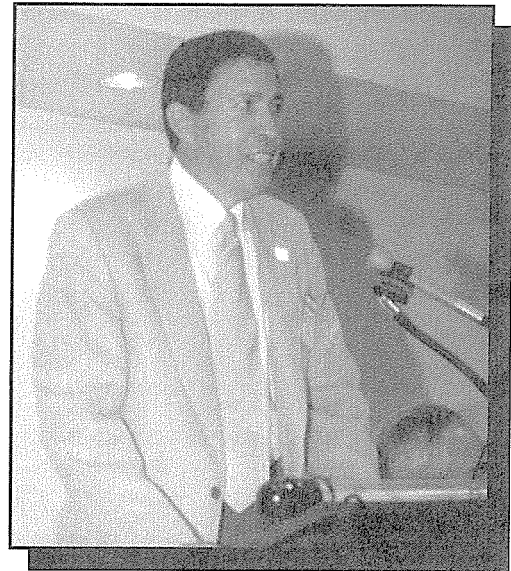


*Eluid Martinez is the 14th Commissioner of the Bureau of Reclamation, having been nominated by President Clinton and confirmed unanimously by the U.S. Senate. A native New Mexican from Rio Arriba County, and the first Hispanic American to serve as commissioner in Reclamation's 94-year history, he is a distinguished engineer with extensive experience in water resources planning and flood protection. Commissioner Martinez served in the New Mexico State Engineer Office for 23 years and held the post of State Engineer and Secretary of the New Mexico Interstate Stream Commission, among other positions. He received an undergraduate degree in engineering at New Mexico State University and is a licensed professional engineer and land surveyor. Eluid is an artist and his work is in the permanent collections of many museums, including the Smithsonian Institute.*



### KEYNOTE ADDRESS

Commissioner Eluid Martinez  
U.S. Bureau of Reclamation  
1849 "C" Street NW, Room 7654  
Washington, DC 20240

We are here to discuss water issues of Eastern New Mexico. For Reclamation, that includes a number of projects in the Pecos and the Canadian River basins. There are correlations from issues in Eastern New Mexico that influence other Reclamation projects in New Mexico.

#### Eastern New Mexico Water Supply Project

The Eastern New Mexico Water Supply Project, known by a variety of names throughout the years, has been around for at least 35 years. The basic concept of the project is to deliver Canadian River water from Ute Reservoir to communities in Eastern New Mexico currently relying on groundwater to satisfy domestic, municipal, and industrial needs. The Bureau of Reclamation has been involved with the State of New Mexico and the Eastern Plains Council of Governments in various phases of planning for this project since the late sixties. Our most recent involve-

ment resulted in a special environmental report prepared in 1993. I understand that there is a Congressional write-in for our 1998 budget to update some engineering studies. We look forward to resuming working with many of you on this project should we be funded.

#### Lake Meredith Salinity Control Project

The purpose of the Lake Meredith Salinity Control Project is to reduce the salinity of Canadian River water, primarily for the benefit of municipal water users in western Texas whose water is supplied from Lake Meredith near Amarillo. Shallow wells will be drilled downstream of Ute Dam, near Logan, New Mexico, to intercept brine seeps that currently discharge into the river. The brine will be collected and pumped into a deep injection well. Reclamation anticipates actual construction will begin in the spring of 1998. It should be noted that the State of Texas

and the Canadian River Municipal Water Authority are cost-sharing over two-thirds of the project's cost.

#### Tucumcari Project

The Tucumcari Project, which services the Arch Hurley Conservancy District, is a Reclamation project. This project diverts Canadian River water from Conchas Lake to service irrigators. Our Albuquerque Area Office has been working with the District and its new manager, Jim Geyler, on various initiatives. We look forward to continued collaboration with the District.

