



NEW MEXICO ASSOCIATION OF GRANTMAKERS

New Mexico's Water Future: Renaissance or Ruin?

July 14, 2008 Pritzlaff Ranch, Sapello, NM

Facilitators: Lucy Moore and Dyan Oldenburg. Participant list attached.

Summary of Discussion Notes

WELCOME AND INTRODUCTIONS

Gay Dillingham, Board Chair, New Mexico Association of Grantmakers, welcomed the group and spoke to the crisis facing all New Mexicans as the climate changes and competition for our scarce water resources increase. She asked Governor Peter Pino of Zia Pueblo to offer a blessing on behalf of the gathering. Sterling Grogan of the Biophilia Foundation and Anne Watkins hosted the gathering.

Following group introductions, participants' expressed their hopes and fears about the future of water in New Mexico:

Flowing acequias	Extinction	Respect
Resiliency	Collaboration	Conflict
Politics	Cross-jurisdictional	Move to local
Ritual	Opportunity	Resistance
Policy changes	Inertia	Awakening
Rhetoric	Transformation	Money
Self-change		

PRESENTATIONS

Peter Pino, Zia Pueblo: Governor Pino described the history of his Pueblo, including struggles for land and water resources. These struggles began centuries ago with other Native groups, with the Spanish, with the Anglo settlers, and today, with the City of Rio Rancho, the rapidly growing neighbor to the south and west. He also described the successful negotiation of a shortage-sharing agreement with the neighboring non-Indian community of Jemez Springs. In the late 1990's there was not enough irrigation water in the *acequias* to serve both the Indian and non-Indian interests along the Rio Jemez. Because so many of the community leaders had grown up together, gone to school together, and now farmed side by side, it was possible for them to sit down and negotiate an agreement which gave each community a fair share of available water. No single community or Pueblo received its full share, although legally, the Pueblos have the first right to fulfill all their needs before any other users take water. The agreement still is operable today, and has allowed the communities along the river to co-exist peacefully. Governor Pino added that there are strict regulations about the use of water at Zia: no lawns, no car washing, no shade trees. Top priority for water use is domestic, followed by crops, and then if there is enough, for pasture.

Janie Chermak, UNM Professor of Economics: Dr. Chermak offered thoughts about the impact of economics on the problem of scarce water resources. She warned that many are deluded that “we can fix anything with a model,” and that the only way to measure the value of a resource is monetarily. The value of economics, she said, is as a tool to compare different scenarios. Given an objective and a set of constraints, an economics model can predict an outcome. The problem is that there is no agreement on the objective; water is so many different things to different people. Until society can agree on the objective, there will be limited value to economic modeling of water. The price of water (\$20-26 for 6,000 gallons, or ½ cent per gallon) for an urban household is cheap, allowing people to remain ignorant of the amount of water they use. She suggested that our society should think much farther ahead than the usual 40-year planning horizon, to seven generations and more, and emulate the practices of many Native communities. In her closing remarks, she noted the need for interdependent models for agricultural and economic infrastructures.

Paula Garcia, Director, NM Acequia Association: The NMAA, governed by *El Congreso*, includes 500 of the 800 *acequias* in the state, and provides intensive legislative advocacy for the *acequia* communities. Water policy, she said, “makes us reductionist,” and water rights “polarize us.” She lauded the Rio Jemez agreement noted by Governor Pino as a courageous step to reinstate the custom of sharing in times of shortages. Historically, in New Mexico *acequias* and Indian communities practiced a sharing of the water. It was understood and accepted that those at the top of the stream could not help themselves to all the water, but must consider those downstream. Water is still measured in “time” – *peones* – which can be 15 minutes, or an hour or a day, depending on the availability. The emergence of water markets has made *acequias* “the sacrificial lamb,” vulnerable to water speculators who can offer a relatively high price to poor rural water users. The *acequia* communities are like the “canary in the coalmine,” she said, showing the first vulnerabilities to the market system. She hopes in the future that *acequia* communities can have more control over their own destinies. The water rights adjudication process, she added, is adversarial and puts these rural residents in a defensive posture, being sued by the State. She hopes that rural communities can unify around watersheds for on the ground protection. These local farmers are the frontline of climate change –with the most to lose, and also the most to contribute as transportation costs rise.

