ATTACHMENT C

Resolution of the Resources Committee of the Navajo Nation Council

RCMA-16-02

RESOLUTION
OF THE RESOURCES COMMITTEE
OF THE NAVAJO NATION COUNCIL

Supporting the Selection of the San Juan River (PNM) Alternative as the Preferred Alternative for the Navajo-Gallup Water Supply Project

WHEREAS:

1. Pursuant to 2 N.N.C. § 693, the Resources Committee of the Navajo Nation Council is charged with "insuring the optimum utilization of all resources of the Navajo Nation and to protect the rights, and interests and freedoms of the Navajo Nation and People"; and

2. Pursuant to 2 N.N.C. § 695 (B) (14), the Resources Committee of the Navajo Nation Council is the legislative oversight authority for the Division of Natural Resources, including the Department of Water Resources; and

3. As acknowledged in Section 101 of the Navajo Nation Water Code, 22 N.N.C. Section 1101, the water resources of the Navajo Nation are essential to provide a permanent homeland for the Navajo People; and protection of such water resources is essential in order to protect the health, the welfare and the economic security of the citizens of the Navajo Nation; and

4. The Navajo Nation and the City of Gallup have severe water quality and supply problems; and

5. During the Congressional Hearings for the proposed Navajo Indian Irrigation Project (NIIP), the New Mexico State Engineer testified that NIIP would be part of the regional water infrastructure intended to provide water from Navajo Dam to Navajo Communities in the northwest New Mexico and to the City of Gallup (Hearings before the Subcommittee on Irrigation and Reclamation of the Committee on Interior and Insular Affairs, S.3648, July 9 and 10, 1958); and

6. Public Law 87-483, 76 Stat. 96 (1962), authorized the construction of the Navajo Indian Irrigation Project and authorized the use of NIIP facilities for municipal purposes, thereby recognizing the need for additional water to be developed for municipal purposes within the Navajo Nation; and

7. In the 1960's, the U.S. Bureau of Reclamation first considered a water pipeline project that would bring water to Navajo Communities in northwest New Mexico and to the City of Gallup, and the Bureau was authorized under Public Law 92-199 (approved December 15, 1971) to conduct feasibility studies for such a project; and

8. In 1984, the U.S. Bureau of Reclamation completed a draft Environmental Impact Statement for the Gallup-Navajo Indian Water Supply Project (EIS) which evaluated three alternative routes for a water pipeline and recommended a route parallel to Highway 666; and

9. Following public hearings in 1984 and 1985, the Navajo Nation recommended reformulation of the project to serve additional communities along Highway 371, and a revised EIS in 1985 supported the recommendation of the route along Highway 371; and

10. By letter of March 5, 1992 (attached as Exhibit "A") from Navajo Nation Vice President Marshall Plummer to Gallup Mayor George Galanis, the Navajo Nation agreed to join the City of Gallup in further discussions to evaluate the project; and

11. In 1992, discussions commenced between technical staff from the Navajo Nation Department of Water Resources and the City of Gallup to further evaluate the project; and

12. In 1992, Congress authorized $300,000 for a preliminary reassessment of the pipeline by the U.S. Bureau of Reclamation, and in subsequent years, Congress has authorized additional funding to develop a project definition, conduct a biological assessment, and provide an assessment of alternatives; and

13. In 1995, the Navajo Nation entered into Cooperative Agreement No. 5-FC-40-17490, authorized by IGR-190-95 and RCAU-205-95, with the U.S. Bureau of Reclamation to engage in public meetings and technical studies related to the project; and

14. As a result of the public meetings, seventeen (17) chapters within the preliminary project area, including Burnham, Becenti, Coyote Canyon, Crownpoint, Dalton Pass, Nageezi, Whitehorse Lake, Mexican Springs, St. Michaels, Tseyatoh, Huerfano, Lake Valley, Pueblo Pintado, Standing Rock, Twin Lakes, Whiterock, Fort Defiance, Tohatchi, and Naschitti, approved continued planning for the project; and