#### Water Conservation Initiatives

Reclamation, as many of you are aware, has an active water conservation program, where we work with Reclamation project beneficiaries, and other irrigation and municipal water users, to promote water conservation. For example, in central and eastern New Mexico, Reclamation has recently worked with the Fort Sumner Irrigation District on a canal lining demonstration program, and with the Tierra y Montes Soil and Water Conservation District and the City of Las Vegas on water conservation planning and education. This is a program I deeply believe in, and I expect to see increased activity in the coming years.

#### Carlsbad Project

The Carlsbad Project on the Pecos River is a good illustration of Reclamation's involvement in New Mexico water issues and why Reclamation needs to maintain a continued presence in the federal projects. As many of you know, there was a private project in place where the Carlsbad Project is now, but most of the facilities for that project were wiped out in a flood in 1905. Reclamation bought out the private developer and filed notice with the Territory that the United States had purchased the water rights of the developer. Then Reclamation filed for additional water rights for storage to make the Project viable. Neither the State of New Mexico nor the private companies had the money to build an adequate McMillan Dam or to rebuild the canals and other facilities necessary to provide water for the Carlsbad Project. That project now uses water stored in Santa Rosa Reservoir, Fort Sumner Reservoir and, after McMillan reservoir began to silt up, in the new reservoir created by Brantley Dam. Without federal

dollars and the Reclamation program, this development would have taken place at a slower pace and on a smaller scale, which would have limited the growth and economy of our state.

We are all aware, I think, of how groundwater pumping along the Pecos River has contributed significantly to New Mexico's delivery problems to Texas. The situation put the people of this area in the position of facing conflicts over priorities and other problems created when the water resource is severely depleted. It is not an exaggeration to say that the Carlsbad Project is fighting for its life.

But first we need to understand what defines a Reclamation project. A Reclamation project is an entire functioning water storage, water delivery, and water use area, which includes the facilities to store and transport water and the areas to which the water is delivered. Many people think that the districts or associations that contract with Reclamation are the project, but the project is really a federal creation and the districts work within the project and are project beneficiaries. All federal projects are authorized by federal law. When Congress approves a project, it also sets out purposes the project has to fulfill, it looks at repayment of some of the costs, it looks at many other issues and then tells Reclamation to go ahead and develop the project. When Reclamation plans a project, it looks to the water supply available. Reclamation then considers the availability of sites for storage and the capacity of those reservoirs. It looks at the natural flow available and canal sites and the type of land available that can reasonably be serviced by the project. Subsequently, the federal government, through the Bureau of Reclamation, goes out and appropriates enough water to meet the needs of the project. The United States does not go out to get a water right for any particular group of people. It secures a water right for the whole project and enough to meet all the project purposes. Once an irrigation project is planned, Reclamation is ordered by Congress to obtain a water right that is big enough to water all the lands included in the project.

That is what happened on the Pecos River. Congress approved a project for a certain number of acres to be irrigated and Reclamation obtained water rights under New Mexico law to irrigate that number of acres. When water is transferred from a federal project, it can defeat the purpose that Congress

originally intended. We all know, I think, that it takes a certain quantity of water to deliver water all the way to the end of a ditch. If enough water is transferred from the project supply, soon you may not have enough water to irrigate all the authorized acres and the project starts to diminish in size. If you take away enough water, the project may cease to be a viable project. This is the reason that water rights for federal projects cannot be substantially reduced unless the intent is to do away with the projects. In the Pecos Adjudication, the United States and the Carlsbad Irrigation District filed their briefs together to say that the United States holds the water rights for the Carlsbad Project and that the water right must not be reduced or threatened. Otherwise, the viability of the Carlsbad Project is jeopardized.

Now, most of you are aware of the litigation on the Rio Grande. In comparison to the Rio Grande Project, the Carlsbad Project is simple; it stores water in New Mexico for Project lands located in New Mexico. The Rio Grande Project is more complicated. Both federal and state law provide that the Rio Grande Project stores water in New Mexico for irrigation delivery to lands in New Mexico and Texas and also for delivery to the Republic of Mexico. This means that not only is the Rio Grande Project interstate in scope, it also is international in scope. The Rio Grande Project is not the only Reclamation project having interstate or international implications. There are projects on the North Platte River, the Columbia River, and the Colorado River where the interstate or international aspects make a federal presence essential.