Gary Geernaert, Director, Institute of Geophysics and Planetary Physics: Dr. Geernaert disputes the myth among many scientists that “science can fix anything.” It is critical, he said, to work with the public and to work at the local level, to deliver difficult messages. We face a crisis resulting from a convergence of pressures: rising energy costs, water shortages, security threats, global impacts of all kinds, inadequate money for infrastructure maintenance. Studies have shown that those with the most credibility for people are local leaders, not federal government officials or experts from elsewhere. The challenge will be to mobilize the public to make sacrifices (hopefully minimal) in the interest of wise resource management and stewardship. He

spoke of resiliency, the ability of the sustainability curve to withstand shocks, like hurricanes, terrorist attacks, etc. In order to survive, he said that a society must have “successes” lasting 3 to 5 years between these shocks. He repeated figures about global warming – 5-7 degrees Fahrenheit increase in NM in 100 years, less precipitation, and more extreme weather events, like floods. The authority to manage this situation, he emphasized, resides at the local level, where public debt can be financed, where leaders are more trusted, where jobs are created and laws enforced. Universities are developing technologies to help deal with the crisis, but the capacity for local implementation does not exist. He urged NGO’s to work at the local level to support these infrastructure and education needs. He put special emphasis on teacher training. In his closing remarks, he urged public agencies to take risks, to be bold in meeting the challenges from climate change.

Discussion: Following the presentations, participants asked questions and made comments.

Building public support to deal with climate change: Several spoke of both the importance and difficulty of communicating effectively to the public on issues of climate change. The words themselves are polarizing, and the long-term consequences are hard to grasp. Some suggested making the discussion as concrete and local as possible, with examples of small successes. Another said that the universities in Washington and Oregon have simple, accessible materials on climate change on their websites. Another preferred the term “global climate disruption,” which better describes the complex “pinball effect” as one natural or manmade event triggers another.

A participant said that sustainability is a part of high school science curriculum in some schools. There was hope that the subject could be included in non-science curriculum, and that teachers could receive workshop training in teaching climate change-related courses.

Local food production: The climate cost of moving food around the globe is great. Tilapia from Japan, for instance, has a huge carbon footprint. Many spoke of the benefits – and complexities – of local food production. Experiencing some popularity, the local movement will probably grow, but at some point will be exhausted and unable to provide food to urban densities. To maximize local production, local culture needs reinforcement, and watersheds need improved protection.

Governor Pino said that a Homeland Security official visited Zia Pueblo and asked how much food supply was on hand. The answer – nine months – amazed him. The average, he said, is five days. At Zia, the people hunt, gather, grow crops, and then dry and freeze surplus for the future. Governor Pino described a Zia legend of the two mothers – one the material, individual-based, and the other the earth, community-based one. “There is room for both,” he added, in our modern society.

There was also discussion about the need to transfer this kind of cultural knowledge from one generation to the next. Youth need to experience *querencia*, an interaction with the land, the experience of stewarding the land. Paula Garcia described a cultural immersion program for Hispanic youth to learn both traditional and modern land management practices, from farmer and rancher mentors. She also urged people to understand the relationship between local food and water, and the fact that locally grown food consumes and “moves” water. Water, she said, can be seen to have a “domicile,” a local cycle, a right to exist where it is.

The critical role of immigrants (from Latin America) in producing local food should also be remembered.

Trade agreements, local and global, should incorporate local water and local food concerns.

The group discussed the differences in the resiliency and vulnerability of small, local farming and big, industrial agriculture. There were questions about the amount of water consumed by agriculture (big and small, north and south) in New Mexico.

Look to Cuba, said a participant, for an example of local food production (partly a result of embargoes) and longer life spans.

Northwest California model: A participant volunteered information about the development of an integrated water plan in Sonoma County, which includes modeling local renewable energy infrastructures to determine the economic return on renewable systems. The hope is to provide incentives for industry to invest in research and development in renewable energy technologies.

Leadership for a new paradigm: An environmental NGO representative suggested that environmentalists should not take the leadership role for a new paradigm. Science will take on a new importance. It is also important to realize that indigenous people have the right, and the need the opportunity, to develop their economies and resources. The fact that they are behind the dominant society in this way should not mean they are deprived of that same progress.