15. By letter of February 15, 1996 (attached as Exhibit "B"), Navajo Area Director Wilson Barber committed the U.S. Bureau of Indian Affairs to serve as the lead agency for consultation with the Fish and Wildlife Service concerning compliance with the requirements of the Endangered Species Act, and directed the U.S. Bureau of Indian Affairs-Navajo Indian Irrigation Project Office to initiate this consultation as quickly as possible; and

16. On October 7, 1996, the Resources Committee of the Navajo Nation Council directed the staffs of the Navajo Department of Justice and Water Resources to prepare a memorandum of agreement with the City of Gallup that protects the Navajo Nation's interests; and

17. By letter of April 11, 1997 (attached as Exhibit "C"), Navajo Nation President Albert Hale committed the Navajo Nation to continue its cooperative efforts and to prepare a memorandum of agreement with the City of Gallup that protects the Navajo Nation's interests while providing the City with adequate assurances of meaningful project participation; and

18. On April 17, 1998, George Galanis, the Mayor of the City of Gallup, and Thomas Atcitty, President of the Navajo Nation, signed an agreement to cooperate on the planning for the Navajo-Gallup Water Supply Project (agreement attached as Exhibit "D"); and

19. By letter of August 5, 1998, Navajo Nation President Milton Bluehouse to New Mexico Senator Pete Domenici (attached as Exhibit "E"), the Navajo Nation expressed its support for the completion of the Final Plan Report for the Navajo-Gallup Water Supply Project and the completion of the necessary National Environmental Protection Act and Endangered Species Act compliance activities; and

20. By letter of March 2, 1999, from Navajo Nation President Kelsey Begaye to Senator Domenici (attached as Exhibit "F"), the Navajo Nation expressed its continued support for the completion of the Final Plan Report for the Navajo-Gallup Water Supply Project and the completion of the necessary National Environmental Protection Act and Endangered Species Act compliance activities; and

21. As a result of that planning process, in January 2002, the Bureau of Reclamation completed appraisal level designs and cost estimates for six Project alternatives including the San Juan River (PNM) Alternative which is made up of two separate lateral systems, the San Juan Lateral and the Cutter Lateral; and

22. The San Juan Lateral would divert water from the San Juan River upstream from Shiprock, New Mexico at, or near, the existing Public Service Company of New Mexico (PNM) diversion structure, and treat and deliver the water west along Highway N36 and south along U.S. Highway 666 to communities in the western portion of the Navajo Nation and the City of Gallup, and the Cutter Lateral would obtain water from the NIIP system from the existing Cutter Reservoir, and treat and deliver the water south to communities in the eastern portion of the Navajo Nation and the Jicarilla Apache Nation; and

23. In compliance with the National Environmental Protection Act, the Bureau of Reclamation, the City of Gallup and the Navajo Nation developed an Alternative Selection Criteria that included: (a) capital cost per acre-foot; (b) operation, maintenance, and replacement cost per acre-foot; (c) impacts on endangered species; (d) other environmental impacts; (e) water quality; (f) socioeconomic impacts; (g) acceptability; and (h) risk; and

24. Based on the Alternative Selection Criteria, the San Juan River (PNM) Alternative is the preferred alternative, and as such will be a candidate for further detailed design and cost estimates, and for investigation of environmental impacts; and

25. At the Resources Committee meeting held on January 22, 2002, the Department of Water Resources was directed to develop a resolution for the Committee's consideration concerning the preferred option for the project (letter attached as Exhibit "G"); and

26. The Resources Committee of the Navajo Nation Council, having been fully briefed on the various alternatives for the proposed Navajo-Gallup Water Supply Project, determines that the San Juan River (PNM) Alternative (shown in Map attached as Exhibit "H"), provides the most optimal use of the resources of the Navajo Nation and is in the best interests of the Navajo Nation and its members.

