

Comment PH-01

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NAVAJO-GALLUP WATER SUPPLY PROJECT

5

PLANNING REPORT

6

AND

7

DRAFT ENVIRONMENTAL IMPACT STATEMENT

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11

PUBLIC HEARING

12

May 22, 2007

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University of New Mexico, Gallup Campus

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Calvin Hall, Room 248

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200 College Drive

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Gallup, New Mexico

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23 REPORTED BY:

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Albuquerque, New Mexico 87110

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1 MEMBERS OF THE PANEL

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Susannah Thomas, Hearing Officer, United States
Department of the Interior, Office of the Field
Solicitor, Salt Lake City, Utah

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Rege Leach, Bureau of Reclamation Project Team Leader,
Western Colorado Area Office, Durango, Colorado

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6

Carol DeAngelis, Bureau of Reclamation Area Manager,
Western Colorado Area Office, Grand Junction,
Colorado

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John Cawley, Supervisory Engineer, BIA Western Water
Rights Office, Albuquerque, New Mexico

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Michael Benson, Navajo Nation, Department of Water
Resources

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Joanna Austin-Manygoats, Interpreter

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1 TUESDAY, MAY 22, 2007, 6:15 P.M.

2 MS. LUNDSTROM: Good evening. I think we're
3 going to go ahead and start this evening, and I'd like to
4 welcome everyone here to our meeting. I'll introduce
5 myself quickly. I'm Patty Lundstrom, and I am executive
6 director of the Northwest New Mexico Council of
7 Governments.

8 I also serve as a member of the New Mexico House.
9 I represent House District 9; and in the last, gosh, I'd
10 say 10 to 12 years, I've served as the steering committee
11 chair for the Navajo-Gallup Water Supply Project that
12 we're all here to talk about this evening.

13 So it's a special privilege to have all of you
14 here and to have -- I think, Jeff, isn't this our second
15 round of public meetings we've had in the last five, six
16 years, where we go to various communities and we talk
17 about the project and we receive input on the project.

18 But we have some special folks here I would like
19 to take just a moment to introduce to you. I don't want
20 to stand right in front of them. I'd like to introduce
21 first Carol DeAngelis. Carol is from the Western Colorado
22 Area Office. She is the area manager. And that office is
23 actually located in Salt Lake City -- Grand Junction?

24 Jeff, you told me it was Salt Lake, and I wrote
25 it down that way. So, I apologize, Carol. But Grand

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1 Junction. Thank you for being here this evening and
2 spending the evening with us here in Gallup.

3 And Rege Leach is our project team leader also
4 with the same office, except he's out of Durango; and I
5 know that for sure because I've been in his office in
6 Durango.

7 And our hearing officer this evening is Susannah
8 Thomas. She's with our regional solicitor's office. And
9 John Cawley, supervisory engineer for BIA Western Water
10 Rights Office in Albuquerque. Thank you very much for
11 being here this evening with us.

12 Couple of people I'd like to introduce in the
13 audience because it's just my honor to know them and to
14 work with them for such a long time and they are very good
15 friends of mine.

16 And I'm glad he's here this evening, and that's
17 Vice President of the Navajo Nation, Ben Shelly. And I
18 want everybody to recognize Mr. Shelly. We go way back.
19 He served on our Council of Governments Board for a number
20 of years and served in the county commission and is doing
21 a good job in his new position there with Navajo. And
22 we're glad to have you here.

23 We also have a couple of members of the Navajo
24 Water Rights committee. We have the chairman, Ray
25 Gilmore, Judge Gilmore. And in the back we have Ben

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1 Cowboy, Mr. Cowboy. And I don't know that we have any of
2 the other water rights -- oh. Stanley, are you officially
3 on that committee also? Okay. He's shaking his head.
4 He's not on that committee, so.

5 I'm looking for other elected officials here and
6 don't see any at this point, but that doesn't mean we
7 won't have more come in this evening.

8 Again, I'd like to welcome you all to our project
9 briefing. The Bureau of Reclamation has developed this
10 Planning Report and Draft Environmental Statement. I hope
11 everybody has picked up a summary copy out there when you
12 signed in this evening. We'll have the solicitor give us
13 our rules of engagement this evening.

14 And Mike is our timekeeper, I understand. Mike,
15 show them the sign for negative comments and the sign for
16 positive comments. No, not really. No. We really want
17 to hear what you think this evening about the project.

18 And, again, I want to thank all of you for being
19 here this evening. I understand we also have about a
20 30-day window of opportunity for written comments, so it's
21 not over. And, again, thank you. And I turn it over to
22 you, Susannah. Thanks.

23 THE HEARING OFFICER: Again, we'd like to welcome
24 you to this open house. This is a meeting on the proposed
25 Navajo-Gallup Water Supply Project and the Draft

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1 Environmental Impact Statement, which we refer to as the
2 DEIS.

3 If you haven't signed in, there's a sign-in sheet
4 out there. Please be sure to do that before you leave so
5 that you can receive e-mails and other notices.

