



MESSAGE FROM NAVAJO NATION VICE PRESIDENT BEN SHELLY REGARDING SAN JUAN RIVER SETTLEMENT AGREEMENT SANTA FE, N.M.

FEB. 2, 2007

Thank you for recognizing the Navajo Nation and the other tribes and pueblos that have successfully completed settlement agreements with the State of New Mexico.

Putting together a complicated settlement does not happen over night. It is a long and difficult process for all parties concerned. In our case, the San Juan River Basin legal action over the water rights began in the mid-1970s. But the Navajo Nation and the State of New Mexico realized that fighting each other over the waters of the San Juan River was an endless battle where there would be no winners, only losers.

So in 1997, the Navajo Nation and the state began negotiations that resulted in a draft settlement agreement. That draft agreement was widely shared with the public in 2003. After almost two years of public discussion and debate, the Navajo Nation approved a settlement agreement that was signed by Governor Bill Richardson and Navajo Nation President Joe Shirley, Jr., in April of 2005. This lengthy process could not have happened without the strong support of New Mexico's leaders.

The San Juan River Settlement is good for the Navajo People. It is good for the people in the San Juan Basin, and it is good for the entire State of New Mexico. This settlement agreement will secure the water rights of the Navajo people for the future. It will also bring much needed water infrastructure to the Navajo people, infrastructure that is critical for the Navajo Nation to be better able to provide livelihoods for its people.

The settlement agreement goes to great lengths to protect the current water users of the San Juan River Basin. These protections can be achieved *only* through a settlement process. It provides greater certainty for our neighbors who have become dependent on this precious water resource.

The settlement agreement provides hydrologic protection for the industries that generate hundreds of millions of dollars of economic activity and state revenues every year. And the settlement provides hydrologic protection to those in New Mexico who use the water from the San Juan Chama and Animas La Plata Projects.

But the greatest benefit of the settlement is that it avoids a lengthy, protracted legal battle for the waters of the San Juan River. This legal battle would not be pretty. Instead, it would be costly to everyone concerned.

Tens of millions of dollars would be spent on a legal battle without helping anyone. And, more importantly, such a legal battle would tear apart the communities involved. It would pit the Navajo Nation against its neighbors, bringing out the worst in everyone. So perhaps the greatest benefit of this settlement is that it replaces this ugly struggle with the opportunity to do the right thing for everyone.

The Navajo Nation Settlement is a very critical objective at a very critical time. The federal legislation that will make the San Juan River settlement a reality will again be before Congress. In this era, other national priorities seem to have eclipsed taking care of some important matters at home. It will be a very tough battle to generate the support needed to succeed in Congress, and the strong support from the State of New Mexico is essential. Congressional leaders will look to New Mexico to see how strong that support is.

The state has already shown its support the Navajo Nation San Juan River Settlement. State legislators have passed several memorials supporting these settlements. But the state has provided more than just words. It has provided more than \$7 million for the Gallup Regional Project, and more than \$2 million for the Cutter Lateral.

Instead of having to wait many years, these state funds have enabled us to begin construction of components of the Navajo Gallup Water Supply Project and bring urgently needed water to people today. The state has also successfully taken on many of the legal complexities associated with moving Colorado River Basin water from the San Juan River to people who need it.

During New Mexico's "Year of Water," the state legislature is considering several measures that will have a huge bearing on outcome of these settlements. Legislators are considering a major state contribution to a settlement trust fund that will enable the New Mexico to keep the financial commitments made to these settlements.

The legislature is also considering a major state contribution to a water development trust fund that will help communities all over New Mexico, like our neighbors in Gallup, to finance major water infrastructure development. And the legislators are considering a significant investment in the Eastern Navajo Regional Water Project, which we also call the Cutter Lateral Regional System.

It has been suggested that the legislature allocate \$15.3 million for Phases 2 and 4 of this important project. These phases will inter-connect several of the Navajo Tribal Utility Authority's public water systems to provide immediate short-term relief to water-starved systems. It will bring the dream of regionalizing these systems and connecting them with the San Juan River at Cutter Reservoir. And it will continue the progress we have already made on the Navajo Gallup Water Supply Project. We urge legislators to support all of these important initiatives that will have a far-reaching impact on all of the residents of New Mexico.