NOW THEREFORE BE IT RESOLVED THAT:

The Resources Committee of the Navajo Nation Council, having been fully briefed on the various alternatives for the proposed Navajo-Gallup Water Supply Project, supports the selection of the San Juan River (PNM) Alternative as the preferred alternative for the Navajo-Gallup Water Supply.

CERTIFICATION

I hereby certify that the foregoing resolution was duly considered by the Resources Committee of the Navajo Nation Council at a duly called meeting at Window Rock, Navajo Nation (Arizona), at which a quorum was present and that same was passed by a vote of 4 in favor, 0 opposed and 0 abstained, this 25th day of March, 2002.

Elmer L. Milford
Chairperson Pro Tem
Resources Committee

Motion: Jack Colorado
Second: Herman Daniels

Exhibit A	March 5, 1992 letter from Marshal Plummer to George Galanis
Exhibit B	February 15, 1996 letter from Wilson Barber to Albert Hale
Exhibit C	April 11, 1997 letter from Albert Hale to Senator Domenici
Exhibit D	Memorandum of Agreement Between the Navajo Nation and the City of Gallup to Cooperate on the Navajo-Gallup Water Supply Project
Exhibit E	August 5, 1998 letter from Milton Bluehouse, Sr. to Senator Domenici
Exhibit F	March 2, 1999 letter from Kelsey Begaye to Senator Domenici
Exhibit G	George Arthur directive
Exhibit H	Map of San Juan River (PNM) Alternative

NAVAJO
NATION
P. O. DRAWER 308 • WINDOW ROCK, ARIZONA 86515 • (602) 871-(

PETERSON ZAH
PRESIDENT

MARSHALL PLU
VICE PRESIDE

March 5, 1992

George Galanis, Mayor
City of Gallup
P.O. Box 1270
Gallup, New Mexico 87305

RE: Proposed Gallup/Navajo Waterline

Dear Mayor Galanis:

On behalf of the Navajo Nation, please consider this letter as our support for the proposed Gallup/Navajo Water Pipeline. The proposed water pipeline would help to satisfy the basic domestic water needs of our people and the necessary infrastructure for economic development for both the Navajo Nation and the City of Gallup.

The Navajo Nation fully supports this project and intends to actively participate in this initiative. We look forward to a cooperative relationship with you on this mutual concern.

Sincerely,

THE NAVAJO NATION

Marshall Plummer
Vice President

cc: Peterson Zah, President
THE NAVAJO NATION
Charley John, Chief Executive Administrator
OFFICE OF THE PRESIDENT/VICE PRESIDENT

United States Department of the Interior
BUREAU OF INDIAN AFFAIRS
P.O. Box 1060
Gallup, New Mexico 87305

IN REPLY REFER TO:

FEB 15 1996

Mr. Albert A. Hale

President, The Navajo Nation

RE: Request for BIA to Initiate Section 7 Consultation For Navajo-Gallup Pipeline Project

Dear Mr. Hale:

I am in receipt of your letter requesting BIA to be the lead agency in the Section 7 Consultation with US Fish and Wildlife Service on the Navajo-Gallup Pipeline Project. I am granting this request and I am assigning that task to NIIP. NIIP has the expertise to get the job done and presently has ongoing consultations that will fit nicely with this project. I have instructed them to initiate formal consultation as quickly as possible so as to establish the date of initiation of section 7 consultation.

If you have any questions, please contact Bob Krakow, Project Manager at NIIP at 505-325-1864.

Sincerely,

William Barbrazo

Area Director

THE NAVAJO NATION

P.O. Box 9000 • Window Rock, Arizona 86515 • (520) 871-6000

ALBERT A. HALE
PRESIDENT

THOMAS E. ATC
VICE PRESIDE

EXHIBIT C

April 11, 1997

Hon. Pete V. Domenici
United States Senator
SD-427 Dirksen Senate Office Building
Washington, DC 20510-3101

Dear Senator Domenici:

I am writing to express my appreciation for your past support of funding for the Bureau of Reclamation to conduct feasibility studies for the proposed Navajo-Gallup Pipeline. Your support for the continued funding of this project is requested. I understand that Patricia Lundstrum, Executive Director, Northwest New Mexico Council of Governments, will meet with you on April 14, 1997 to discuss this matter and to provide you with a proposed budget for FY'98. In order for this project to continue moving forward, it is necessary that the Bureau receive funding to conduct the preliminary studies that will lead to a successful Section 7 consultation with the U.S. Fish and Wildlife Service. This will require an extensive effort to identify conservation measures that the Service will view as "reasonable and prudent" to offset the anticipated water depletion impacts attributable to the pipeline. It is likely that this effort will require an additional commitment of funding beyond the levels in the proposed budget.