6 This public meeting and open house is being
7 conducted pursuant to the National Environmental Policy
8 Act. And the purpose of this open house is to hear your
9 comments, thoughts, and views on the proposed project.

10 The representatives of the federal government
11 here today are prepared to take your comments and thoughts
12 back to the decision-makers for this project. And while
13 we are prepared to answer your questions with regard to
14 factual matters, we are not here to engage in discussions
15 about the relative merits of this project or its
16 alternatives as discussed in the NEPA documents.

17 Simply put: We are here to listen.

18 Whether you choose to make your comments orally
19 or provide us your comments in writing, they will both be
20 considered equally. We will address all comments as part
21 of the Final Environmental Impact Statement process, the
22 FEIS.

23 We are aware that there is a connection between
24 the project that is the subject of tonight's meeting and
25 the overall settlement of the Navajo Nation's water rights

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1 claims on the San Juan River.

2 We are also aware that there has been legislation
3 introduced by Senators Bingaman and Domenici that would
4 resolve the water rights settlement in part by authorizing
5 the construction of this project. But at this time, the
6 administration has taken no position with regard to the
7 settlement.

8 And because this open house is about this project
9 and not about the settlement, we ask that you direct any
10 comments or concerns you may have about the overall
11 settlement to your elected officials.

12 We have a person here, Joanna Austin-Manygoats,
13 and she's going to be available to interpret in Navajo for
14 those of you who do not understand English or for those of
15 you who prefer to speak in Navajo. Please let us know now
16 so we can make arrangements. Anybody? Okay. Well, one.
17 We'll be sure to take care of that, then.

18 This meeting we would like to end around
19 9:00 p.m. tonight to get everybody home at a reasonable
20 hour. In order to do that, we ask that you limit your
21 presentation to about 10 minutes. And we have a
22 timekeeper, which has been pointed out to you over here.
23 So we ask that you please observe his time notices.

24 So at this time we would like to proceed in the
25 order of those who signed up on the sign-in sheet to

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1 speak. And we will first hear from elected officials and
2 representatives and then we'll proceed in the order of the
3 people on the list.

4 And before you begin your presentation, if you
5 could please state your name, we would appreciate that.
6 After we hear from comments from those on the list, if
7 time permits, we invite anyone else who would like to come
8 up and present any comments to do so. Also, if you could
9 just come up and state your name, we'd appreciate that.

10 So we will start with Mr. Ben Shelly.

11 STATEMENT BY VICE PRESIDENT BEN SHELLY

01-01

12 MR. SHELLY: Okay. Thank you very much for
13 allowing me to say a few words. Navajo? No. I was just
14 kidding you.

15 I'd just like to get started with my name is Ben
16 Shelly. I am the Vice President of the Navajo Nation, and
17 I'll be representing the President and Vice President of
18 the Offices of the Executive Branch of the Navajo Nation.
19 And my delivery to you would be to partition out the
20 Navajo Nation itself.

21 And I would like to go to that and then after
22 that, if we have the experts on the other matters;
23 anything else we have the attorneys here. We have the
24 water commissioner here that will probably be testifying
25 too.

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1 To establish a position of the Navajo Nation, we
2 have a memorandum that was issued back in April 9th, 2007
3 by the President of the Navajo Nation. I would just like
4 to go ahead and put it in the record that we are in
5 support.

6 It says here that the steps in the Navajo
7 Nation -- the Navajo-Gallup Water Supply Project's
8 Planning Report and Draft Environmental Impact Statement,
9 or Draft EIS for short -- the Draft EIS that was released
10 by the Bureau of Reclamation on March 30th, 2007 allows
11 for 90-day public review. It ends June 28th, 2007.

12 And during this period, we're encouraging all the
13 people that are involved that has any concern about the
14 EIS to express their concern. And the bottom line to that
15 is that we are all hoping that all will express their
16 concern and then their support, support the Navajo-Gallup
17 Water Supply Project.

18 The Navajo-Gallup Water Supply Project has a long
19 history dated back to 1970. At that time, it was a one
20 pipeline discussion. Now, we have two. San Juan Lateral
21 is one now, which is the one that's going to be coming out
22 of Nenahnezad Chapter and it will be coming through 491
23 all the way down to Gallup.

24 The other one is Cutter Lateral, which is up
25 there in the north side of the reservation in San Juan

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1 area, which will be coming out of -- out of the reservoir
2 out of Farmington, the Navajo Dam. It will be going in
3 that direction. So now you have two pipelines that's
4 being under -- in discussion.

5 And, you know, the problem with the water thing
6 is we're all in need of water. And I know the Navajo
7 Nation, the majority of them, are hauling water at this
8 point in time. And that is a big concern to the Navajo
9 Nation itself. And I know Gallup, city of Gallup is also
10 in need of water. We're kind of like a neighboring -- a
11 neighbor -- a neighbor town in the nation, Gallup and also
12 the nation of the Navajo Nation.

13 And we'd just like to say that to completely back
14 up the memorandum by saying that we are in full support.
15 And we're asking everybody to be -- to be stating their
16 concern and then -- and then in the end should be
17 supporting it.