Impact of groundwater pumping: The group noted there are communities dependent on groundwater, and their vulnerability to contamination of that source.

LUNCHTIME TABLE DISCUSSIONS: During lunch, participants were assigned to one of six tables to discuss possible roles for NMAG, for NGOs and for agency/policy entities. Following are the issues raised by the tables during their report-back.

Look for Models: There may be good models elsewhere for fair and equitable distribution of resources that would be useful to New Mexico.

Convene Events: There is the need for a conference focused on our current situation and what would happen if we do nothing. In other words we need to understand the limits of, and constraints to, our consumption.

Think Bio-regionally: We need to think beyond New Mexico, and recognize that we are part of a bio-region. We can play a role in the health and resiliency of that bio-region.

Water Management: We need a speedier and more flexible system for managing water, one that can respond quickly to crisis.

Water Planning: While remaining acutely aware of the global situation, water planning in New Mexico needs to include more voices, particularly at the very local level, right down to homeowners' associations, and neighborhood coalitions. Those with the least power need to be included.

Diversity at the Table: To create a truly responsive agenda to meet the climate change crisis, we need to construct a new table that holds both old and new voices. There is valuable knowledge and creative solutions in those at the community level, as well as at the universities. A new paradigm must recognize and value this diversity.

Collaborate: Incentives are needed for jurisdictions to work together at the watershed level.

Changes in law and policies: The beneficial use provision, which dictates “use it or lose it” to New Mexico water users should be changed, to promote conservation. Local policy changes could also encourage more water-saving strategies and more inclusive decision-making.

Water Innovation Fund: The Governor's Water Innovation Fund is designed to bring together both public and private stakeholders to develop new technologies and recommend local policy changes.

Water Quality: There was concern about recent weakening of the Clean Water Act. There were also questions about the relationship between water quality and agriculture, both the impact of contamination on the crops, and the impact of agricultural practices on the quality of the water.

NGO, POLICY AND FUNDERS GROUPS

In the afternoon, the group divided into three groups according to affiliation: NGO's and non-profits, Policy and agency groups, and Funders/grantmakers. Summaries of those discussions follow:

NGO's: [summary based on the notes of recorder Paula Garcia]

The non-profit group described the need to work together in a new way and to break the cycle of their own agendas. This new model would include previously disenfranchised, land-based voices. It would also be necessary to re-examine the process and the product, and understand the importance of education and relationship-building.

The group also discussed the “Iron Triangle” of power – business, government and NGO's, and the role of each. They realized that business has the potential to respond faster than government or NGO's with innovative solutions, such as the transition to renewable. Some favored more cultivation of politicians, in an effort to address real structural changes in government. Others warned that investing in electoral work can be problematic: who is defining these agendas and to whom are they accountable? Listening to all voices, and recruiting new leadership should be part of the commitment. There was concern that influencing politics and gaining political power might simply result in empowering a new clique, not in making real changes to the system. Funders need to be careful when funding political activities – to check the legality and the impact on other interests.

Agency structure creates institutional inertia and is a barrier to change. Government is often the last to know about innovations; they could benefit from regular updates from the private sector. Some favored a New Mexico department of water resources, at the cabinet level, which would bring the Office of the State Engineer, the Interstate Stream Commission and the Environment Department under one umbrella and would link quality and quantity issues.

Others warned that change does not necessarily occur in bureaucracies, but rather on the ground. There was agreement that both was needed: institutional change and implementation by communities, individuals and businesses.

Participants cited successful watershed group collaborations, where farmers and ranchers work with environmentalists and urban dwellers. In Sapello, a group is working on acequia diversions and biodiversity. Another recommended a collaboration between landowners/ranchers and government to address issues of species diversification and watershed protection.

The group discussed litigation. Many felt it is an appropriate strategy to protest water transfers or water marketing applications. These can be important test cases for public welfare and conservation. Another example was the Phelps Dodge claim of ownership of an aquifer in order to pollute. Ideally, litigation is used to build a broad base of support for a basic principle, in this case opposition to the co-modification of water. Otherwise, litigation can be divisive, especially if one sector is well-funded to litigate and does not include other stakeholders. This was the case in the 1990's when environmentalists used litigation to oppose the interests of ranchers.

