

TIER-1 EVALUATION RESULTS

Using the four criteria approved by the Commission on June 22, 2011, the evaluation panel met and completed evaluations of forty-five Tier-1 stakeholder proposals for use of the water and funding available to New Mexico in the 2004 Arizona Water settlements Act. The criteria are:

- A. State whether the proposal is for the “New Mexico Unit,” a “water utilization alternative,” or both.
- B. Describe how the proposal will meet a “water supply demand” in the Southwest New Mexico Water Planning Region, comprised of Catron, Grant, Hidalgo and Luna Counties.
- C. Describe how the proposal considers the Gila environment and describe how any negative impacts might be mitigated.
- D. Describe how the proposal considers the historic uses of and future demands for water in the Southwest New Mexico Water Planning Region and the traditions, cultures and customs affecting those uses.

The evaluation results are attached below. Appropriate comments are included. Of the forty-five applications received, twenty-one met all four criteria and are eligible for further evaluation in Tier-2. In consideration of the lack of technical resources and experience of some applicants, the evaluation panel makes the additional recommendations below.

A number of applications proposed a study rather than a New Mexico Unit or water utilization alternative and thus do not meet criteria necessary for consideration in Tier-2 evaluations. The evaluation panel feels six of the proposed studies potentially provide important information or data and are recommended by the panel for consideration by the Commission for possible funding in future planning phases. Those five studies are:

- Augustin Plains modeling study
- Grant Soil and Water Conservation District Franks-Woodward recharge study
- Grant Soil and Water Conservation District San Vicente Creek recharge study
- New Mexico Tech geothermal study
- Rocky Mountain Research Station watershed study
- Deming Deep Well Project

Three applications did not fully meet criteria and are therefore not eligible for consideration in the Tier-2 evaluation process. However, the evaluation panel suggests the Office of the State Engineer continue to assess their feasibility, including potential negative impacts to the environment and possible mitigation measures. Those applications are:

- Catron County main stem dam
- Catron County tributary dam
- Hidalgo County main stem dam

Two applications proposed water banks to provide outside water use for domestic wells in the Gila Basin that are currently restricted to indoor use as a result of the 1964 U.S. Supreme Court Decree in *AZ v CA*. They did not meet Tier-1 criteria but are recommended by the evaluation panel for further legal and technical review by the Office of the State Engineer to ensure they comport with state regulations and policy. They are:

- Gila Conservation Coalition Domestic Wells (see comments in attached matrix)

- Upper Gila Watershed Alliance (see comments in attached matrix)

In the attached evaluation matrix, “P” indicates pass for a particular criterion, and “F” indicates failure. A failure in any one criteria fails the application for consideration in Tier-2 evaluations.

<u>APPLICATION TITLE</u>	<u>CRITERIA</u>				<u>COMMENTS</u>
	A	B	C	D	
Augustin Plains		F			Study itself does not meet water supply demand, recommend consideration for funding in future planning phases
Bayard Effluent Reuse	P	P	P	P	
Catron County Ditch Improvements			F		Should have considered environmental impact of piping/lining ditch
Catron County Historic Water Rights	F				Neither a water utilization nor NM Unit project, water rights ownership an issue for OSE Water Rights
Catron County San Francisco Dam			F		Does not adequately address environmental impacts but should have technical evaluation for feasibility by SEO
Catron County SF Trib Dam			F		Does not adequately address environmental impacts but should have technical evaluation for feasibility by SEO
Catron County Watershed Restoration	P	P	P	P	
Deming Conservation Fund	P	P	P	P	
Deming Diversion Project	P	P	P	P	
Deming Water Reuse	P	P	P	P	
Deming Deep Well Project		F			Appears to be more of an exploratory study that itself does not meet water supply demand, recommend consideration for funding in future planning phases
GBIC	P	P	P	P	
Gila Conservation Coalition Agricultural Conservation			F		Does not adequately address environmental impacts
Gila Conservation Coalition Diversion-Rosgen	P	P	P	P	
Gila Conservation Coalition Wetland Restoration			F		No discussion of potential negative impacts and how mitigated
Gila Conservation Coalition Domestic Wells	P	P	P	P	Meets criteria but impossible to effect legally -should be evaluated for technical/legal feasibility by OSE
Gila Conservation Coalition Municipal Conservation	P	P	P	P	

Grant County	P	P	P	P	
Grant County Water Commission Regional Supply	P	P	P	P	
Grant SWCD Franks-Woodward					Study itself does not meet water supply demand, recommend consideration for funding in future planning phases
Grant SWCD San Vicente - Cameron Creek					Study itself does not meet water supply demand, recommend consideration for funding in future planning phases
Grant SWCD Restoration	P	P	P	P	
Gila San Francisco Water Commission (distribution management)		F	F		Does not address environmental impacts. Also, relies on AWSA project being completed separately to meet a water supply demand
Hidalgo County - off stream storage	P	P	P	P	Needs more detail on environmental impacts and mitigation thereof for impoundment for Tier-2
Hidalgo County - Dam II			F		Does not meet impact to Gila environment criteria but should have technical feasibility review by OSE
Lions Gate LGW T2 Proposal					Failed Applicant submitted a Tier 2 proposal but did not submit a Tier 1 proposal., addressed Tier 2 criteria instead of Tier 1 criteria
Lordsburg Proposal		F			Project is for maintenance does not address a water supply demand
Luna Ditch with Phases	P	P	P	P	
NM Forestry Industry	P	P	P	P	
NMSU Cram Ochoa	P	P	P	P	
NMT					Study itself does not meet water supply demand, recommend consideration for funding in future planning phases
Pleasanton Eastside Ditch San Vicente Cameron Creek	P	P	P	P	
Rocky Mountain Research Station					Study itself does not meet water supply demand, recommend consideration for funding in future planning phases
San Francisco River Association App 1	F	F			GIS does not meet water supply demand
San Francisco River Association App 2		F			Project does not meet water supply demand
San Francisco River Association App 3		F			Does not address a water supply demand