18 It's very important that we do talk about the EIS
19 overall because it really puts a decision -- the
20 decision-makings are made by people like Pete Domenici and
21 others that are out there; and they look up to this
22 report. If it's favorable, they will go ahead and move on
23 that. Those are the way that the system is.

24 So it really comes back down to the people when
25 they express their concern about the EIS. And I'm hoping

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1 own 27,000 acres in and around Gallup. I appreciate the
2 opportunity to speak to you folks tonight. You know, it's
3 great to be able to talk about a win-win situation with
4 this water project.

5 We've got 43 chapters on the Navajo Reservation.
6 Fort Defiance, Saint Michaels, Window Rock, the entire
7 Jicarilla Reservation, and Gallup will all become instant
8 winners with this pipeline project. This is probably one
9 of the greatest partnerships that will ever happen in this
10 area.

11 V22, which is Gallup's new well system, it's
12 going to be a temporary fix. But a combination of water
13 from the San Juan, Twin Lakes, G22, and what's left in the
14 Gallup sandstone will protect us all for generations to
15 come.

16 I've lived in Gallup for 60 years. I can
17 remember this pipeline talk back 45 years ago. That's too
18 long. Please, let us all partner together to make water
19 flow across northwest New Mexico and Arizona. It's not
20 who's right, but it's what's right.

21 Without water, we can't have economic
22 development. If you look at the statistics for Gallup and
23 McKinley County the last four years, the population has
24 decreased. We have had economic development projects
25 because we cannot guarantee a long-term water supply pass

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1 us by for other areas of the state and other areas of the
2 country. I think we all need to look at what the economic
3 development of this project alone means to the entire
4 area.

5 Now, I've been involved in the water talks and
6 town hall meetings. We all get excited. But like our
7 wells, our enthusiasm seems to dry up. We cannot wait
8 until we're backed into a corner. Without this lifeline,
9 the area will go the way of the ancient ones.

10 I hope to see this project completed during my
11 lifetime. It's not can we afford to do this project, but
12 can we afford not to do this project.

13 Thank you all very much.

14 THE HEARING OFFICER: Thank you, Mr. Mraz. The
15 next person we'd like to hear from is Dr. Ron Berg.

16 STATEMENT BY RON BERG

01-03

17 MR. BURKE: Thank you. My name is Ron Berg, and
18 I've been a resident of Gallup for approximately 25
19 years. Business owner here. I'm a chiropractor for the
20 past 20 years. I have a number of children involved in
21 city soccer. And I reflect on that in the water
22 circumstance we find ourselves in. Water is very
23 important to soccer.

24 I would like to speak just briefly as to what I
25 feel the City has done. And I'm not an expert on that,

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1 but I know that there have been conservation efforts and
2 that the cost of water has been raised. There have been
3 programs for rebates for such things as low-flush toilets
4 and so on.

5 They even -- and I've drank some of it, the water
6 that -- they had a program that they will use, as I
7 understand it, if necessary, to treat waste water. And,
8 gee, I've sampled that and it tastes great. But even that
9 alone, my understanding is that the water, that would not
10 be a source sufficient to allow Gallup to continue to
11 exist.

12 When I think of the water situation here in
13 Gallup, I tend -- I'm a real people person; and I tend to
14 think of the people that I know, be they from on the Rez
15 or from here in town. And I'm really proud of Gallup for
16 being the kind of community that not only has a rich
17 history -- and I love history. But it's a town where you
18 don't find jokes about people's race like you do in a lot
19 of places.

20 It's because the moment you say something like
21 that, you're offending that person because inevitably they
22 themselves are married to or have family that are married
23 to an Anglo or a Hispanic or a Navajo or a Zuni. And it's
24 made for a very unique circumstance in my life, at least
25 my experience. And I'm very proud of that.

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1 working, and being related to people in the Navajo
2 Nation. And I personally support the project
3 wholeheartedly.

4 I think it's key to the continued economic
5 viability of the city of Gallup and I think key to the
6 economic viability of the Navajo Nation. And I think
7 those are two distinguishable situations because, of
8 course, the city of Gallup has a lot of businesses, a lot
9 of successful businesses; the Reservation less so.

10 And I think there's a perception out there among
11 people -- it may be anecdotal, but it's there -- that
12 we're an area of the very old and the very young and
13 nothing really in-between.

14 And the reason for that, at least the perception
15 of the reason for that, is that there's nothing here for
16 people, for young people who graduate from high school and
17 college. They'd rather be someplace else, a larger
18 community, a community with a better economy, Albuquerque,
19 Phoenix, Durango.

20 And I don't think there's a coincidence that the
21 communities that people seem to go to are the ones that
22 have viable water sources to continue to expand and
23 develop. People who go to Las Vegas, I don't think
24 there's any denial of the ability of them to have
25 sustainable jobs. And the economy of Las Vegas and

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1 Albuquerque and Phoenix are due to water projects that
2 support in the development in those areas.

