

# **STAFF RECOMMENDATIONS FOR STAKEHOLDER AWSA PROPOSALS**

November 14, 2014

Interstate Stream Commission



# The Arizona Water Settlements Act (AWSA)

- Public Law 108-451 Signed December 10, 2004.
- Amends Colorado River Basin Project Act
- Permits additional average of 14,000 acre-feet/yr consumptive use from Gila Basin.
- Provides up to \$128 million in non-reimbursable federal funding (indexed for inflation)

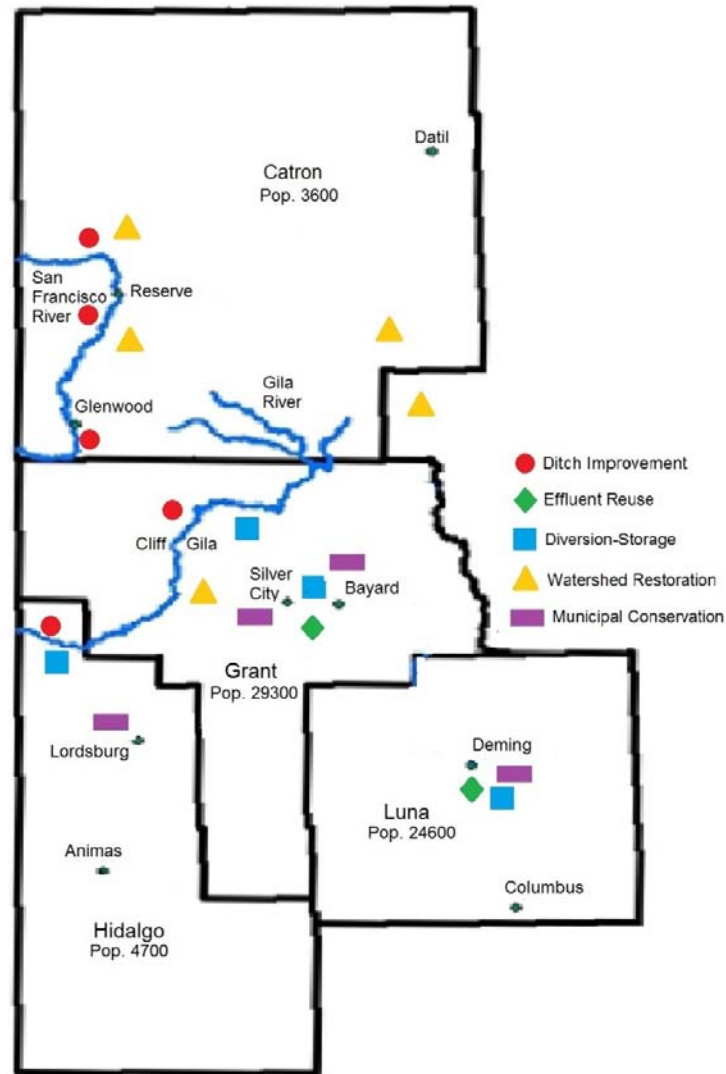
# AWSA Fund

- \$66 million may be used to fund:
  - ▣ a New Mexico Unit to develop AWSA water
  - ▣ water use alternatives (proposals) that will meet water supply demands.
  - ▣ must be expended in four-county region (SW NM).
- \$62 million: only to construct a New Mexico Unit (provided on a construction cost-schedule basis)
- New Mexico must notify Secretary of Interior by 12/31/14 if NM Unit to be constructed.

# Final Proposals

No.	Proponent	Proposal
1	Catron County	Watershed Restoration
2	Catron County	Ditch Improvements
3	City of Deming, Hidalgo County & Gila Basin Irrigation Commission (GBIC)	Combined Diversion & Storage (Southwest Regional Water Supply)
4	City of Deming	Effluent Reuse
5	Gila Basin Irrigation Commission (GBIC)	Irrigation Diversion Structure
6	Gila Conservation Coalition	Municipal Conservation Fund
7	Gila National Forest (USFS)	Watershed Restoration
8	Grant County	Recreational Reservoir
9	Grant County Water Commission (GCWC)	Wellfield & Pipeline
10	Grant Soil & Water Conservation District (GWSCD)	Watershed Restoration
11	New Mexico Forest Industries Association (NMFIA)	Watershed Restoration
12	New Mexico State University	Watershed Restoration
13	Pleasanton East-side Ditch Company	Ditch Improvements
14	Sunset and New Mexico New Model Canals	Ditch Improvements
15	1892 Luna Irrigation Ditch Association	Ditch Improvements

# Locations of 15 Proposals



# Proposals' Evaluations

- Staff used the following methods for constructing decision matrices:
  - ▣ Choosing By Advantages (CBA by Importance)
  - ▣ Choosing By Advantages (CBA with importance-cost ratios)
  - ▣ CBA as modified by ISC to best reflect ISC Gila Policy
  - ▣ Multi-Criteria Decision-Making (MCDM)

# Proposals' Evaluations

- Staff also considered:
  - ▣ Rankings by benefit-cost ratios from Reclamation and Harvey Economics
  - ▣ Rankings by the Gila San Francisco Water Commission
  - ▣ All data and information from studies and investigations, stakeholder input, and public comments over the past 10 years

# Proposals' Evaluations

- Staff calculated median and mean values, and ranked the proposals on the median-first, mean-second basis.
- Because water yield could not be estimated, watershed proposals could not be included in matrices.
- Watershed proposals were nevertheless still considered for funding.





