

Meeting Date: November 19, 2025

Staff Contact: Diane Agnew, Water Rights Program Manager

TITLE: R-25-45 – Authorizing the Approval of the Storage Agreements

Between the Albuquerque Bernalillo County Water Utility Authority and Los Alamos County, City of Espanola, Town of Bernalillo, and Village of Taos Ski Valley for Storage in Abiquiu Reservoir on Albuquerque Bernalillo County Water Utility Authority Easements

and Fee Simple Property

ACTION: Recommend Approval

SUMMARY:

The Albuquerque Bernalillo County Water Utility Authority (Water Authority) has had agreements with other San Juan-Chama (SJC) Project contractors for the storage of water in Abiquiu Reservoir and on Water Authority easements and fee simple property. The June 26, 2024, storage agreement signed by the Water Authority and the U.S. Army Corps of Engineers (USACE) recognizes that 29,100 acre-feet of storage space is available for other SJC Project contractors. The 29,100 acre-feet of storage is proportionately distributed between multiple SJC contractors, including Los Alamos County, City of Espanola, Town of Bernalillo, and Village of Taos Ski Valley. Water stored within the USACE contracted space is on Water Authority acquired easement and fee simple property. In exchange, Los Alamos County, City of Espanola, Town of Bernalillo, and Village of Taos Ski Valley will pay the Water Authority \$1 per acre-foot of water stored. The agreements are limited to the USACE proportional storage quantity, as listed below:

Los Alamos County 3,965 acre-feet
City of Espanola 3,297 acre-feet
Town of Bernalillo 1,319 acre-feet
Village of Taos Ski Valley 49 acre-feet

Approval of these agreements will be consistent with existing storage easement agreements with other SJC Project contractors (e.g., City of Santa Fe) and the conditions of the June 26, 2024, agreement between the Water Authority and USACE.

FISCAL IMPACT:

None

ALBUQUERQUE BERNALILLO COUNTY WATER UTILITY AUTHORITY

BILL NO. <u>R-25-45</u>

1	RESOLUTION
2	AUTHORIZING THE APPROVAL OF THE STORAGE AGREEMENTS BETWEEN
3	THE ALBUQUERQUE BERNALILLO COUNTY WATER UTILITY AUTHORITY AND
4	LOS ALAMOS COUNTY, CITY OF ESPANOLA, TOWN OF BERNALILLO, AND
5	VILLAGE OF TAOS SKI VALLEY FOR STORAGE IN ABIQUIU RESERVOIR ON
6	ALBUQUERQUE BERNALILLO COUNTY WATER UTILITY AUTHORITY
7	EASEMENTS AND FEE SIMPLE PROPERTY
8	WHEREAS, Congress authorized the Secretary of the Army to enter into
9	agreements with entities for storage of 200,000 acre-feet of San Juan-Chama water in
10	Abiquiu Reservoir in Public Law 97-140; and
11	WHEREAS, P.L. 97-140 specified that the storage of San Juan-Chama water in
12	Abiquiu Reservoir shall not interfere with the authorized purposes of the project and
13	shall include a requirement that each user of storage space shall pay any increase in
14	operation and maintenance costs attributable to the storage of that user's water; and
15	WHEREAS, in P.L. 116-260 Congress amended P.L. 97-140 and P.L. 100-522 to
16	allow concurrent storage of San Juan-Chama and native Rio Grande system water in
17	Abiquiu Reservoir up to elevation 6230.00 NGVD29; and
18	WHEREAS, P.L. 116-260 required that each user of storage space, regardless of
19	source of water, pay for any increase in costs attributable to storage of that user's
20	water; and
21	WHEREAS, pursuant to Section 337 the Department of the Army and the Water
22	Authority entered into a new agreement for storage space at Abiquiu Reservoir that was
23	signed June 26, 2024, which allows for storage by the Water Authority of San Juan-
24	Chama project water or native Rio Grande system water in Abiquiu Reservoir up to
25	elevation 6230.00 NGVD29, and use of such storage by the Water Authority (known as
26	the "Water Authority's contracted storage space"); and