3 So I think it's important for this project to
4 create a sustainable and predictable water source instead
5 of relying on aquifers and instead of relying on pickup
6 trucks with large water tanks driving long periods of time
7 with high gas prices just to survive.

8 So I'm reminded of another anecdote. I was in
9 Durango a couple years ago with my wife before our child,
10 who you'll see running around occasionally here. It was a
11 person who clearly, obviously had driven up from Phoenix.
12 And, of course, to get from Phoenix to Durango, the
13 easiest way is to go straight through the Reservation.

14 And he was talking to the bartender at a
15 particular business in Durango. And he said, "Oh, yeah,
16 the Reservation is beautiful, but it's so dry." The
17 perception was there's nothing there. It's just a big
18 nothing in-between two towns with successful economies
19 with supportable water sources.

20 So with that in mind, I again support the idea
21 and the concept and the follow-through. I will say that
22 the city of Gallup is something that, again, will sustain
23 a continuing economic viability. For the Reservation, I
24 think not only will it support the economy, but I think
25 it's also consistent with the federal government's

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1 responsibility to promote the self-government and
2 viability of the Reservation.

3 I think there's a perception out there that
4 living on the Reservation is a choice; that, "Well, you
5 could live anyplace else, so why don't you? It's not
6 really our problem if you don't have water. That's just
7 the way things are. Go to Albuquerque. Go to Phoenix."

8 And I think it's very shortsighted because I
9 think some people can and will tell you there's a strong,
10 spiritual connection to the land and to that society that
11 needs to be recognized if as important and valuable as any
12 other communities, beliefs, and situation.

13 So with that in mind, I again thank you for the
14 opportunity and ask you and the people here and everybody
15 in the community to fully support the project. Thank you.

16 THE HEARING OFFICER: Thank you, Mr. Spruhan.
17 We'd next like to hear from Mr. Mike Daly.

18 STATEMENT BY MIKE DALY

01-05

19 MR. DALY: Good evening, Hearing Officers, Ladies
20 and Gentlemen. I'm a resident of Gallup. I operate a
21 small water system near Gallup. We have -- our water has
22 the salinity of about 12 percent of sea water. And for 30
23 years the people were drinking that.

24 Pretty impoverished community. The average
25 income is about \$14,000 a year per family. And they

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1 weren't buying bottled water because they thought it was
2 stylish. Fortunately, we're using reverse osmosis now,
3 okay. But that's kind of the state of the native water.
4 It's tough.

5 Probably due to a genetic inability to say no,
6 I'm on the city water board and the county water board.
7 They haven't figured me out yet or run me off. I grew up
8 in Los Angeles. And there's a real dreamer out there a
9 century ago. Another engineer, Mulholland. Run a little
10 pipeline, you know, in this valley.

11 Now, people in the valley tell you how terrible
12 it is, but Los Angeles couldn't have run without it. He
13 was sharp enough. The first -- his pipe brought the water
14 down with gravity flow. A decade or two ago, the
15 Department of Water and Power tripled the capacity out of
16 new pipes, and they are pumping their water, okay.

17 But it seemed like a pipe dream a century ago and
18 so necessary. First Los Angeles. Now the Eastern Sierras
19 and the Western Sierras. Now they are looking more
20 hungrily at the Colorado River, okay? But this isn't a
21 pipe dream. This is a reality.

22 Listen, there's a city named Cloudcroft in
23 southern New Mexico which is working to have pretty much
24 direct reuse of wastewater. They just don't have any
25 choice. The City of Gallup's working on the same thing

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1 because we don't really have much of a choice.

2 But with the direct reuse. We're still only
3 going to be able to reuse -- assuming we can do that -- 60
4 percent. The peak demand water supply is supposed to be
5 curtailed in four or five years in the city of Gallup
6 without new sources. I mean, there are some sources, but
7 the people in the neighborhoods where the water is getting
8 drilled aren't necessary really enthused about that,
9 okay?

10 We look at Arizona, the growth that's going
11 there. The growth that's going in Texas. I know there's
12 some people opposing in this project. There are some
13 interests that have valid concerns, and they are not to be
14 ignored. But I think if we look broadly, we see that the
15 Upper Basin Commission supports this project and should be
16 pretty representative of a larger group of people.

17 And I think more important -- well, I don't know
18 more important, but. An extremely important point is we
19 have just 30 percent of a large group of people have to
20 haul their water everyday. They have the privilege of
21 getting 10 to 15 gallons of water a day per person.

22 How would our lives be, how would your life be at
23 15 gallons a day? How would your life be with such
24 inefficiency that you have to go to town to get the
25 water? You wouldn't be as productive. I'm too busy going

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1 to get water to do something else. A horrible waste. And
2 for a whole people.

3 You know, it was U.S. policy until the '50s not
4 even to build roads on the Reservation. So look at the
5 capital cost of this. And I'm going to throw numbers that
6 probably aren't really, but if we assume \$900 million for
7 the cost of this project and a population of about a
8 quarter million people being served, we're getting
9 something like \$12,000 a household for water
10 infrastructure.