Participants spoke of learning from that flawed strategy, and healing these divisions through local actions which serve common goals.

The group noted that funders should consider the economic disparities when making funding choices. Many environmental groups are better funded, or at least have access to more resources through non-profit structures, than ranchers, farmers, or traditional rural communities. In some cases, funding can incite tense community dynamics over who is receiving resources and setting agendas. Another source of tension is the nature of the mainstream process, which emphasizes product over process. People of color can become “road kill” when the other groups are racing to put the product together. Dominant society concepts of time and deadlines can also be oppressive and exclude more traditional communities. The on-the-spot decision-making style of some can overwhelm the more traditional style of checking back with community members, perhaps more than once, before making a decision. Finally, a process should not forget the indigenous knowledge that is available and valuable in solving problems, often at lower costs.

Given the danger of doing harm, how can funders be most effective? A participant observed that some important battles have been won, without funding, like the Concerned Citizens of Wagon Mound victories in court. Participants asked for grassroots examples of funders, government and communities working successfully together. It is important to tell these stories and learn from them. The change will be incremental, they said, and in the shape of a spiral, not a straight line.

The group was aware that climate change also has the potential to divide or unite. Some suggested identifying and supporting one local, concrete project. A candidate is the national labs’ modeling of climate change impacts to water resources. Funders could support the involvement of stakeholders in the design of the model so that the information would be relevant and useful to communities. A model in each of the state’s five eco-regions would be appropriate.

The group noted that some participants represent groups, communities or constituencies, which may or may not be willing to support recommendations. Decision-making in collaborative processes like this must allow for these considerations.

Key Points (by Paula, who admits a “subjective view of note taker with some synthesis through a biased lens on social change”)

- Learn from examples that demonstrate effective policy and institutional change. Support innovative models at a scale in which stakeholders from a diversity of backgrounds are meaningfully engaged in designing the agenda and allocating scarce resources
- Support projects that exemplify collaboration on addressing climate change (or resource management issues in general) on a bioregional scale. Such projects should have a special consideration for social and cultural issues.
- Promote greater equity in terms of the investment of resources. Communities most deeply affected by climate change may not be formed into 501c3 organizations and yet

should have some role to play in designing mitigation and adaptation strategies. Funders should build local capacity for greater participation by historically underrepresented groups.

- Demonstrate greater sensitivity to process. Communities, particularly land-based and traditional communities, have higher standards of accountability to their respective leadership and community members. Decision-making in this context takes longer and is qualitatively different from a corporate model which is what most mainstream non-profits, particularly environmental organizations, exemplify. Funders should not reinforce the entrepreneurial tendencies of capitalism in which the first groups out front are rewarded with more resources.

Policy/agencies: [Summary based on the notes of recorder Elaine Ball]

Reframing issue, reframing strategy: “We need a change of mentality to one of conservation.” The group considered how to reframe/conceive of the problem differently so that more people can see the potential gains. “The pie is shrinking” model, for instance, is no longer useful. Those who are many generations removed from the land, who think that water comes from the tap, must be re-educated to understand the new reality. It is also critical for all of us to understand that there are no easy answers, that the issues around water are extremely complex. Answers must be flexible in their application to different situations; we must not expect a quick fix if we want lasting change.

Another reframing would be to focus on how to live within the means of the resource, rather than focusing on the deficiency of money. Another suggested addressing the affordability factor of green building and green lifestyles. Talking to people in economic terms will be critical to changing behaviors.

The group noted that collection of clear, reliable data, and effective dissemination of that data, will be key to changing attitudes and practices. A participant also suggested that more systems analysis is needed: what are the inputs to the systems, what is the capacity of reservoirs, how is the water allocated, what are the restraints, etc.?

The group heard about the Anasazi Trek, a week-long experience to learn how to live off the land and appreciate teachings of the elders. The Zia Pueblo participant suggested funders might benefit from such a trek.

Funding and Leadership: Funders may often make decisions from the heart, rather than as part of a thoughtful strategy. A participant felt strongly that a new paradigm is needed, that environmentalists need to give up the leadership role in solving these problems. There is powerful leadership at the community level, ready to take on some of these battles. “We need a safe place where culture and ethnicity can survive.”