# 1. Gila Conservation Coalition's Municipal Water Conservation Fund

- **Recommended Funding: \$1.5 million**
- Funding provided on reimbursement basis.
- Conservation projects qualified by the OSE Water Use and Conservation Bureau.
- Funding terminates no later than Fiscal Year 2020.
- Municipalities may apply for grants and loans from other sources (Water Project Fund, etc.).

# 1. Gila Conservation Coalition's Municipal Water Conservation Fund

- Participants to keep data for five years.
- Funds to be matched with 30% local cash contribution.
- Local contribution not to include administrative costs.

## 2. SOUTHWEST REGIONAL WATER SUPPLY

- **Recommended Funding: To be determined**
  - ▣ The Commission notify the SOI by December 31 that New Mexico intends to pursue construction of a New Mexico Unit to develop AWSA water.
  - ▣ Investigate project phasing

## 2. SOUTHWEST REGIONAL WATER SUPPLY

- Staff recommends Commission direct staff to:
  - ▣ Investigate financing
  - ▣ Investigate creation of New Mexico CAP Entity
  - ▣ Begin 30% engineering design
  - ▣ Coordinate with Reclamation to begin NEPA process
  - ▣ Conduct additional studies as required

# 3. Gila Basin Irrigation Commission (Irrigation Diversion Structure)

- **Recommended Funding: \$750,000**
- Plus prioritize \$150,000 from the ISC Acequia Program (one per year from SW NM)
- Additional funding to be obtained through:
  - local contributions
  - state restoration programs
  - NRCS EQIP Program
  - ISC loans
- Benefits water users and environment

## 4. Catron County Ditches

- **Recommended Funding: \$500,000 (for improved diversions construction only)**
- Plus prioritize \$150,000 from the ISC Acequia Program (one ditch in SW NM per year)
- Additional funding to be obtained through:
  - ▣ local contributions (minimum 10%)
  - ▣ state restoration programs
  - ▣ NRCS EQIP Program
  - ▣ ISC loans

## 5. Deming Effluent Reuse

- **Recommended Funding: \$1.75 million**
- 50% of the design and construction cost.
- Proven, effective conservation method.
- Seek other funding such as WTB, Municipal Conservation Fund, etc.



## 6. Grant County Reservoir

- **Recommended Funding: To be determined**
- Would greatly enhance local economies.
- Dependent upon construction of the Southwest Regional Water Supply.
- Staff recommends that the Commission direct staff to continue studying combination of Grant County Reservoir and SWRWS.

# 7. Pleasanton East-side Ditch

- **Recommended Funding: \$50,000**
- Plus prioritize \$150,000 from the ISC Acequia Program (one ditch in SW NM per year)
- Additional funding to be obtained through:
  - local contributions
  - state restoration programs
  - NRCS EQIP Program
  - ISC loans

# 8. Sunset & New Model Canals

- **Recommended Funding: \$100,000**
- Plus prioritize \$150,000 from the ISC Acequia Program (one ditch in SW NM per year)
- Additional funding to be obtained through:
  - local contributions
  - state restoration programs
  - NRCS EQIP Program
  - ISC loans

# 9. GCWC Wellfield & Pipeline

- **Recommended Funding: \$2.1 million**
- Most recommended in NM 1<sup>st</sup> Gila Town Hall.
- Funding is ~70% of the design and construction cost to deliver water to Hurley.
- Hurley has no water rights.
- Hurley's agreement with FMI expires in 2018.
- Staff recommends that the Commission require Silver City to convey title to well field water rights to Hurley.

# 10. 1892 Luna Irrigation Ditch

- **Recommended Funding: \$100,000**
- Plus prioritize \$150,000 from the ISC Acequia Program (one ditch in SW NM per year)
- Benefits water users and environment.
- Additional funding to be obtained through:
  - ▣ local contributions
  - ▣ state restoration programs
  - ▣ NRCS EQIP Program
  - ▣ ISC loans

# 11. Watershed Proposals

- **Recommended Funding: up to \$1 million**
- As a one-to-one match of the total combined local, state, and federal contributions.
- for a well-monitored 10-year watershed study in the Gila Basin to:
  - quantify water yield and
  - determine potential environmental benefits

# 11. Watershed Proposals

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- A steering committee to develop the study:
  - Watershed proposal proponents, ISC, NM Watershed Institute, NMED, EMNRD.
  - Must accurately monitor water yield.
- All members must contribute matching funds.

# Conclusion

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- Staff recommends allocating up to \$7.85 million from the New Mexico Unit Fund.
- Staff recommends giving highest priority to sending notice to SOI that New Mexico intends to construct the New Mexico Unit.
- Staff requests Commission approval to contract for additional legal services up to \$500,000.



# Conclusion

- Staff recommended no project for full funding as local stakeholders should share in costs.
- Proponents are encouraged to seek additional funding from other state and federal programs such as:
  - ▣ NRCS, Desert LCC & WaterSMART programs, Colonias Infrastructure Project Fund, Water Trust Board, ISC Acequia Program & Loans, River Stewardship Program, etc.