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Two agenda items discussed by water planning group

By MARY ALICE MURPHY

Daily Press Staff

The Southwest Water Planning Group met in Silver City on Tuesday and discussion on two agenda items consumed most of the meeting.

Craig Roepke, Interstate Stream Commission deputy director, gave a report on funding the commission is seeking from the Legislature in Senate Bill 228. If approved, the appropriation will fund studies that must be completed before the four-county southwest corner of New Mexico can consider use of 14,000 acre-feet of Gila Basin water allocated to the region by the 2004 Arizona Water Settlements Act. The request is for \$1.8 million.

"The Gila-San Francisco Coordinating Committee will oversee the tasks to be completed by 2009," Roepke said.

The study tasks were compiled by the committee, with input from The Nature Conservancy, U.S. Fish and Wildlife, the Interstate Stream Commission, and other agencies and organizations.

Tasks that must be started in the first year in order to be completed in time include evaluating the status and estimating the risk of extinction for the spikedace and loach minnow; river-aquifer studies; riparian vegetation analysis; flow regime analysis; and historic hydrologic data, geomorphic surveys and species surveys, according to Roepke.

"These tasks alone will require \$945,000 for the first year's work," Roepke said.

He presented several charts, including the National Environmental Protection Act process and the critical funding path. He cited the years when a draft environmental impact statement is required, in addition to biological assessments, the final EIS and the record of decision by the U.S. secretary of the interior. Peter Russell, town of Silver City representative to the planning group, asked if there is a date beyond which the record of decision cannot occur.

"It can be extended to 2019, but if only through no fault of New Mexico," Roepke said. "As far as New Mexico is concerned, it must be done by 2014, but at the federal level it could be extended."

The ISC is the fiscal agent for funding and 27 responses to requests for proposals have been received, Roepke said.

"The coordinating committee will choose who will do the tasks," he said.

Allison Siwik, representing the Gila Conservation Coalition, asked for clarification on sections in the settlements act.

"This section said the date for the record of decision may be extended to 2030," Siwik said.

Roepke said New Mexico must reply by 2014.

"We've been told that just a letter of intent to use the water would be inadequate," he said, "so we need our ducks in a row by 2014."

During the 2007-09 period, a coordination act report and a planning aid memorandum, as part of the Endangered Species Act study, will be required. By 2010, southwest New Mexico will be required to select alternatives for water use. Public input will be heard between 2009 and 2013. He also presented charts addressing the impact on additional Gila Basin water and funding being made available and the value of that "new" water with no state action, minimal state action and full state action.

"I emphasize again, this does not address a diversion project," Roepke said. "Minimal action to do the NEPA process results in no new water. We need \$4.6 million to realize any new water for southwest New Mexico."

Russell asked if the studies would realize new water in the Mimbres.

Roepke said the act does not allow developing new water in the Mimbres.

"Some of the \$66 million (allocated to the region in the Arizona Settlements Act) could go toward the development of an undeclared basin, but none of the up to \$128 million (allocated for a project)."

"Are the studies in all of this process tied entirely to withdrawing water from the rivers or will any address the non-withdrawal alternatives, such as groundwater?" Russell asked.

Roepke said the studies are focused on the impact of withdrawals from the Gila and San Francisco rivers. "but alternatives will be chosen by the citizens of southwest New Mexico."

Tom Bates, planning group representative of the city of Deming, asked Roepke to explain the value of "new" water.

Roepke said his chart addresses a range of values. With minimal state action, the area could receive \$66 million for water projects as a result of the settlements act. With full state action, the amount could go to \$128 million, if a project is chosen as an alternative.

Using a range of multipliers from two to five, the value is estimated to be from \$280 million to \$700 million, according to Roepke, with the cost of wells, buying water rights or a diversion subtracted from the total.

The best investment one can make is the purchase of water rights in the West, he said, especially at \$10,000 an acre-foot, the going price.

Russell said that cost is not close to accurate if water is bought in bulk.

"I hope you find an analysis of the real value of water," he said.

Roepke said it would have to be in the context of alternatives. He suggested gathering a panel of economists with different points of view to make such an analysis.

Howard Hutchinson, planning group representative for Catron County and the San Francisco Soil and Water Conservation District, said he believes the estimate to be extremely conservative, "especially going down to a 40-year horizon."

Russell said he would like to see an analysis broken down by agricultural, municipal and industrial use.

