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**The Navajo-Hopi Water Rights Settlement Negotiations
White Paper
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On March 14, 2003, the Navajo Nation filed an action against the United States Department of the Interior, challenging the validity of four Secretarial programs related to the Secretary of the Interior's administration of the Lower Colorado River: the Interim Surplus Guidelines, the Inadvertent Overrun and Payback Policy, the Water Banking regulations, and the continuing allocation of Central Arizona Project water.¹ The complaint asks the Court to declare these programs invalid and to enjoin their further implementation unless and until the Navajo Nation's rights to the Lower Colorado River are quantified. The Navajo Nation argues that it has rights to the Lower Colorado River that are superior to CAP's and that a determination to that effect could harm CAP water users. CAWCD and others were granted leave to intervene to protect their interests in the challenged Secretarial programs.

Shortly after the filing of the complaint, the United States and the Navajo Nation stipulated to a stay of the litigation in order to permit settlement negotiations to occur. The stay was extended several times pursuant to stipulation of the parties. Most recently, the stay was extended to October 13, 2009, pursuant to joint motion of the parties, to permit negotiations to continue.

In the negotiations, Arizona stakeholders are attempting to settle the claims of the Navajo Nation and the Hopi Tribe to the Lower Colorado River, the Little Colorado River and groundwater in the vicinity of the tribal reservations. We have essentially reached agreement on a framework for settling the claims of the two tribes to the Lower Colorado River. We are also making significant progress on the remaining issues, although differences still exist on how to resolve the groundwater issues. The estimated costs of the infrastructure necessary to implement the proposed settlement are high, particularly for a feature we refer to as the Western Navajo Pipeline, a pipeline to deliver Colorado River water from Lake Powell to the Navajo and Hopi reservations.

¹ *Navajo Nation v. United States*, United States District Court for the District of Arizona, No. CV-00507-PGR.