The Rio Grande Project has been around almost one hundred years. It has grown and changed as this country and this area and the laws governing all of us have changed. It is not surprising that such a complex project with a long history of federal and state interaction is sometimes misunderstood by even those closest to it. Some highlights then, of some of the laws and some of the ways the Rio Grande Project has grown and changed:

- When Congress passed the Reclamation Act in 1902, the intent was to appropriate money from the sale and disposal of public lands in certain States and Territories for the construction of irrigation works for the reclamation of arid lands. To obtain a project water supply, Reclamation, as

required by Section 8 of the 1902 Reclamation Act, filed an appropriation for water for a project under state law. The water so appropriated was then provided to irrigation districts or other entities under contracts which provided them with a perpetual supply of water.

- In 1905, the Rio Grande Reclamation Project was authorized. In 1906, Reclamation filed an appropriation in accordance with the laws of the Territory of New Mexico, for the unappropriated water needed for the Rio Grande Project. Also, in 1906, the Convention with Mexico for the Upper Rio Grande was established, providing for the equitable distribution of the waters of the Rio Grande for irrigation purposes. Then, the Act of March 4, 1907 authorized \$1,000,000, deemed to be nonreimbursable and considered as the State Department's share for allocation by treaty of the 60,000 acre-feet of water annually delivered to Mexico. This had the effect of rendering the Rio Grande Project a multi-purpose project. The first of many contracts with the Districts were executed in the late 1910s and early 1920s. Congress gave its consent and approval to the Rio Grande Compact on May 31, 1939.

These are just a few of the legal and institutional constraints that have made operating the Rio Grande Project a challenging and complex task. Since the early 1900s, many federal laws dictating the way Reclamation operates its projects have been enacted. Since the first contracts between Elephant Butte Irrigation District (EBID), El Paso County Water Irrigation District #1 (EPCWID #1), and Reclamation were signed, literally dozens of new or amended contracts have been entered into. Transfer of title to the irrigation and drainage system within the Rio Grande Project has occurred. This does NOT include title to the diversion dams, the reservoirs, and other facilities that remain in the name of the United States. The project construction costs have never been fully repaid to this day, particularly not for Elephant Butte Dam and Reservoir and Caballo Dam and Reservoir. The features and lawful interests of the Rio Grande Project that remain property of the United States government have been, and must continue to be, protected and operated for the good of the public.

As many of you may have been reading or hearing in the news media, the United States filed a civil

action to quiet title in its water rights for the Rio Grande Project in June of this year. There has been much discussion and speculation throughout New Mexico and parts of Texas about what this really means. Very simply, a cloud was put on our title by the claims of other parties to the water rights for the Rio Grande Project. The United States filed this action against those parties in order to clarify that which has been clouded.

Just as in the case of the Pecos Adjudication, the United States government, and Reclamation, have a responsibility to the American taxpayers to pursue a course of action to protect the property rights of the United States. Federal projects contain property rights that must be protected. We, in Reclamation, also are concerned that we need to take measures to insure our ability to operate the project and to continue to meet our contractual obligations to EBID and to EPCWID #1, and that the United States treaty obligation to the Republic of Mexico is not impaired.

The United States fully realizes that the federal government is not the only entity on the Rio Grande with legitimate interests in its waters and that those with legitimate interests in Rio Grande water include EBID and EPCWID #1 and their irrigators; the states of Colorado, New Mexico, and Texas; the Republic of Mexico; and the cities and groundwater users in and near the Rio Grande Project.

In an effort to come to a resolution in the Quiet Title Action filed by the United States, all parties involved have agreed to participate in an alternative dispute resolution process that will consider all aspects of the many interests. As a first step in this process, a joint motion for order approving a stipulation and staying proceedings was made, and which the Court has granted. I think we all hope to resolve this in a way that is best for all concerned.

Thank you.