Outline

• Overview of the Arizona Water Settlements Act (AWSA)
  – Background
  – Key features

• Current Activities in the Upper Gila Basin
  – Funding for activities
  – Upper Valley water rights reduction
  – Support for New Mexico decision-making
Legal Background

• Doctrine of Prior Appropriation
  – No one owns water
  – Must be put to beneficial use
  – *First in time, first in right* creates senior and junior appropriators for future use

• Federal Trust Doctrine (Winters vs. US, 1908)
  – Indians have a priority claim to reserved water for future use based on treaties with US, and US has a responsibility to administer and enforce those rights.
    • Federal reserved water rights appurtenant to reservation land
    • Priority date for rights is date of reservation establishment
    • Rights are not lost through nonuse
Benefits to Settlement vs. Litigation

- Addressing water management concerns in affected watersheds
- Settling long-standing disputes
- Enhancing water supply certainty for all parties
Four Settlements in One – Sort of

Title I – Central Arizona Project (CAP) Settlement

Title II – Gila River Indian Community (GRIC) Settlement

Title III – Southern Arizona Water Rights Settlement, Tohono O’odham (TON)

Title IV – Placeholder for the San Carlos Apache Tribe Water Rights Settlement
AWSA – Key Dates

• December 10, 2004 - Public Law 108-451 Signed
• December 14, 2007 – Statement of Findings for Enforceability of CAP, GRIC, & TON Settlements
• January 1, 2010 – Lower Colorado River Basin Development Fund Available for AWSA expenditures
AWSA Title I
Central Arizona Project Settlement

• Reduced Central Arizona Water Conservation District repayment of CAP costs

• Allocation of CAP Water
  – Reallocation of non-Indian Ag Priority Water
    • to AZ Tribes (197,500 AF)
    • To ADWR (96,295 AF)
  – Reallocation of un-contracted Municipal & Industrial Priority Water (65,647)
    • 20 cities and water companies in AZ
AWSA Title I
Central Arizona Project Settlement

- Firming of CAP Indian Water
  - AZ/Secretary of Interior (SOI) will ensure 60,648 AF of Ag priority water is reallocated for 100 years to AZ tribes during shortage at same priority as M&I.
AWSA Title I
Central Arizona Project Settlement

- Lower Colorado River Basin Development Fund – Disbursements began in 2010
  - Funds from CAP repayment & some power revenue used to pay for AWSA activities like
    - Rehab of the San Carlos Irrigation Project (SCIP)
    - New Mexico Unit Fund
    - Gila Valley Irrigation District for potential diversion deficits resulting from a NM water exchange
    - Additional gages for the Gila and tributaries for CUFA
AWSA Title II
GRIC Water Rights Settlement

• Quantification of GRIC water sources
• Reallocation of CAP water to GRIC
• Infrastructure development, operation, maintenance and replacement assistance
• Rehabilitation & operations agreement for Indian and non-Indian portions of the San Carlos Irrigation Project
• Allows GRIC to contract or lease water to users in 10 AZ counties
AWSA Title II
GRIC Water Rights Settlement

• Subsidence Remediation Program
• Reduction of Water Rights on TBI Eligible Acres
  – Payments to Gila Valley and Franklin Irrigation Districts for the acquisition and extinguishment of UV decreed water rights on TBI Eligible Acres
    • Phase I rights to 1st 1000 acres to be acquired by Dec 2011
      – Decision ongoing
    • Phase II rights to 2nd 1000 acres to be retired Dec 2014
AWSA Title II
GRIC Water Rights Settlement

• New Mexico Gila River Exchange
  – Pre-AWSA
    • Gila River Exchange – 18,000 AF annual average
    • Plus 30,000 AF/year if augmented supplies available
    • Authorized Hooker Dam or alternative
  – Reclamation eliminated Hooker Dam based on costs and environmental issues
  – 3 off-stream storage alternatives but recommended use of groundwater until supply not sufficient (Reclamation estimated by 2010)
AWSA Title II
GRIC Water Rights Settlement

• New Mexico – Post – AWSA
  – NM must decide if they wish to divert Gila River water in exchange for CAP water by December 31, 2014.
  – NM can exchange up to an annual average of 14,000 af/yr from Gila/SF Rivers and tributaries
  – Funding provided for a NM Unit or other water utilization alternatives - starting in 2012 for 10 years
  – Up to an additional $62 million is available if NM chooses to construct a Unit for the exchange
AWSA Title II
GRIC Water Rights Settlement

- Consumptive Use & Forbearance Agreement (CUFA)
  - Provides rules by which exchanges will occur
  - The Secretary has dual roles –
    - the authorized diverter with respect to NM
    - the CAP Owner for deliveries to downstream entities
AWSA Title II
GRIC Water Rights Settlement

CUFA Signatories

- Gila River Indian Community
- San Carlos Irrigation & Drainage District
- Secretary of Interior
- Franklin Irrigation District
- Gila Valley Irrigation District
- Phelps Dodge/Freeport McMoRan
- Brown Canal Company
- Curtis Canal Company
- Dodge-Nevada Canal Company
- Fort Thomas Canal Company

- Graham Canal Company
- Highline Canal Company
- Montezuma Canal Company
- San Jose Canal Company
- Smithville Canal Company
- Sunset Canal
- New Model Canal
- Union Canal Company
- Sunset Ditch Company
- New Mexico New Model Community Ditch Association
- Valley Canal Company
AWSA Title II
GRIC Water Rights Settlement

- 2010 Payment to Gila Valley Irrigation District to develop programs or facilities to mitigate the risks of a NM CAP Exchange
- Transfer title to the Blue Ridge Reservoir to Interior for operation of the C.C. Cragin Dam & Reservoir by Salt River Project
  - Dedicates 3500 AF/yr for municipal/industrial use in Northern Gila county
AWSA Title II
GRIC Water Rights Settlement

• Retirement of debt for the Safford Water Reclamation Plant
  – Via Annual payments through 2013
AWSA Title III (SAWRSA)  
Southern AZ Water Rights Settlement

- Amends SAWRSA of 1982 to allow full implementation
- Construct and deliver CAP water to the San Xavier Reservation and the Schuk Toak District
- Complete or pay out the San Xavier New Farm irrigation works – Tribe opted for pay out
- Allows TON to contract or lease CAP water to users
Title IV - San Carlos Apache Tribe Water Rights Settlement

- Preserves the water rights claims of the San Carlos Apache Tribe while settlement negotiations continue
Reclamation’s Role in AWSA Implementation

- Provide oversight/support for the Secretary of Interior
- Manage the Lower Colorado River Basin Development Fund
- Assure Environmental Compliance of Settlement Activities
- Fulfill Reclamation’s Federal Trust Responsibility to the Tribes
Questions?

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