

Federal funding in short supply for rural water projects

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FILE - This May 6, 2014 photo courtesy of the Quay County Sun, shows construction crews working on a shaft that will house an intake structure on the south shore of Ute Lake near Logan, N.M. The shaft, is the first phase of the Eastern New Mexico Water Utility Authority's \$550 million Ute pipeline project. The pipeline project intended to bring billions of gallons of water each year to a drought-stricken section of eastern New Mexico represents a lifeline to parched communities. The lifeline, however, may not actually reach the region for more than a decade before wells dry up, and officials say some areas don't have that long before wells dry up. The slow pace of construction underscores the challenges that many states are facing.

QUAY COUNTY SUN, THOMAS GARCIA — AP Photo

ALBUQUERQUE, N.M. — A pipeline project intended to bring billions of gallons of water a year to a drought-stricken section of eastern New Mexico represents a lifeline to parched communities that are quickly running out of water.

The lifeline, however, might not reach the region for more than a decade, even though officials say some areas don't have that long before wells dry up.

The slow pace of construction in what would be the state's most expensive infrastructure project to date underscores the challenges faced by a number of states eyeing such projects.

During the widespread drought, officials are struggling to finish large-scale water infrastructure projects while populations are growing, drinking water resources are dwindling, and federal dollars are diminishing.

The federal government is responsible for paying about \$3 billion to complete several rural water projects around the country. The amount — expected to grow by the time the work is done — represents a fraction of the more than \$600 billion needed to address the nation's water and wastewater needs over the next 20 years.

That has left states and local water authorities scrambling to fill the financial void.

Of the many pipeline proposals in the West, one calls for moving water from four remote valleys in eastern Nevada to Las Vegas to reduce the region's reliance on the Colorado River. Others call for piping water from Lake Powell to southeastern Utah and for taking water from Wyoming across Colorado's Front Range and on to Denver.

In New Mexico, officials are desperate to head off the shrinking of the Ogallala aquifer, an underground supply of water that stretches through eight states and is being rapidly depleted along the Texas-New Mexico border.

"People are going to have to understand that in the West, that old saying 'whiskey is for drinking, water is for fighting' — that's where we are right now," said Gayla Brumfield, chairwoman of the Eastern New Mexico Water Utility Authority.

Some studies show pockets of eastern New Mexico might have less than a decade before wells run dry. Others could have 40 years, but all signs point to demand outpacing supply as surface and groundwater sources dwindle across the West.

The pipeline would funnel more than 5.3 billion gallons of water each year from the Ute Reservoir south to Clovis, Portales, Cannon Air Force Base and other small communities.

It includes a \$19 million intake system at the reservoir, pump stations and more than 150 miles of pipe that will serve about 70,000 people.

The price for the Ute project has ballooned to more than \$550 million, and the federal Bureau of Reclamation acknowledges it could end up costing \$750 million.

The lure for communities to pursue these costly infrastructure projects has been the promise of federal funding, said Denise Fort, a water law expert and professor at the University of New Mexico.

"It's like a shiny red apple and that can be hard to turn down," she said.

Critics say the Ute project will do little to solve the region's drinking water woes and has only given way to bigger questions about the benefits and sustainability of high-dollar rural water projects that depend on shrinking rivers, reservoirs and aquifers.

Funding for rural projects managed by the Bureau of Reclamation has been shrinking, forcing Brumfield and others to make regular trips to Washington, D.C., to fight for whatever money is left.

It's no different for Red Arndt, chairman of the Lewis and Clark Regional Water System. That \$570 million project is designed to supply drinking water to 300,000 people in more than a dozen cities in South Dakota, Minnesota and Iowa. The states and local water authorities have contributed their share of close to \$154 million. Some customers are getting water now, but the pipeline comes to a dead end in a field near the Minnesota border.

Arndt said the Obama administration talks about improving the nation's infrastructure and boosting economic development but hasn't followed through with any meaningful investment. If a business comes to the area, local leaders must ask how much water they're going to use. If it's too much, Arndt said the businesses are told to move on.

"They want infrastructure and they want economic growth and what's more important than anything? Water. If you don't have water, you don't have growth of anything," he said.

In January, Vice President Joe Biden announced steps the administration would take to attract private investment. He told reporters: "It's one of the hardest things to deal with because it costs so much money, and it is not anything that the people can see."

The federal Bureau of Reclamation has about \$36 million for rural water projects for the next fiscal year. In its most recent analysis, the agency estimates the projects could be completed by 2029 with a total federal investment of about \$3 billion.

The federal government is obligated to pay for three-quarters of the Ute pipeline.

For the amount of water being moved and the population served, the Natural Resources Defense Council estimates it's one of the most expensive projects in the West. Critics question whether it's worth the effort given the cost and the uncertain supply of water.

They cite the situation facing the \$390 million San Juan-Chama Project, designed decades ago and completed in 2008 to funnel extra water through the Rio Grande Valley for Albuquerque and Santa Fe to keep from sucking local aquifers dry. Thanks to years of drought, this is the first year the project will see a shortage of water.

Those who live near Ute Reservoir fear a similar situation and see the project as a boondoggle. The town of Logan, for example, lives and dies by the reservoir, and persistent drought has reduced its levels.

"It seems like there is just such tunnel vision in Portales and Clovis," said Warren Frost, an attorney for the village who also owns property near the lake. "They're hell-bent to do this project regardless of whether it makes sense and I don't understand that."