I am also writing to convey support for the continued cooperative efforts of the Navajo Nation and the City of Gallup to make this project a reality. The Navajo Nation is presently preparing a Memorandum of Agreement that protects the Nation's interests in the San Juan River Basin while providing the City of Gallup with adequate assurances of meaningful project participation.

This project would provide a vital supply of water to Navajo communities in northwest New Mexico and to the City of Gallup. As such, I consider this project to be a critical component of the Navajo Nation's water claim in the San Juan River Basin. Accordingly, I have requested Stanley Pollack, the Navajo Nation's water rights counsel, to accompany Ms. Lundstrum at this meeting as my representative.

Sincerely,

THE NAVAJO NATION

EXHIBIT D

MEMORANDUM OF AGREEMENT

Between the Navajo Nation and the City of Gallup
To Cooperate on the Navajo-Gallup Water Supply Project.

WHEREAS:

1. The Navajo Nation and the City of Gallup have severe water quality and water quantity problems; and

2. During the Congressional Hearings for the proposed Navajo Indian Irrigation Project (NIIP), the New Mexico State Engineer testified that NIIP would be part of the regional water infrastructure intended to provide water from Navajo Dam to Navajo Communities in northwest New Mexico and to the City of Gallup (Hearings before the Subcommittee on Irrigation and Reclamation of the Committee on Interior and Insular Affairs, S. 3648, July 9 and 10, 1958); and

3. In the 1960's, the Bureau of Reclamation first considered a water pipeline project that would bring water to Navajo Communities in northwest New Mexico and to the City of Gallup, and the Bureau was authorized under Public Law 92-199 (approved December 15, 1971) to conduct feasibility studies for such a project; and

4. In 1984, the Bureau of Reclamation completed a draft Environmental Impact Statement for the proposed Gallup-Navajo Indian Water Supply Project which evaluated three alternative routes for a water pipeline and recommended a route parallel to Highway 666; and

5. Following public hearings in 1984 and 1985, the Navajo Nation recommended reformulation of the project to serve additional communities along Highway 371, and a revised EIS in 1985 supported the recommendation of the route along Highway 371; and

6. By letter of March 5, 1992 from Navajo Nation Vice President Marshall Plummer to Gallup Mayor George Galanis, the Navajo Nation agreed to join the City of Gallup in further discussions to evaluate the project; and

7. In 1992, discussions commenced between technical staff from the Navajo Nation and the City of Gallup to further evaluate the project; and

8. In 1992, Congress authorized $300,000 for a preliminary reassessment of the project by the Bureau of Reclamation, and in subsequent years, Congress has authorized additional funding to develop a project definition, conduct a biological assessment, and provide an assessment of alternatives; and

9. In 1995, the Navajo Nation entered into Cooperative Agreement No. 5-FC-40-17490 (authorized by RCAU-205-95 and IGRS-190-95) with the Bureau of Reclamation to engage in public meetings and technical studies related to the project; and

10. Seventeen Chapters within the preliminary project area, including Burnham, Becenti, Coyote Canyon, Crownpoint, Dalton Pass, Nageezi, Whitehorse Lake, Mexican Springs, St. Michaels, Tseyatoh, Huerfano, Lake Valley, Pueblo Pintado, Standing Rock, Twin Lakes, Whiterock, Fort Defiance, Tohatchi, and Naschitti have approved continued planning for the project; and

11. By letter of February 15, 1996 Navajo Area Director Wilson Barber, committed the Bureau of Indian Affairs to serve as the lead agency for consultation with the Fish and Wildlife Service concerning compliance with the requirements of the Endangered Species Act, and directed the Bureau of Indian Affairs-Navajo Indian Irrigation Project Office to initiate this consultation as quickly as possible.