11 When you put it in those perspective, that's not
12 a lot of money per family. It is all at once. But, I
13 mean, I would say it is a lot of money on a per capita
14 basis.

15 And I'd like to go a little bit about the cost,
16 and then somebody's got probably something better to say
17 or to talk about. But the cost is I think a quarter -- or
18 three-quarters of a million dollars and looking maybe to
19 be an increase. But designs can be impacted.

20 And we can design it with or without a
21 bureaucracy. We can design it most efficiently, or we can
22 design it most safely. There's a lot of different ways to
23 design. The Bureau of Reclamation, which has worked
24 really hard on this project -- and I don't even want to
25 make a hint at criticism of the Bureau, but they estimated

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1 that the Cutter Lateral is going to cost \$100 million.

2 The Indian Health Service has estimated that same
3 project at \$50 million because they went through value
4 engineering and made some changes. And they are actually
5 constructing a third of that with state moneys for \$17
6 million.

7 I would hope that in looking at this project, we
8 don't just look yes or no, but let's look at a nice,
9 sufficient, cost-effective way to make it work. It isn't
10 free money authorized and having printed in Washington as
11 a free service and delivered to the States. It's real
12 money.

13 But it doesn't -- I don't think it has to cost
14 that much. I think we need to really do the value
15 engineering. We need to look at alternatives and be
16 careful with the construction of things. And, thank you.

17 THE HEARING OFFICER: Thank you, Mr. Daly. Next,
18 we would like to hear from Ms. Gloria Skeet de Cruz.

19 STATEMENT BY GLORIA SKEET DE CRUZ

20 MS. CRUZ: Good evening. My name is Gloria Skeet
21 de Cruz. I'm here representing my chapter community,
22 which is Baáhháalí Chapter, which is south of Gallup. We
23 just recently changed our name to Baáhháalí, which was --
24 formerly used to be Breadsprings.

25 And I've also noticed in the audience -- I don't

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1 see my counterparts from Red Rock or from Chichiltah
2 Chapters. And so all I want to say -- I'm going to keep
3 my comments very brief and very simple -- is that from the
4 Breadsprings community, we really strongly support the
5 Gallup-Navajo Water Project.

6 I think it's really, really important for us to
7 put aside our distrust and our animosity, you know, as
8 Navajo communities who have been dealing with border towns
9 to put that aside and go into one of the greatest
10 partnerships which is addressing this whole water issue
11 not just for the city of Gallup, but for chapter
12 communities.

13 I think that I remember when I first heard about
14 this project, which was probably about eight years ago, a
15 lot of people thought it was just a Gallup project.
16 Because I think there was a lot of emphasis that Gallup
17 was running out of water. And it's only until recent that
18 I heard that chapter communities that surround the Gallup
19 area and in fact this whole region are part of this water
20 project.

21 And I'm very, very pleased to hear that. As a
22 Navajo growing up south of Gallup, I never had running
23 water. As a matter of fact, in my home I just got running
24 water a couple of years ago.

25 And out at the Breadsprings community, and I can

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1 probably speak for Chichiltah and Red Rock, we have a lot
2 of community members who to this day do not have running
3 water. They don't have the basic infrastructure that a
4 lot of people who live in small towns like Gallup have; no
5 electricity, no running water.

6 And so it is our hope that eventually we do know
7 that the Breadsprings, Chichiltah, and Red Rock
8 communities are also part of this plan. And I just want
9 to reassure that, you know, that we do support this and
10 that we want to see those three communities south of
11 Gallup involved with this water partnership.

12 And then just one more thing. You know, water is
13 so, so important. And I just want to echo again what two
14 other speakers said before me, is that we have a lot of
15 our community members hauling water. And these people
16 live below poverty line, and they are paying the highest
17 water bill, paying a lot of money. And then it's
18 compounded with the gas being so expensive.

19 And so our families are really facing a lot of
20 financial hardships. A lot of people are starting to look
21 at how they need to reduce their livestock because they
22 can't afford to be hauling as much water as they used to.

23 So water is very, very important. And I am aware
24 of some of the opponents against this -- this water
25 partnership with Gallup and the Navajo Nation and

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1 Jicarilla. And as I sit here before you, it's okay to be
2 against it, but I think it's also really, really important
3 to know that people here in this community, we need the
4 water. Thank you.

5 THE HEARING OFFICER: Thank you, Ms. Cruz. We'd
6 next like to hear from Mr. Julius Elwood. Is Mr. Elwood
7 here?

8 STATEMENT BY JULIUS ELWOOD

01-07

9 MR. ELWOOD: Good evening, Ladies and Gentlemen.
10 My name is Julius Elwood. I am a resident of the Eastern
11 Agency, specifically the Standing Rock Chapter, which is
12 about 50 miles northeast of Gallup, New Mexico.

13 Recently, I have learned about this project
14 myself, reading about it in the newspaper, et cetera. And
15 last night we were finally -- anyway, this is the first
16 time I've seen this project brought to the chapter, my
17 chapter, specifically.