WHEREAS, the June 26, 2024, water storage agreement recognizes that 29,100
acre-feet of storage space is to be set aside for storage by other San Juan Chama
contractors (known as the "USACE/Contractors' pool"); and

WHEREAS, the Water Authority has acquired easements, fee simple property or other real property interests at and along the perimeter of Abiquiu Reservoir up to the elevation 6230.00 NGVD29 (the Water Authority's "Property") as necessary to store San Juan-Chama or Native Rio Grande System water pursuant to the requirements of P.L 116-260; and

WHEREAS, the Los Alamos County, City of Espanola, Town of Bernalillo, and Village of Taos Ski Valley store their proportional share of 29,100 acre-feet set aside for non-Water Authority Abiquiu Reservoir Contractors on Water Authority property; now.

BE IT RESOLVED BY THE WATER AUTHORITY:

Section 1. The Executive Director is authorized to negotiate and enter agreements with the Los Alamos County, City of Espanola, Town of Bernalillo, and Village of Taos Ski Valley for the storage of 3,965 acre-feet, 3,297acre-feet, 1,319 acre-feet, and 49 acre-feet, respectively, within the Water Authority's property at Abiquiu Reservoir.

WATER STORAGE AGREEMENT

This water storage agreement (the "Agreement") is entered into between the Town of Bernalillo, a municipal corporation of the State of New Mexico (the "Town"), and the Albuquerque Bernalillo County Water Utility Authority, a political subdivision of the State of New Mexico (the "Water Authority") (the Town and the Water Authority are each a "Party" and together they are the "Parties"), and is effective as of the date of the last signature below (the "Effective Date").

Recitals

- A. WHEREAS, Congress authorized the Secretary of the Army to enter into agreements with entities for storage of 200,000 acre-feet of San Juan-Chama water in Abiquiu Reservoir in Public Law 97-140 ("P.L. 97-140"); and
- B. WHEREAS, P.L. 97-140 authorized the Secretary of Interior to release San Juan-Chama water to contracting entities for storage by its contractors; and
- C. WHEREAS, P.L. 97-140 required that the storage of San Juan-Chama water in Abiquiu Reservoir would not interfere with the authorized purposes of the project and shall include a requirement that each user of storage space shall pay any increase in operation and maintenance costs attributable to the storage of that user's water; and
- D. WHEREAS, Pursuant to P.L. 100-522, Congress authorized the Secretary of the Army to store 200,000 acre-feet of Rio Grande system water in lieu of San Juan-Chama water if the contracting entities no longer required storage of their San Juan-Chama water; and
- E. WHEREAS, P.L. 116-260 amended P.L. 97-140 and P.L. 100-522 to eliminate the 200,000 acre-feet volume cap from combined sources in favor of allowing for the concurrent storage of San Juan-Chama and native Rio Grande system water in Abiquiu Reservoir so long as the contents of the reservoir did not rise to a point above the elevation of 6230.00 NGVD29; and
- F. WHEREAS, P.L. 116-260 requires the Secretary of the Army to retain or enter into new agreements with entities other than the Water Authority for storage of San Juan-Chama or native Rio Grande system water up to the proportional allocations of 29,100 acre-feet of storage space within Abiquiu Reservoir; and
- G. WHEREAS, P.L. 116-260 further requires that the storage of native Rio Grande system water will be authorized only if the necessary water ownership and storage rights have been acquired by the entity requesting such storage; and
- H. WHEREAS, P.L. 116-260 further required each user of storage space, regardless of source of water, shall pay for any increase in costs attributable to storage of that user's water; and

