THE COLORADO BASIN ROUNDTABLE C/O .PO. BOX 1120 GLENWOOD SPRINGS, COLORADO 81602

January 11, 2007

Mr. Rick Brown Intrastate Water Management and Development Section COLORADO WATER CONSERVATION BOARD 1580 Logan Street, Suite 600 Denver, CO 80203

Dear Rick:

At the December 18, 2006 Colorado Basin Roundtable (CBRT) meeting, the membership voted to pursue several projects, and are requesting that funding be allocated from the various funding sources available to support these projects. By previous letter, we have requested task order authorization for consultant work pursuant to HB 2006-1400, and are now requesting authorization and consideration for distribution of funds pursuant to SB 2005-179, either Basin funds or Statewide funds.

At the December 18th meeting, funding requests were considered for the following projects:

PROJECT AND AMOUNT REQUESTED		SOURCE
TOWN OF PALISADE-WHITEWATER PARK -	\$100,000	BASIN
GRAND COUNTY/VAIL DITCH	\$1,500,000	STATEWIDE
BULL CREEK RESERVOIRS	\$150,000	BASIN
Eagle Park Reservoir	\$250,000	STATEWIDE
ROARING FORK WATERSHED ASSESSMENT	\$40,000	BASIN
GRAND COUNTY STREAMFLOW MANAGEMENT PLAN	\$30,000	BASIN
RECOVERY PROGRAM 10,825 STUDY	\$200,000	STATEWIDE
ENERGY DEVELOPMENT WATER NEEDS ASSESSMENT	\$300,000	STATEWIDE

Project proponents were provided time to make presentations, along with questions from the Roundtable Members. Twenty-seven voting members of the Roundtable were present for this meeting, and after discussion, pre-printed ballots were distributed to all voting members. Members were instructed that even if a project had requested to be funded by Basin funds, they could vote for both or just for State wide funds, if they felt that the project should be funded, but did not want to support funding from the Basin funds.

Mr. Rick Brown Intrastate Water Management and Development Section January 11, 2007 Page 2

After the ballots were filled out, they were collected by Rod Sharp, the CSU Extension Liaison, and were counted and transcribed to poster sheet. The By-Laws of the Colorado Basin Roundtable require a two-thirds majority vote of those present for any action, and thus 18 votes were required to support funding any proposal. With the exception of the Eagle Park Reservoir Enlargment Project, only the projects which were not recommended by the Roundtable for further consideration actually received any recorded "NO" votes. The Eagle Park Project received one "NO" vote, with 2 other ballots in which no vote was cast. In all other cases, individuals chose to not cast a vote in a particular category for a particular project, rather than casting a "NO" vote. All ballots were retained in the records of the Roundtable.

As a result of the discussion, review and balloting, the Colorado Basin Roundtable wishes to recommend the following projects for funding, to be considered at the March meeting of the Colorado Water Conservation Board.

SB 179 BASIN FUNDS

Roaring Fork Watershed Assessment Grand County Streamflow Management Plan

SB 179 STATEWIDE FUNDS

Acquisition of Vail Ditch by Grand County Interests
Enlargement of Eagle Park Reservoir
Energy Development Water Needs Assessment
Upper Colorado Endangered Fish Recovery Program – Alternatives Analysis

The project recommended for Statewide funds were so recommended because they attempted to address multi-Basin issues and/or had multi-basin Roundtable support.

- a) The Acquisition of Vail Ditch is supported by Denver Water, and is an effort by Grand County entities to provide local solutions to water shortages due to transbasin diversions.
- b) The Enlargement of Eagle Park Reservoir is a continuation of the actions initiated in the Eagle River MOU, an agreement among various Eagle River Basin entities and the Homestake Partners.
- c) The Energy Development Water Needs Assessment is a joint project of the Colorado Basin and the Yampa-White Basin Roundtables in identifying and responding to the coming demands of major energy development in Garfield, Mesa, Rio Blanco and Moffat Counties.
- d) The Upper Colorado Endangered Fish Recovery Program Alternative Analysis is a project currently supported by the Colorado Basin, South Platte Basin and Metro Basin Roundtables, with support from the

Mr. Rick Brown Intrastate Water Management and Development Section January 11, 2007 Page 3

Arkansas Basin Roundtable, and is intended to identify a permanent supply of 10,825 Acre Feet of annual yield to assist with the recovery of the Endangered Colorado River fishes, an obligation of all of the water users from the Upper Colorado Basin.