NOW, THEREFORE, THE CITY OF GALLUP AND THE NAVAJO NATION AGREE THAT:

1. A cooperative effort by the Navajo Nation and the City of Gallup (the Parties) to proceed with the planning and development of the Navajo-Gallup Water Supply Project is in the best interests of the Parties; and

2. The Parties are committed to a project that will work conjunctively with the Navajo Indian Irrigation Project and will otherwise be developed in a manner that is consistent with the water rights of the parties; and

3. The Parties are committed to a project that will result in a fair and equitable distribution of project water between the City of Gallup and the Navajo communities; and

4. The Parties are committed to cooperatively investigate all viable alternative project configurations, including a pipeline from the San Juan River; and

5. In order to ensure that the project will be in compliance with the requirements of the Endangered Species Act, the Parties support commitment of the Bureau of Indian Affairs to engage in consultation with the Fish and Wildlife Service as quickly as possible; and

6. The Parties will work together to resolve issues affecting the implementation of the Project; and

7. The planning efforts between the Navajo Nation and the City of Gallup will be voluntary and are without prejudice to any position either party may assert in the San Juan River General Stream Adjudication, or in any other matter concerning the water resources of the Parties.

This Memorandum of Agreement was executed on this 17th day of April, 1998.

THE NAVAJO NATION

Thomas E. Atsitty, President

THE CITY OF GALLUP

George Galanis, Mayor

THE
NAVAJO
NATION

P.O. Box 9000 • WINDOW ROCK, ARIZONA 86515 • (520) 871-60

MILTON BLUEHOUSE, SR.
PRESIDENT

EXHIBIT E

AUG - 5 1998

The Honorable Pete V. Domenici
328 Hart Senate Office Building
Washington, DC 20510-3101

RE: Navajo-Gallup Water Supply Project

Dear Senator Domenici:

The Navajo Nation appreciates your past and continued support for the Navajo-Gallup Water Supply Project. I am writing to request your support to maintain the full level of funding for this project when the Senate-House Conference considers the FY 1999 Energy and Water Development Appropriation bill. The Senate recommended $150,000 but the House zeroed out the funding for this project.

The Navajo-Gallup Water Supply Project, when complete, will deliver water to the City of Gallup and to Navajo communities in northwest New Mexico primarily for municipal, domestic and commercial uses. The proposed project is designed to meet most of the projected regional water demands through the year 2040. The project design is now sufficiently developed to enable the Bureau of Indian Affairs to commence formal consultation with the U.S. Fish and Wildlife Service concerning possible impacts on endangered species. It is anticipated that the Service will require "reasonable and prudent alternatives" to be developed to mitigate the impacts on endangered fish resulting from river depletions attributable to the project. The FY 1999 funds will support the efforts of the parties to evaluate appropriate mitigation measures so that the consultation will be a success. Any reduction in funding for the project will seriously hinder and delay our efforts to satisfy the necessary environmental compliance requirements.

You should be aware that the Navajo Nation, the City of Gallup, the Northwest New Mexico Council of Governments, the Bureaus of Indian Affairs and Reclamation, together with Navajo Agricultural Products Industry, have continued their efforts to develop alternative project configurations that will satisfy the requirements of the Endangered Species Act. This past April, President Atcitty and Mayor Galanis executed a Memorandum of Agreement on behalf of the Navajo Nation and the City of Gallup to formalize the collaborative effort between the project beneficiaries. Notwithstanding past and possible future changes in the administration in Window Rock, you can be assured that the Navajo Nation is committed to this project.

Once again, thank you for your commitment to and continued support for this project. We look forward to working with you to make this project a reality.