- I. WHEREAS, pursuant to NMSA 1978, Section 72-1-10, the Department of the Army and the Water Authority entered into a new agreement for storage space at Abiquiu Reservoir that was signed June 26, 2024, which allows for storage by the Water Authority of San Juan-Chama project water or native Rio Grande system water in Abiquiu Reservoir up to elevation 6230.00 NGVD29, and use of such storage by the Water Authority (known as the "Water Authority's contracted storage space"); and
- J. WHEREAS, the June 6, 2024, water storage agreement recognizes that 29,100 acre-feet of storage space is to be set aside for storage by other San Juan-Chama contractors (known as the "USACE /Contractors pool"); and
- K. WHEREAS, the Water Authority has acquired easements, fee simple property or other real property interests at and along the perimeter of Abiquiu Reservoir up to the elevation 6230.00 NGVD29 (the Water Authority's "Property") as necessary to store San Juan-Chama or Native Rio Grande System water pursuant to the requirements of P.L 116-260; and
- L. WHEREAS, the purpose of this Agreement is to authorize the Town to store its proportional share of the 29,100 acre-feet set aside for non-Water Authority Abiquiu Reservoir Contractors on the Water Authority's Property.

NOW, THEREFORE, upon the mutual consideration described by this Agreement, including the covenants and promises contained herein, the adequacy of which is acknowledged by the Parties, the Water Authority and Bernalillo agree as follows:

Agreement

- 1. **Recitals.** The Recitals are incorporated herein by reference.
- 2. **Water Storage Allowance.** The Water Authority agrees to allow storage on its Property San Juan-Chama water or of native Rio Grande water, which amount is equal to the Town's proportional share of the 29,100 acre-feet of set aside for non-Water Authority Abiquiu Reservoir contractors subject to the following requirements and limitations:
- a. The Town's San Juan-Chama or native Rio Grande water stored in accordance with paragraph '2' above can be carried over, but in no case shall its total quantity at any given point in time exceed the Town's proportional share of the 29,100 acre-feet; and
- b. Notwithstanding the foregoing, the Water Authority maintains its right to store its San Juan-Chama or native Rio Grande system water on its Property in conjunction with or in addition to the amount of the Town's water actually stored; and
- c. The Water Authority's grant under this agreement permits the County to store San Juan-Chama water or native Rio Grande system water within or upon its Property¹ neither

¹ The Water Authority has acquired fee simple or other real property interests at and along the perimeter of Abiquiu Reservoir up to the elevation of 6230.00NCVD29. This is the Water Authority's property.

conveys any right of possession, control, exclusion, or any other interest in real property to the County, nor does it affect or modify the existing Water Authority contract rights under the water storage agreement between the Water Authority and the Department of the Army signed on June 26, 2024 or any subsequent Abiquiu allotment contracts between the Water Authority and the Corps.

- 3. **Consideration.** In exchange for the water storage described in paragraph 2, above, the Town agrees:
- a. To provide payment of \$1 for each acre-foot of the Town's water stored upon or within the Water Authority's Property during the previous calendar year as shown on the annual report, irrespective of evaporation. The Town recognizes that this amount is nominal in consideration of the use and administration of the Water Authority's Property.
- b. To submit an accounting of the water stored under this Agreement during the previous calendar year, and the amount to be carried forward, to the Water Authority by February 1st of each year. The payment for the previous year's storage as required by paragraph '2', above, is due by the first day of March of each year.
- c. To support the Water Authority's efforts to obtain the necessary state, federal and other permitting to store native Rio Grande system water in Abiquiu Reservoir.
- d. To acquire any state, federal or other permits necessary to store native Rio Grande system water on the Water Authority's Property.
- e. To provide written notification to the Water Authority at least one week in advance as to when water will be delivered to Abiquiu Reservoir for storage within or upon the Water Authority's Property pursuant to this Agreement. Such written notification is to be submitted in the form of an email to the Water Authority's Water Rights Program Manager.
- f. To not store San Juan-Chama or native Rio Grande system water that is suballotted, purchased, leased or otherwise acquired or obtained from, or that belongs to any third party, without the Water Authority's prior written approval, which may be reasonably withheld.
- g. That it is responsible for its proportional share of the monthly evaporative losses that occur on the Town water stored in Abiquiu. The Town will work with the U.S. Bureau of Reclamation to provide the records of the evaporative computation calculated on a monthly basis and ensure that these losses are deducted from the Town's account.
- h. To contract separately with the Corps for the storage of San Juan-Chama or native Rio Grande system water including the proportional share of the annual increased cost for operation and maintenance as determined by the Corps.