By this letter, I am forwarding the ballot tabulation from the December meeting, as well as the applications and supporting materials for these projects, with the exception of the Energy Needs Assessment Study, which is being submitted by the Yampa-White Basin Roundtable.

We have also established a "Project Consideration Procedures Committee" to develop timelines and written procedures for Project Review and Balloting. While the process functioned well for this first effort, there were areas which will be improved upon for the June submittal.

The Colorado Basin Roundtable appreciates the support of the Department of Natural Resources, the Colorado Water Conservation Board and the Interbasin Compact Committee in furthering the development of Colorado's water and in fostering interbasin communications and discussions. We believe that these projects will assist in this effort.

Sincerely yours,

David H. Merritt, P.E.

Chair, Colorado Basin Roundtable

Attachments:
Ballot Tally
Vail Ditch Project Grant Application
10,825 Study Application
Roaring Fork Watershed Assessment Application
Grand County Stream Management Application
Eagle Park Reservoir Enlargement Application

cc: Mr. Eric Hecox (via e-mail)



COLORADO WATER CONSERVATION BOARD

WATER SUPPLY RESERVE ACCOUNT 2006-2007 GRANT APPLICATION FORM



Grand County Stream Management Plan (SMP)						
Name of Water Activity/Proj	ect	Rive	r Basin Location			
\$30,000		Basin Account Statewide Account	Y Yes N No			
Amount of Funds Requested	Please	Check Applicable Box	Approval Letter Signed By Roundtable Chair and Description of Results of Evaluation and Approval Process			

- * For the Basin Account, the Application Deadline is 60 Days Prior to the Bimonthly CWCB meeting.

 The CWCB meetings are posted at www.cwcb.state.co.us and are generally the third week of the month.
- * For the Statewide Account, the Application Deadline is 60 Days Prior to the March and September CWCB Board Meetings.
- * In completing the application you may attach additional sheets if the form does not provide adequate space. If additional sheets are attached please be sure to reference the section number of the application that you are addressing (i.e., A.1. etc.).

Instructions: This application form should be emailed, typed, or printed neatly. The Water Supply Reserve Account Criteria and Guidelines can be found at http://cwcb.state.co.us/IWMD/. The criteria and guidelines should be reviewed and followed when completing this application. You may attach additional sheets as necessary to fully answer any question, or to provide additional information that you feel would be helpful in evaluating this application. Include with your application a cover letter summarizing your request for a grant. If you have difficulty with any part of the application, contact Rick Brown of the Intrastate Water Management and Development (Colorado Water Conservation Board) for assistance, at (303) 866-3514 or email Rick at rick.brown@state.co.us.

Generally, the applicant is also the prospective owner and sponsor of the proposed water activity. If this is not the case, contact the Rick Brown before completing this application.

Form Revised October 2006		

Part A Description of the Applicant (Project Sponsor or Owner	vner)wn	or (ponsor	et S	roject	olicant :	the A	of	ption	Descri	A	Part :
---	------	-----	------	--------	------	--------	-----------	-------	----	-------	--------	---	--------

1.	Applicant Name(s):	Board of County Commissioners Grand County					
	Mailing address:		YERS AVENUE SULPHUR SPRINGS, CO 80451				
	Taxpayer ID#:			Email address:	lcurran@co.grand.co.us		
	Phone Numbers: B	Business: Home:	970	725-3347			
		Fax:	(97	(0) 725-0565			

2. Person to contact regarding this application if different from above:

Name:	Lurline Underbrink-Curran
Position/Title	County Manager

3. Provide a brief description of your organization below: Refer to Part 2 of criteria and guidance for required Information. Attach additional sheet(s) as needed.