Sincerely,

THE NAVAJO NATION

Milton Bluehouse, Sr.
President

THE
NAVAJO
NATION

P.O. Box 9000 • WINDOW ROCK, ARIZONA 86515 • (520) 871-6

KELSEY A. BEGAYE
PRESIDENT

TAYLOR McKEN
VICE

EXHIBIT F

March 2, 1999

The Honorable Pete V. Domenici
328 Hart Senate Office Building
Washington, DC 20510-3101

RE: Navajo-Gallup Water Supply Project

Dear Senator Domenici:

By letter of August 5, 1998, my predecessor, President Milton Bluehouse, affirmed the commitment of the Navajo Nation to and our appreciation for your past support of the Navajo-Gallup Water Supply Project. By this letter, I am writing to reaffirm our commitment to this project and to once again request your support to ensure the funding levels necessary to keep this project viable.

The Northwest New Mexico Council of Governments (COG) has been instrumental in keeping this project on-track and has helped to facilitate a greater dialogue between the Navajo Nation and the City of Gallup. The COG has drafted a Legislative Proposal to establish a line item in the Bureau of Reclamation's budget to fund the completion of the Final Plan Report for this project and to complete the necessary NEPA and Endangered Species Act compliance activities. The COG is requesting $300,000 in FY 2000 and $450,000 in FY 2001 for the Bureau.

Please consider this letter as an expression of the Navajo Nation's support for the COG's Legislative Proposal. Once again, we ask for your continued support for and commitment to this project. We look forward to working with you to make this project a reality.

Sincerely,

THE NAVAJO NATION

Kelsey A. Begaye
President

EXHIBIT G

The Legislative Branch
The Navajo Nation

Edward T.
Speaker of the Navajo Nation C

FEB 2002
Received
Department of
Water Resources

MEMORANDUM

TO : Arvin Trujillo, Executive Director
Division of Natural Resources

Johnnie Francis, Director
Department of Water Resources
Division of Natural Resources

2/19/02

FROM :

George Arthur, Chairman
Resources Committee

DATE : February 12, 2002

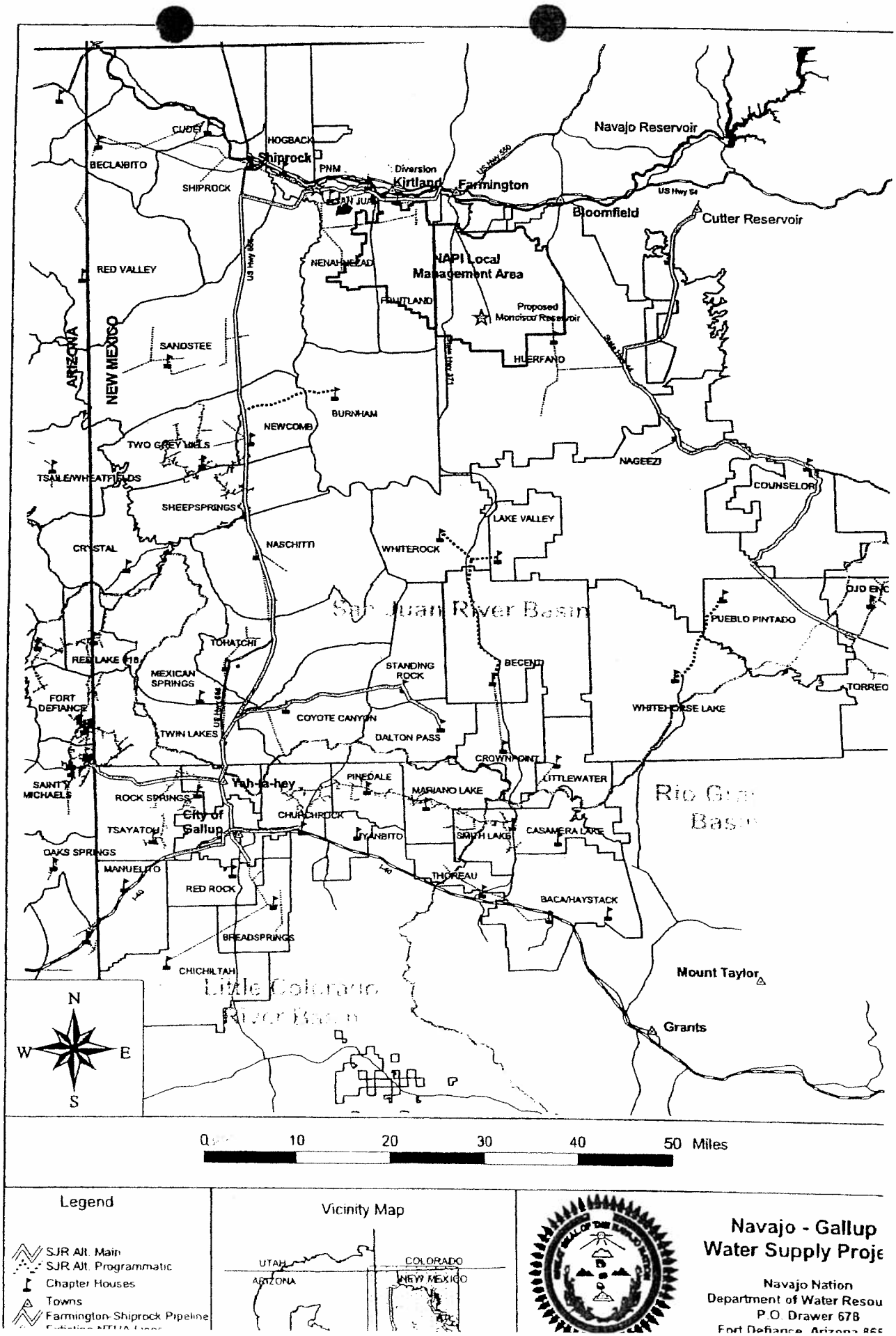
SUBJECT : **Directive – Navajo Gallup Water Supply Project**

