ADOPTED BY THE CENTRAL ARIZONA WATER CONSERVATION DISTRICT
BOARD OF DIRECTORS - March 3, 1988

STATEMENT OF POLICIES AND PRINCIPLES REGARDING
THE USE OF CAP FACILITIES TO FACILITATE
INDIAN WATER RIGHTS SETTLEMENTS

Policy

The Board of Directors of the Central Arizona Water Conservation District recognizes that unresolved Indian water rights claims are a constraint on orderly and efficient water management. The Board recognizes that a broad public benefit is a potential result of resolution of these claims, and wishes to lend the resources of the District to efforts to realize those benefits while protecting the ability of the CAP to accomplish its primary purpose of delivering CAP water to CAP customers. Accordingly, we support and direct the use of CAP facilities to facilitate Indian water rights settlements which we find to be consistent with our basic responsibilities. As a general condition, we find that such settlements should be implemented and given priority over non-Project uses of CAP facilities, subject to the following principles:

Principles:

1. Water Supply

a) There should be no adverse impact on water supplies otherwise available for CAP.

b) There should be no adverse impact on CAP users that are not parties to the settlement.

c) Supplemental water supplies delivered through CAP facilities should share losses pro rata with all other water supplies delivered through such facilities.
2. **System Capacity**

There should be no reduction in the delivery capacity otherwise available to existing CAP subcontractors (i.e., there should be no change required in the anticipated water delivery schedules of those that are not parties to the settlement).

3. **Navajo Power**

   a) There must be no reduction in Navajo Surplus available for long term marketing under the Navajo Marketing Plan.

   b) The settlement should not interfere with the District's receiving optimum value from the sale of short term Navajo Surplus.

   c) At no time may the power costs to settlement participants be less than those paid by CAP water users generally.

4. **O&M Costs**

The settlement should provide for the recovery of an appropriate charge to offset fixed O&M costs associated with the delivery of settlement water supplies.

5. **Repayment**

Water delivered through Project facilities to facilitate Indian settlements (such as replacement water and water leased by Indians to non-Indians) should be treated as if it were Project water.
delivered to Indian entities for purposes of
determining CAWCD's repayment obligation.

Subject to the foregoing principles, each proposed settlement should
be considered on its own merits. The Board's approval of any
particular settlement shall not be regarded as establishing any
precedent for any other settlement.