Indian Affairs - Office of Public Affairs

Media Contact: Mitch Snow (202) 343-3171
For Immediate Release: June 30, 1986
Print PDF

Under Secretary of the Interior Ann McLaughlin announced today that the Administration has accepted the agreement for funding the Animas-La Plata Project.

"While the agreement that has been reached contains several elements that are quite different from those we requested at the opening of negotiations, I believe that we have reached the best agreement possible with the states of Colorado and New Mexico and the Ute Mountain Ute and Southern Ute Tribes," McLaughlin said. "Considerable concessions were granted on all sides during the formulation of this agreement.

"'We continue to be impressed with the ·strong coalition that has been formed locally and in Congress on behalf of the project. Without their constant support, this agreement would not have been possible."

During the negotiations, the estimated costs to the federal government of building the project were reduced from $518 million to $359.4 million. This includes $80 million to $359.4 million. This includes $80 million in cash from local sponsors to fund project construction and tribal development funds.

Key sections of the agreement call for the non-federal project sponsors to assume responsibility for building the Southern Ute Reservoir, elements of the "Dry Side" diversion unit, and facilities for irrigation of 24,600 acres of full-service farmlands, when such facilities were economically feasible. The agreement also provides for straight-line repayment of project costs associated with irrigation over a 30-year period. The cost sharing agreement is a necessary step in final settlement of outstanding Indian water claims.

"Final implementation of the settlement and the cost sharing agreement will depend on several actions of Congress. For example, authorization of the proposed tribal development fund will be necessary," McLaughlin said. Federal officials began negotiations with representatives from the states of Colorado and New Mexico and the Ute Mountain Ute and Southern Ute Tribes after an earlier cost sharing offer composed by those states and the Tribes failed to win approval by the Department of the Interior. The Continuing Resolution f or Fiscal Year 1986 contained $1 million to begin work on the Anima s-La Plata Project. Expenditure of those funds was contingent on the acceptance of a cost sharing agreement from the project beneficiaries.

The Animas-La Plata Project is located in Montezuma and La Plata Counties in southwestern Colorado and San Juan County in northwestern New Mexico. The multipurpose project will provide municipal and industrial water supplies to cities and industries in the area as well as supplemental and full-service irrigation water supplies to local farmers.