18 And we were asked to vote on -- on a resolution
19 supporting the Draft EIS. However, when I asked how many
20 of the residents there at the chapter meeting were
21 familiar with the EIS, how many have read the EIS
22 statement, only two members out of approximately 30 that
23 were there actually read and know something about this
24 project.

25 Me, myself, I am in support of water coming to

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1 the Navajo Nation. I have mixed feelings about it,
2 though. I have lived in this area all of my life. When I
3 was young, we hauled water all the way up until I believe
4 my senior year in high school, which was about '89, '90;
5 we finally received runner water. So I have experience
6 both having running water and not having running water.

7 And last night my chapter did express support.
8 The only thing that a lot of the members did not support
9 was why Gallup was a part of this project. A lot of
10 community members felt like what has Gallup ever done for
11 the Navajo Nation, except make a lot of millionaires out
12 of a lot of people that have businesses here in Gallup,
13 New Mexico.

14 As with a lot of border towns, many Navajos go to
15 these border towns and spend their money; and there's no
16 economic -- or very little economic development on the
17 Navajo Nation. And it's kind of ironic when people talk
18 about economic development.

19 For one reason or another, mostly what I hear
20 from what I understand is the reason there's not a lot of
21 economic development on the Reservation is there's so much
22 red tape, like with the BIA, et cetera. And ever since I
23 was young, and throughout my education, I understand the
24 government has made it very difficult for native people to
25 be successful, as far as having businesses and having

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1 economic development and economic success.

2 But border towns seem to be doing very well.

3 Gallup I know has been doing extremely well. Now they are
4 in a crisis and they look to the Navajo Nation for support
5 or for help.

6 And a lot of the older people, younger people
7 like me, we wonder why Gallup's name is in the title and
8 how much of the \$720 million is Gallup going to pay for
9 this project, how much are we going to sell the water to
10 Gallup for?

11 You know, as a Native American, Navajos, you
12 know, I -- I -- you know, it bothers me. The only thing
13 Gallup has ever done is provide alcohol a lot of times,
14 and there's alcohol and a lot of social problems that have
15 been around the city. Very little has been done about
16 it. And they kind of look away and continue to give out
17 liquor licenses.

18 You know, and now it bothers me when people say,
19 "Let's forget about the past, create this beautiful
20 partnership, look toward the future." But, you know,
21 history is very important to me. And the way my people
22 are being treated, have been treated, it bugs me. You
23 know, it's not very easy for me to -- and a lot of
24 Navajos -- to just forgive and forget.

25 A perfect example is the people that live right

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1 across Boardman down here who have been hauling water for
2 years and years and years, the City of Gallup didn't want
3 to give them water because they live on an allotment.
4 Finally, last week -- or a couple weeks ago, they decided
5 to run a water lines over there to help out these Navajos
6 that have been hauling water, you know, right next to the
7 golf course.

8 Why did they finally do that? Because they
9 finally said, "Hey, these Navajos could give us some
10 water. Let's do something good for them." Some public
11 relations kind of stuff. And to me, you know, that -- you
12 know, that just makes me upset.

13 Why didn't they do it before? Just to be, you
14 know -- to be human, you know. To be if somebody's
15 struggling you want to help them somehow. You don't just
16 want to stand there and watch them.

17 So, I have mixed feelings about this. Also, when
18 you talk about economic development, you're talking about
19 Gallup specifically. And I don't know if I support more
20 economic development for Gallup. What that would mean is
21 Gallup will grow and expand and everybody knows what
22 happens when cities get big is they create pollution, they
23 create a lot of waste products, and a lot of other
24 problems arise.

25 And as Navajo Native Americans, we see water as

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1 something that is holy, that we pray to -- pray for, and
2 we hold very dear to our hearts. And just like Mother
3 Earth, we talk about Mother Earth and we pray to Mother
4 Earth and we thank her for providing for us. And for me I
5 don't appreciate my Navajo leaders, et cetera, selling
6 natural resources and creating pollution, creating
7 by-products.

8 As we -- as we all know, people that live around
9 here, we've had a very negative experience with the
10 uranium companies. And we're still dealing with it. This
11 past week in the newspaper, you know, I read about some
12 family that have their -- the soil finally removed from
13 around their houses and within their houses because it's
14 contaminated with radiation.

15 Heck, they've been living in those houses for
16 30-plus years, and now they are finally doing something
17 about it. These people are getting sick, dying left and
18 right. All I see all across the Reservation are dialysis
19 building -- people are going to dialysis. For what?
20 Kidney failure. And the only logical explanation is
21 radiation.

22 My people have been murdered for energy because
23 of what's in Mother Earth, and I don't understand why we
24 still continue to sell our coal and our natural resources
25 for money. And we don't really get paid good market

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1 value. You know, we always make deals and sell our
2 natural resources for a small amount.

3 And I'm afraid that's what's going to happen with
4 this water again, when we're going to sell water to Gallup
5 for probably pennies a gallon. Right now they sell the
6 water right down the road here. My uncle has to haul
7 water everyday. He has to pay like \$5 for a full barrel.

