOOD/LEEFER] UNKNOWN ????	Reclamation requires this agreement to be in place to assure water will be delivered to the NN.
13 Financial Assistance Agreement with Navajo Nation [EHAT/LEEFER]	BOR/NN	Yes (Needed prior to construction of R 25 & 26)	8/15/11???	[EHAT/LEEFER] - initial draft provided by BOR [6/24] - BOR decision regarding appropriate agreement [7/4/??] - Final draft complete [7/22/??] - BOR NEPA Compliance [7/29/??] - Execute agreement [8/15/??]	BOR preparing initial draft and pursuing appropriate justifications and approvals to enter such an agreement. Concept is to have the NN "retain" title.	Decision is required as to who will design and construct R 25 & 26. BOR is pursuing.

Implementation Lessons Learned

- Appraisal v. Feasibility designs
- Budget Process (The Reclamation Reality)
- Control of documents
- Get organized and become an operational team
 - Project Construction Committee
- Manage the risks
- Identify early organizational needs/participants
- Question other organization and agency involvement
- Plan for other processes
 - Land Acquisition/permits/Section 106/Court
 - NAGPRA/NEPA/Procurement/Accounting/Budget

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