- 4. **Term.** The term of this Agreement is for the duration of one year from the Effective Date, and automatically renews for one additional year upon each anniversary of the Effective Date unless sooner terminated.
 - 5. **Termination.** This Agreement can be terminated only as follows:
- a. By either Party providing 30-day written notice of initiation of good faith discussion of proposed termination;
 - i. Such good faith discussion shall include consideration of the documented loss to the Town if the Water Authority is seeking termination;
 - ii. Such good faith discussion shall include efforts to minimize losses to both Parties and avoid termination;
 - b. At any time by written mutual consent of the Parties;
- c. At the sole discretion of the Water Authority by providing a 90-day written notice of termination to the Town; or
- d. At the sole discretion of the Town by providing a 30-day written notice of termination to the Water Authority.
- e. If so terminated, all of the Town's San Juan-Chama or native Rio Grande system water remaining on the Water Authority's Property at the time of termination may remain for a period of up to one year, upon the conclusion of which the Town shall have released or otherwise caused its remaining water to be removed from the Water Authority's Property.
- 6. Limitations of Liability. Any claim of tort liability against either the Town or the Water Authority is subject to the privileges and immunities of the New Mexico Tort Claims Act, NMSA 1978, §§ 41-4-1 through 41-4-30, as amended. Except as expressly provided by the New Mexico Tort Claims Act, neither the Water Authority nor the Town waives its sovereign immunity or any defense or limitation of liability provided by applicable law. No provision of this Agreement shall be construed to modify, abrogate, or waive any provision of the New Mexico Tort Claims Act. None of the provisions contained within this Agreement are intended to create in the public or any member thereof a third-party beneficiary or to authorize anyone not a party to the Agreement to maintain a suit or any claim whatsoever, pursuant to the provisions of this Agreement. Notwithstanding the foregoing, the Town agrees to waive its immunity from unconsented suit solely for the limited purpose of enforcement of its obligations under this Agreement by the Water Authority and no other party. This waiver applies to claims seeking specific performance and/or damages, but it shall not be construed to include claims seeking special or consequential damages.
- 7. **Severability**. If any part, term or provision of this Agreement is held invalid or unenforceable under applicable law, such provision will be deemed severed from this

Agreement, and the remainder of this Agreement will remain in full force and effect unless its essential purpose is frustrated by such severance.

- 8. **Merger Clause.** This Agreement constitutes the entire Agreement between the Water Authority and the Town. There are no understandings, agreements, or representations, oral or written, not specified herein regarding this Agreement.
- 9. **Amendment.** This Agreement will not be altered, changed, or amended except by a written instrument executed by both Parties.
- 10. **Dispute Resolution.** The Parties hereby irrevocably and unconditionally submit to the jurisdiction of the state courts of New Mexico and to the jurisdiction of the United States District Court for the District of New Mexico for the purpose of any suit, action or other proceeding arising out of or based upon this Agreement.
- 11. **Notices.** Except as provided in subparagraph 3(e), above, the Water Authority designates Mark S. Sanchez, Executive Director, or his designee or successor as the Water Authority's Representative and person to receive notifications from the Town under this Agreement. The Town designates NAME, TITLE or their designee or successor, as the Town's Representative and person to receive notifications from the Water Authority under this Agreement.
- 12. **Counterparts.** This Agreement may be executed by the Parties in multiple counterparts, each of which shall constitute an original, but all of which together shall constitute a single binding agreement between the Parties.

Signatures

IN WITNESS WHEREOF, the Town and the Albuquerque Bernalillo County Water Utility Authority have caused this Agreement to be executed and delivered by its duly authorized representatives as of the date specified below:

ALBUQUERQUE BERNALILLO COUNTY WATER UTILITY AUTHORITY		
Mark S. Sanchez, Executive Director Albuquerque Bernalillo County Water Utility Authority	Date	
TOWN OF BERNALILLO		

NAME, TITLE	
Town of Bernalillo	

Date