8 Are we going to sell Gallup -- our water for that
9 same amount, or are we going to give them a good deal
10 again? These are the things that a lot of us Navajos
11 living around here are concerned about. And I think we
12 need to be better informed about these projects.

13 And the settlement, what are we settling? I
14 mean, a settlement means you -- you settle something. I
15 mean, what was the original -- what was the original -- if
16 we won the case and without the settlement, what would we
17 get. You know, the details of the settlement nobody seems
18 to know. And we're not informed.

19 All we've been hearing is how Gallup is going to
20 benefit from this project. And to make it look good they
21 throw in Navajo in there as well. And I'd like to know
22 how much Gallup is going to pay for this. I know Navajo
23 Nation is going to pay 570 million, around there. What
24 about Gallup? Thank you.

25 THE HEARING OFFICER: Thank you, Mr. Elwood.

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1 We'd next like to hear from Mr. Larry Winn.

2 STATEMENT BY LARRY WINN

01-08

3 MR. WINN: Good evening, everyone. I'm speaking
4 tonight not as an individual but for the Gallup Water
5 Board.

6 When the previous mayor was elected four years
7 ago, he put an emphasis on water and appointed some task
8 forces to come up with some innovative ideas on what to do
9 on various topics, one of which was water. The task force
10 decided that we would have a town hall, a New Mexico first
11 mediated town hall.

12 We did that. It was a rousing success, I
13 believe. We had lots of Gallup people. We had lots of
14 Navajo Nation people. We had lots of technical people.
15 What we came forward with in essence was a call for a
16 cooperative set of ventures, to come up with a truly
17 regional and sustainable solution.

18 After that we went to the city council, asked
19 that city council if they would essentially sign on in
20 general terms to the conclusions of the town hall. They
21 did so and appointed a water board whose function it would
22 be to see to the implementation of the recommendations in
23 that town hall.

24 I was appointed as the chair of that group. And
25 I'm still the chair of that group. As you might imagine,

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1 we have discussed the Navajo-Gallup Water Supply Project
2 in significant detail. And I'm here tonight to -- to
3 share with you the water board's concerns and support.

4 My comments will be along the lines of four
5 general points, the first of which is the importance, like
6 I said earlier, of regional cooperation. We know that we
7 are a region. We know that we cannot go forward
8 successfully without the surrounding area benefiting. We
9 have no desire to go forward without the surrounding area
10 benefiting.

11 And so we really want to be as cooperative as we
12 can be. I think all parties that are knowledgeably
13 related to the planning project would agree that there has
14 been a cooperative process and continues to be. We know
15 that we need a regional solution, and we support a
16 regional solution.

17 An example of what a regional solution could be
18 is something that is part of the Navajo-Gallup Water
19 Supply Project, which is -- I believe the current name
20 is -- correct me. Well, you don't do that. But I say out
21 to the ethers, "Correct me if I am incorrect in the
22 current name," but I believe it is the Gallup Rural Navajo
23 Regional System, but essentially the distribution system
24 for the south end of the pipeline. There has been
25 significant, ongoing cooperation concerning implementing

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1 that and moving forward with, say, government to afford
2 that.

3 We have -- we -- all of us have maximized other
4 people's money, which is something that I think we are all
5 charged with doing in the political sphere. And to date
6 that money continues to come in actually as fast as we can
7 spend it.

8 And that is an example of the kind of thing that
9 we can do if we continue to work together. The Gallup
10 Water Board's -- one way of look at the Gallup Water
11 Board's charge from city council, because we were created
12 as an advisory board to city council, is to come up with
13 actual wet water as a solution for the city.

14 Therefore, our deliberations have often focused
15 on the likelihood or nonlikelihood of any given solution
16 being actual. We more or less never quit thinking about
17 and debating that.

18 I, as the board chairman, hold that as the
19 essence of my charge. My charge is for the day to never
20 come when a tap in Gallup leads to simply the sound of
21 rushing air, a sound that we all expect to happen unless
22 really good things occur here in the next few years.

23 We have every reason to believe that this is what
24 will happen if good solutions are not found. My job as a
25 volunteer citizen, as the chair of the water board is to

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1 do everything that I can realistically to minimize the
2 chances of that day ever coming and, therefore, to
3 maximize the chances of actual wet water solutions being
4 found.

5 And so constantly in our deliberations I have
6 emphasized the primacy of making bets, essentially, on
7 what will bring wet water here, by what time, at what
8 cost, et cetera. If water is to come to the Gallup
9 area -- or shall I say Gallup and the surrounding area, it
10 has to be afforded.

11 If Gallup cannot afford its share of the project,
12 no matter how that share is defined or conceptualized,
13 then it is unlikely that there will be a project. All of
14 the people who work significantly on this project know
15 that to be true. Certainly, the senators have reiterated
16 that repeatedly.

17 Therefore, Gallup's ability to afford its share
18 of the cost is an overwhelmingly important factor. The
19 new mayor and council, which were just elected two months
20 ago, have begun their term under the mayor's leadership
21 emphasizing a pay-as-you-go approach that is rather
22 ruthless. And I don't mean that in a bad sense. I just
23 mean that in a sense of, you know, as a no prisoners kind
24 of a situation, frankly.