A participant suggested that there is also good, conservation leadership potential within the development sector that should be cultivated.

Re-examining and implementing old plans: A participant suggested that there are good ideas and plans from decades ago that need to be implemented. “Why do we keep reinventing the wheel?”

Another noted that some of the plans are weak in the area of water quality. New plans should be done on an appropriate timeline, and be “smarter” than the old ones.

Conservation as a starting point and focus of efforts: Conservation and restoration are areas where progress can be made – at the municipal level, at the agricultural level and in watershed protection. Participants observed that Albuquerque and Rio Rancho have already given in to massive development on the west side. “What good will conservation do when so much has been given away already?”

A participant described Navajo water hauling and conservation methods, adding “Navajos conserve because they have to.”

Focus on water quality: Protection of water sources from contamination can increase supplies. There is also the potential for technologies to remove pollutants, including desalination. Some of the old water plans, said one, did not address quality issues adequately.

Learning from other models: A participant offered the model of the Sonoma Mountain Village, with a self-sustaining water system, and largely off the grid. The project was funded by banks, through certificates built into mortgages. Another example addressed the tension in California between urban users and agricultural communities. Los Angeles paid farmers to use their water more efficiently and bought the surplus conserved water for urban use.

Public/Private partnerships: To maximize each available dollar, state government favors partnerships between government and private entities.

Alliances, collaborations: Some pointed to hopeful new alliances between environmentalists and ranchers. Cross-cultural training can help these groups survive and be more effective. Successful collaboration requires a framework that brings us together with a common goal and common respect.

The same kind of alliances can be formed with developers and realtors for even more power. There is a need for support of “resilient growth mentalities” in the building and development industries. Encouraging companies like Wal-Mart, with enormous education potential, to develop innovative, local education projects could result in significant changes in behavior.

Influence political decision-making: Providing decision-makers with experts and data on conservation and climate change could have a big impact.

Focus on statutory changes for “hot topics”: The group identified areas that are receiving a lot of attention, including domestic well policies, adjudications, uranium contamination and future mining. Changes in law could address some of these problems. “People in the state legislature are good people and want to do the right thing.” The challenge, said one, is how to use the relatively small amounts of money available to effect change in the face of large amounts coming from other interests.

Accountability of funding organizations: A participant suggested increasing the numbers of people of color on the staff of funding organizations. This will have two benefits. The organization will become more authentic, will make better decisions, and do better work. And, it

will gain credibility in those communities they serve, as they reflect the demographics of those communities.

Funders: [Summary based on the notes of recorder Chelsea Brown and facilitator Lucy Moore]

Guidelines for Funders:

Learning from the past: Funders reviewed their experiences in funding water issues and supporting environmental efforts in New Mexico. They understood the importance of learning from those successes and failures as they move forward. Some of the projects mentioned included: Alliance for the Rio Grande Heritage, New Mexico Water Dialogue, Rural Livelihood Initiatives, the Affinity Group on Water.

Avoid parachuting: Funders agreed that projects are much more effective when the community is actively involved and cares about the outcome. It is easy to assume that a certain area or issue needs help, but funders/activists/environmentalists who parachute in will often be regarded as outsiders. Pulling people up from the community to work with the project will yield better response from locals.

Engage as partner with grantee: Funders should keep up active conversation and involvement with their grantees. This cultivates a more collaborative atmosphere and is more effective than simply hearing quarterly presentations.

Recognize the qualities of a good grantee organization: This primarily entails effective leadership. Good leadership often is equated with diplomacy and respect. These qualities can facilitate coordinating the actions and resources of different groups and creating a balanced group of stakeholders.

Incentivize collaboration: Funders discussed ways to encourage grantees to collaborate with other stakeholders for a stronger, more effective program. The Forest Service, for instance, includes a collaborative requirement in their RFPs for community work.

Focus on quick, tangible results: "A fast failure is better than a slow success." The group discussed the need to focus on immediate projects and goals, while not losing of long-term goals. It is more productive and satisfying to see tangible results more quickly.

Dual Focus: Policy and Grassroots: The group discussed the relative importance of funding policy or grassroots projects. They concluded that both are important in the area of water and conservation if meaningful progress is to be made. In addition, many who start out working on grassroots projects go on to work in policy.