Rick Holdridge, group representative from Luna County and Deming Soil and Water Conservation District, said to put things in context, in Santa Fe water costs \$85,000 an acre-foot and in El Paso, Texas, \$10,000.

"We need to find out what it's really worth," he said.

Henry Torres, Grant County representative to the planning group, said: "Right now, in this area, converting agricultural use to residential development, the cost is \$10,000 to \$14,000."

M.H. "Dutch" Salmon of the Gila Conservation Coalition said the value should be juxtaposed with the Mimbres.

"According to the Balleau report (requested by Silver City to determine town water supply in the foreseeable future), the area within 10 miles of Silver City is sitting on 15,900 annual acre-feet of water," Salmon said. "That water belongs to New Mexico. It's interesting to compare numbers with what is cheapest -- water pumped from 10 miles or water pumped uphill from the Gila River 30 miles away. We're looking for the cheapest way to develop water. It boils down to the value of water in one section versus water in another section."

He said conservation measures such as drip irrigation would reduce water mining in the Mimbres Basin and would make water available more cheaply than a diversion.

"Four years ago, the cost of a water diversion project was estimated at \$300 million," Salmon said.

"Federal projects are always underestimated. It would be enormously expensive. We need to do a proper economic analysis to compare the costs of developing water out of the Gila with developing it in the Mimbres."

Michael Robinson of the Center for Biological Diversity asked if technological restrictions would keep water from being sent to El Paso.

Roepke theorized that financial constraints might prevent it.

"However, there are private companies willing to build projects and then sell the water and turn it back to New Mexico after 30 years," Roepke said.

He said a consortium of Spanish, German and Mexican companies, along with three Swiss banks, is looking into such a project.

"The ISC wants to protect the ecology and even improve it, but we err when we don't consider the economic basis," Roepke said. "The Gila Basin is this little jewel sandwiched between rapidly growing populations. We need to look at the dangers and look at ways to preserve and improve the Gila."

Hutchinson said a new study from New Mexico State University calls into question the benefit of conservation with drip irrigation, but "water flows uphill to money."

Roepke said it would be "extremely unlikely to see water exported from the area if future need is shown."

Hans Voss, Grant County attorney and alternate to the planning group, said export is possible, but not practical.

"In our regional water plan, we say we are not going to export water out of the region," Bates said.

John Fridinger, a Grant County resident, asked if a study would be made of the environmental value if the water stays in the river.

"It would seem to me it would add to the value of developing water in the Mimbres," Fridinger said.

"Absolutely the economics will be addressed," Roepke said. "We will do whatever alternatives the area wants. (The studies) will be done impartially and not slanted to any one alternative."

Voss said environmental value in comparison with market value leaves room for debate and misunderstanding.

"I think there will be less disagreement with hydrology and scientific analyses than with economic analysis," Voss said. "Only a few economists in the country would be competent to do these studies. We need to think about who to hire."

Fridinger said he would like to see the negative value of taking water out of the river to be coupled with the development of water in the Mimbres.

Siwik pointed out that the value of water with no state action put a water value of zero on the chart to be given to the Senate Finance Committee.

"There is a value to water," she said. "People are paying a premium to be next to a healthy river."

"The chart is for new water," Roepke said. "The most important point is that no water will be developed if it causes environmental damage. We would be taking water out maybe 5 percent of the time. Recreation or ecology values will not be affected. I don't understand your comment about wanting to develop along the river."

"No, I don't," Siwik said, "but I want to see a willingness to develop studies. The premium is getting at the value of the resource and to get at a value of environmental good."

Tom Wootten, who said he lives on Box Canyon Road, said when he and his wife, Eleanor, purchased the property, the river was virtually treeless.

"Since 1991, livestock have been removed and off-road-vehicle use restricted, it has flooded a number of times and I've been amazed at the regeneration of cottonwoods, alders and willows," Wootten said. "They wouldn't be there without the floods. Please keep the river free."

Rebecca Summer, GCC member, offered geomorphology articles to Roepke. He said he would gladly accept them, but he suspects the coordinating committee already has them. Hutchinson said Northern Arizona University has been doing "studies on environmental services and is getting to hard numbers."

Russell requested that when Roepke makes his presentation to the Senate Finance Committee he look at the average of water values throughout the region.

Voss said it would be helpful to have a presentation "from highly learned folks" to discuss the raw issues in play in order to understand why the numbers vary.

A discussion of a resolution on the use of the allocated water will follow in a separate article

Mary Alice Murphy may be reached at mamurphy@cyber.mesa.com.