Grand County is a subdivision of the State of Colorado and meets the eligibility requirements of the Account as a government. The Colorado Constitution Article XIV establishes the organization of the County. The Board of County Commissioners has authorities as authorized by the Colorado General Assembly.

Supporters:

Towns of Fraser, Granby, Hot Sulphur Springs, Winter Park and Kremmling, $\,$

Middle Park Water Conservancy District, Colorado River Water Conservation District

Trout Unlimited

Please refer to Section 9. for additional information regarding the Project sponsors.

	Water Supply Reserve Account – Grant Application Form Form Revised October 2006
Par	B Description of the Water Activity – Please Refer to Criteria and Guidance Document for Eligibly Criteria
1.	Name of water activity/project:
	Grand County Stream Management Plan (SMP)
2.	What is the purpose of this grant application? Check one.
	Environmental compliance and feasibility study
	Technical assistance regarding permitting, feasibility studies, and environmental compliance
	Studies or analysis of structural, nonstructural, consumptive, nonconsumptive water needs, projects, or activities (Please specify)
	Structural and/or nonstructural water project or activity

Form Revised October 2006

3. Please provide an overview of water project or activity to be funded including – type of activity, statement of what the activity is intended to accomplish, the need for the activity, the problems and opportunities to be addressed, expectations of the participants, why the activity is important, the service area or geographic location, and any relevant issues etc. Please include any relevant Tabor issues. Please refer to Part 2 of criteria and guidance document for additional detail on information to include. Attach additional sheets as needed.

Description of grant request: This proposed project is to develop a scientifically defensible methodology for a SMP for Grand County. The final SMP utilizing this approach would quantify stream flow needs for the Colorado River Watershed in Grand County and thus could provide a template for the nonconsumptive needs assessment required of the CBRT for compliance with HB05-1177.

This project will provide background research of methodologies, approaches, data needs and availability necessary for developing identifying critical reaches relative to stream health. Based on this initial research the project will provide flow prescriptions where necessary data is available. In those critical reaches where existing adequate data does not exist the project will develop a framework to identify problematic stream reaches and recommend scientifically valid approaches to determine flow solutions to address instream flow and other aquatic habitat issues. A more detailed project description is provided in Exhibit A. Completion of this first phase of work will require approximately 6 to 8 weeks. Project cost is just under \$60,000 and Grand County is seeking \$30,000 in assistance from the CBRT funds.

Form Revised October 2006

4. Please provide a brief narrative of any related or relevant previous studies. Attach additional sheets as needed.

Study Area

The Study Area includes the Colorado River Basin above Kremmling (Attachment A). The technical evaluations focused on the upper Colorado, Fraser, Williams Fork, and Blue Rivers. Even so, considerable attention was paid to the entire Basin because of the inter-related operations of the region's water supply projects. Grand County is home to the Colorado Big-Thompson and Moffat Collection System transmountain diversion projects. To many, the physical setting of Grand County typifies the Colorado Rocky Mountains.

The economy of Grand County is mix of recreation, tourism, and agriculture. The growing communities are a haven for mountain living. At the same time, ranching and the ample open space provides the cultural connection and recreation opportunities that the residents desire.

Grand County is growing in population at rates slightly higher than Colorado as a whole. Since 1970, the County's population has grown from 4,000 to 13,000, nearly 200%. A complete socioeconomic profile was completed in March 2006 and can be found on-line at: http://co.grand.co.us/Planning/Reg.%20books/p Grand County Colorado.pdf

In terms of water development, Grand County developed agricultural supplies relatively early in the State's history to supply ranching and farming operations. Next in priority, and significant in terms of diversions, are Denver and Northern's transmountain diversion projects. Water development for local municipal use took-off in the 1970's when Winter Park Ski Area and the Towns began to grow. More recently, the CWCB appropriated minimum instream flows, the Municipal Subdistrict completed the Windy Gap project and Wolford Mountain Reservoir was built. Grand County is a workhorse for the State of Colorado's water supplies.