25 And there are many enhancement projects that

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1 people would prefer to see around the city that are
2 essentially waiting for more money. There's really
3 nothing wrong with that. I kind of like that way of doing
4 things, actually.

5 But I just mention that because it's -- it
6 emphasizes the importance of Gallup being able to find the
7 money to afford the project. And if that cannot be done,
8 then it's unlikely that Gallup can be in the project
9 because we have to pay our share. We're seeking ways to
10 do that.

11 Concerning the EIS itself, this comment can be
12 rather brief. EIS is -- are things that are not discussed
13 much here tonight. Typically, there is a concern for
14 preferred alternatives. And preferred alternatives are
15 looked at through a number of lenses, one of which is data
16 financial analysis or differential financial analysis, a
17 point which the executive summary essentially points out
18 as a weakness of itself.

19 We would like to see better figures there. We
20 understand that some of that has to do with lack of
21 political consensus with the administration, et cetera, et
22 cetera. But, nonetheless, we would like to see that.

23 Nonetheless, this is not primarily, evidently, a
24 hearing where people feel called upon to discuss EIS's but
25 to reiterate their support for something that is terribly

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1 needed in our area by everyone.

2 The Gallup Water Board shares that concern and
3 shares that prioritization. And so we are in full support
4 of the Navajo-Gallup Water Supply Project. And we hope
5 that no stone will be left unturned in attempting to find
6 a successful way to do this politically and financially.
7 Thank you.

8 THE HEARING OFFICER: Thank you, Mr. Winn. We'd
9 next like to hear from Ms. Tanya Trujillo.

10 STATEMENT BY TANYA TRUJILLO

01-09

11 MS. TRUJILLO: Thank you. My name is Tanya
12 Trujillo. I am from the New Mexico Interstate Stream
13 Commission. The State strongly supports the project and
14 very much appreciates the work that went into issuing the
15 Draft EIS.

16 We will be submitting written comments on the
17 Draft EIS. We do support the Preferred Alternative. And
18 we look forward to working with you as this project
19 progresses. Thank you.

20 THE HEARING OFFICER: Thank you, Ms. Trujillo.

21 Well, we have some time, so if there's anyone
22 else who would like to come up and give us some comments
23 on the Draft EIS, we'd like you to do that.

24 Again, if you could please limit your
25 presentation to 10 minutes and please state your name.

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01-10

1 STATEMENT BY LANCE ALLGOOD

2 MR. ALLGOOD: Good evening. My name is Lance
3 Allgood. I believe I was on the wrong list, as Evan put
4 his name in my spot.

5 I'm the director of the City of Gallup's Joint
6 Utility Division. I would like to apologize for our mayor
7 and council and other members of the city government.
8 Tonight's meeting happens to coincide with our regular
9 city council meeting. So I'll be speaking on behalf of
10 the City of Gallup.

11 First off, the City of Gallup fully supports the
12 project, as probably the -- not probably, but as the only
13 real viable renewable water supply for Gallup and the
14 region. We support the EIS.

15 We worked very diligently with the State
16 Engineer's Office, the Navajo Nation staff, and the Bureau
17 of Reclamation and Patty Lundstrom and the chair of the
18 steering committee for the project to see this thing
19 through and get to that point.

20 We'd like to say we do support the project. We
21 support the Environmental Impact Statement and believe it
22 fulfills the intent of the law. So with that, we thank
23 you again.

24 THE HEARING OFFICER: Thank you, Mr. Allgood.
25 Any other comments?

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01-11

1 STATEMENT BY RAY GILMORE

2 MR. GILMORE: Good evening. Thank you for this
3 opportunity. My name is Ray Gilmore, Chairperson, Navajo
4 Nation Water Rights Commission. Very, very brief. A few
5 words. I will reserve my comment until we're actually in
6 Farmington, New Mexico. Okay. Thank you.

7 THE HEARING OFFICER: Well, given that we don't
8 have any other comments, I want to thank all of you for
9 attending this meeting tonight. Again, you do have the
10 opportunity to submit written comments. That's open to
11 you.

12 And if you haven't signed up on the sign-up sheet
13 outside, please do that so you can receive information
14 through the mail or e-mail.

15 On behalf of all of us here, thanks to our
16 reporters and interpreters.

17 We thank you for coming. So I hope you have a
18 safe journey home.

19 (The hearing adjourned at 7:15 p.m.)

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1 C E R T I F I C A T E

2

3 I, Tanya M. Nims, a Certified Court Reporter, do
4 hereby certify that the Proceedings of the above-entitled
5 project were reported by me stenographically on May 22,
6 2007, and that the within transcript is a true and
7 accurate transcription of my shorthand notes.

8 I further certify that I am neither an attorney
9 nor counsel for, nor related to or employed by any of the
10 parties to the project, and that I am not a relative or
11 employee or any attorney or counsel employed by the
12 project hereto, or financially interested in the project.

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TANYA M. NIMS, RPR
Certified Court Reporter #168
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