Stream Dynamics Road Drainage		F			Workshop and training do not address water supply demand
Stream Dynamics Water Harvesting	P	P	P	P	
Stream Dynamics Watershed Restoration		F	F		Environmental impacts too general - does not address water supply demand
Sunset and New Model Ditches	P	P	P	P	Will need more detail on environmental impacts and mitigation thereof for Tier-2
UGWA	F				Proposal is 2 projects one a NM Unit the other a water utilization alternative but single project only identified as water utilization alternative. Project should be evaluated for technical/legal feasibility by OSE
Gila National Forest SF River Diversion/Ditch	P	P	P	P	
Gila National Forest Stream Flow Gages		F			Does not identify a water supply demand to be met
Gila National Forest Water Infrastructure		F			Project is for maintenance. Does not identify a water supply demand to be met
Gila National Forest Watershed Restoration	P	P	P	P	Will need to identify more science in support of project; explain contradictory statements about water yield (see pg 23, 24)

Results and Comments from Panel Evaluations of Requests for Reconsideration Received from Applicants That Failed Initial Tier-1 Evaluations

Project	Reconsideration Result	Compiled Panel Comments
Augustin Plains Modeling	Failed Tier-1	No specific reason given for reconsideration. This proposal is a modeling study and a study in itself does not meet a water demand.
Catron County Ditch Lining	Failed Tier-1	Though minimal negative impacts might occur, they should have been acknowledged and the proposal should have at minimum included NEPA or some environmental study/assessment. The proposal does not include impacts to ditch side vegetation and shallow groundwater from eliminating leakage.
Catron County San Francisco Impoundment	Failed Tier-1	Request for reconsideration still does not consider environmental impacts. But panel recommends having technical evaluation for feasibility by OSE. Proponent expressed frustration at perceived expectation for more technical expertise than proponent can provide. Proposal still does not meet criteria. Proponent's appeal indicates that it does not see potential negative impacts to the environment even though they could be quite substantial. The panel will recommend that the concept be given further technical evaluation.
Catron County Tributary Impoundment	Failed Tier-1	Request for reconsideration still does not consider environmental impacts. But panel recommends having technical evaluation for feasibility by OSE. Proponent expressed frustration at perceived expectation for more technical expertise than proponent can provide. Proposal still does not meet criteria. Proponent's appeal indicates that it does not see potential negative impacts to the environment even though they could be quite substantial. The panel will recommend that the concept be given further technical evaluation.

Deming Deep Well	Failed Tier-1	The first phase of the project is for an exploratory well which appears to fall more under a study category than meeting a water supply demand. However, better description of tie in of overall project to production well presented in reconsideration request. But original proposal does not make that clear. Neither scope of work nor budget includes equipment necessary for pumping and treatment of water from that well.
Gila Conservation Coalition, Agricultural Conservation	Failed Tier-1	Increased irrigation efficiency has been shown to increase net depletions in New Mexico. No information supplied to document that wells near Deming are deep enough to not see recharge from excess (flood) application. Neither possibility of impact to recharge nor increased depletions acknowledged in application. Nothing in proposal addressing increased near-surface evaporation with either drip or LEPA and effects on environment.
Gila Conservation Coalition, Wetlands Restoration	Failed Tier-1	Some statement should have been made in the proposal regarding the assessment of negative environmental impacts. Appeal affirms proponent does not recognize that even beneficial construction activities have potential negative impacts or that those impacts can be mitigated using BMPs. No consideration of increased water use by wetland evaporation from surface water and phreatophytes and resultant impacts on downstream users and environment.
Gila National Forest Stream Gages	Failed Tier-1	Proposal doesn't describe how it will meet a water supply demand but merely proposes to monitor water supply flows. Stream flow monitoring responds to the lack of data identified in the proposal, but stream flow monitoring itself will not meet a water supply demand. If, as stated in the appeal, stream flow monitoring is essential in support of a watershed study, most appropriate locations should be determined as part of the proposal. Studies themselves do not meet any water supply demand. Unclear how the gages would be used. Can't justify how meets a water supply demand without stating where gages are located, and how they would be specifically utilized to meet a water supply demand.
Gila San Francisco Water Commission Water Distribution	Failed Tier-1	First needs a project to develop the AWSA water the proposal would administer. The GSFWC proposes to administer that water if it had a project and contract for the water. OSE already encourages users on a system to cooperatively manage system supplies. This would include any AWSA water. In effect, there doesn't appear to be any need for this proposal.

Lions Gate Water	Failed Tier-1	A Tier 2 application was submitted. Though it may have mentioned Tier 1 it actually contained T2 criteria and information. The Tier 1 criteria was not specifically or substantively addressed. Without having successfully addressed Tier-1 criteria, there is no way to pass this proposal on to Tier-2 without disadvantaging properly submitted Tier-1 submittals.
Stream Dynamics Road Drainage	Failed Tier-1	Proposal doesn't address water supply demand nor does it identify negative impacts to the environment.
Stream Dynamics Water Harvesting Workshop	Failed Tier-1	Proposed workshops could be good idea for a variety of reasons. However, neither original proposal nor request for reconsideration show how workshops will meet a water supply demand.
UGWA Waterbank	Failed Tier-1	Water Bank proposed would use AWSA water and was incorrectly labeled as a water utilization alternative and listed two projects in one application. Reconsideration does not allow for the adding or deleting of information from the proposal for the Tier 1 evaluation. However, the proposed concept for a water bank utilizing AWSA water has a lot of merit and panel recommends further evaluation by OSE.