The Resources Committee at their meeting held on January 22, 2002, directed the Department of Water Resources to develop a position statement concerning the preferred option for the Project along with a resolution for the Committee's consideration. Please provide the resolution for the Committee's consideration at their first regular meeting on March 14, 2002.

This directive was issued in response to concerns raised by Committee members when the Water Resources staff presented their report to the Committee. Thank you for your immediate attention to this matter.

Members, Resources Committee

EXHIBIT H



Navajo Reservoir
Cutter Reservoir
Shiprock
Kirtland
Farmington
Bloomfield
NAPI Local Management Area
Proposed Moncisco Reservoir
Diversion
PNM
HOGBACK
CUDEI
BECLAIBITO
SHIPROCK
RED VALLEY
NENAHNEZAD
FRUITLAND
HUERFANO
SANDSTEE
ARIZONA
NEW MEXICO
BURNHAM
NEWCOMB
TWO GREY HILLS
TSAILE/WHEATFIELDS
SHEEPSPRINGS
NAGEEZI
COUNSELOR
LAKE VALLEY
CRYSTAL
NASCHITTI
WHITEROCK
San Juan River Basin
PUEBLO PINTADO
TOHATCHI
RED LAKE
MEXICAN SPRINGS
STANDING ROCK
BECENTI
FORT DEFIANCE
COYOTE CANYON
WHITEHORSE LAKE
TWIN LAKES
DALTON PASS
CROWNPOINT
LITTLEWATER
SAINT MICHAELS
Yah-ta-hey
PINEDALE
MARIANO LAKE
ROCK SPRINGS
City of Gallup
CHURCHROCK
TSAYATOH
YANBITO
SMITH LAKE
CASAMERA LAKE
OAKS SPRINGS
MANUELITO
THOREAU
RED ROCK
BACA/HAYSTACK
BREADSPRINGS
CHICHILTAH
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Mount Taylor
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SJR Alt. Programmatic
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Towns
Farmington-Shiprock Pipeline
Vicinity Map
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ARIZONA
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