Inclusion of stakeholders: "Does everyone need to be at the table?" asked the group. No, not necessarily. Although bringing together the greatest range of interests is desirable, for an effective project it may be preferable to work with groups and individuals who are interested in collaboration – a coalition of the willing. If too many conflicting interests approach the same issue, there is bound to be conflict.

Different agendas: “Everybody has a different part of the elephant.” We do not all have to march under one flag, said a participant, but should feel free to pursue our own interests.

Specific projects:

Change laws: The group agreed the “use it or lose” policy, a creature of the beneficial use law, needs serious re-examination if water conservation is to become a priority in the state. Extensive research on this policy is needed to map out the vested interests, roadblocks, recent developments, conflicts, opportunities, and speculation.

Another suggestion was to explore new qualifications for the state engineer.

Political action: Some felt the time was ripe for working with both campaigning and newly elected officials, at the local, state and national levels.

Complete adjudications: Some felt the top priority was to complete the ongoing adjudications of water rights in the state, and to adjudicate the Middle Rio Grande waters as quickly and efficiently as possible. The uncertainty created by questions of ownership is an obstacle to addressing conservation, planning, and effective management of water.

Support micro-credit lending programs: A participant suggested supporting the creation of micro-credit lending programs, such as exist in Southeast Asia and elsewhere.

NEXT STEPS FOR NMAG

The group offered thoughts on how NMAG could best contribute to water crisis facing New Mexico.

Cautions:

Importance of process: Whatever the initiative, participants urged that funders use a process that is inclusive, transparent and accountable to the “client” community. They asked for support to make sure that traditionally disenfranchised communities are represented at “the table.” There was an additional warning that when developing a process, the convener take care not to adversely impact tribal politics.

Divisive nature of funding: Participants reminded funders that access to money can have a very divisive effect on communities and NGO’s.

Role of litigation: Litigation has its place, but works best with a broad base of support. Two examples of useful litigation are: 1) The protection of water quality standards at the Tyrone Phelps Dodge mine site; and 2) The opposition to the co-modification of water by a foreign corporation in the San Augustine plains. Litigation has also helped *acequias*, and the Bounds decision on domestic wells could prove critical to protection of groundwater resources. The

negotiation of water rights can be efficient and beneficial, but litigation also has its place. From the environmental justice perspective, litigation can be useful at times and destructive at times.

Specific suggestions:

Convene discussions to consider the restructuring of NM water management agencies:

The NMAG Environmental Affinity Group, or other sponsor, could provide research and dialogue support for a diverse group from the academic, government, community and NGO sectors to study improved structures for water management. Participants could include the Governor's office (existing or newly elected), NMED, ISC, OSE, and stakeholders including irrigation districts, acequias, tribes, developers, etc. Perhaps a new, single water agency concept or more appropriate qualifications for the State Engineer would emerge.

Study water policies/laws: Some suggested that NMAG support a study of water transfers policies and practices in New Mexico, and take a leadership role in making recommendations. There was also support for exploring a redefinition of the beneficial use law to eliminate the wasteful "use it or lose it" doctrine.

Identify small success stories: It would be very useful, and appropriate, for NMAG members (most of whom are relatively small funders) to find and disseminate stories of small successes, to inspire and provide a model for others.

Sponsor an "Alliance for Justice" workshop: This model was considered successful and could be repeated, perhaps to support new voices in elected office.

Support LANL model/study on climate change: A participant suggested that NMAG could convene a group of stakeholders to work with the scientists on the development of this model to insure its accuracy and applicability for communities, NGO's and others.

Provide lobbying support: Some felt it was appropriate for NMAG to support lobbying efforts for conservation and climate change issues. Others asked that care be taken not to disempower local communities, or skew tribal politics. Policy and advocacy, warned a participant, are means to an end, not ends in themselves.

Support climate change curriculum: Some urged MNAG to coordinate the development of curricula for climate change and water resources, perhaps combined with leadership training. There is a great need for appealing, energetic materials and ideas, like a Spokane, Washington, program that engages students in selling green energy credits.

Support NGO peer learning: NGO's have much to teach each other. NMAG could provide valuable cross-pollination and heightened awareness of important issues for NGO's.