Previous Studies

Recent studies provide analysis and description of Grand County's water supply needs. The Upper Colorado Study (Hydrosphere, 2003) is a detailed needs assessment and documents the existing and future water supply issues facing the area. The State Water Supply Initiative reviewed and adopted the UPCO findings for issues related to Grand County (CWCB, 2005).

(Continued)

Form Revised October 2006

5. Please provide a copy of the proposed scope of work. Please refer to Part 2 of the criteria and guidance document for detailed requirements. Attach additional sheets as needed.

The purpose of this scope of work is to present proposed project tasks for the completion of Phase 1 of the Grand County Stream Management Plan (SMP). The project team includes HabiTech, Inc., Walsh Aquatic Consultants, Inc. and Tetra Tech, Inc. (Tt), This scope of work is the first of several phases and is intended to establish a basis for development of the SMP by reviewing parameters and methodologies, evaluating existing information and data, prioritizing stream reaches and developing an approach for implementing analysis. Ultimately the goal of this and subsequent phases is to produce a SMP for Grand County that identifies problematic stream reaches and presents scientifically valid solutions for instream flow and other aquatic habitat issues. We estimate that to complete this first phase of work will require approximately 6 to 8 weeks to complete the following tasks.

- 1. Establish key parameters and methodologies for developing the SMP. Because there are potentially many parameters and methodologies available to measure the health of a stream and the riparian corridor, this task includes time to review and screen available information and studies to document methods that have been accepted and used elsewhere, or are currently being used by other entities here in Colorado. The goal is to develop and recommend guidelines for reviewing types of data and study methodologies that are acceptable to the Management Committee and representative organizations. This also includes recommendations and guidelines for reviewing quality of applicable data.
- 2. Data acquisition and evaluation. The purpose of this task is to obtain, review and evaluate available data including general information, reports, data collection, surveys, mapping, studies etc. completed for the study area. The information obtained will be reviewed for completeness, quality, applicability and whether the data includes information pertinent to the key parameters and methodology developed in Task 1. Data will be cataloged and copied (paper and/or electronically) as needed. This task includes review of the work currently being done by the Denver Water Board and TNC to develop a flow template for the Fraser Watershed. This task includes an assessment of the quality of data available and if there are certain methodologies that would take best advantage of available information. This Task and Task 3 will lead to a more detailed proposal for a stream flow management plan that identifies flows and other limiting factors and provides detailed prescriptions (flow magnitude, frequency, duration) to optimize instream ecological needs.
- 3. Physical Habitat and instream flows: Under Task 2 all available data relating to stream flows will be reviewed and evaluated; however, in the event that these data are not be suitable for instream modeling purposes, we propose to develop a framework to identify optimum environmental stream flows, in terms of frequency and duration, which are protective of the aquatic environment. Based on our initial Phase 1 data review and the scope developed for instream flow analysis, we anticipate a comprehensive physical habitat and stream flow study being undertaken during the 2007 field season. Data from these field studies will be modeled using current physical habitat modeling techniques (RHABSIM) to develop an index of various instream conditions, including optimum flow requirements for brown trout and other aquatic biota.
- 4. Identify and prioritize critical reaches. On a conceptual basis, this task will attempt to confirm and/or expand on the key critical issues, on a reach by reach basis, relative to stream health and flow alterations. Priorities will be established for identifying the most severely impacted reaches and/or the reaches most vulnerable to flow alternations Output from this Task will include a listing of reaches and limiting environmental factor relative to stream health.
- 5. Document Data Evaluation and Prepare Technical Memorandum and Recommendation: A technical memorandum will be prepared to summarize the above Tasks. The Project Team will also prepare recommendations for the development of the next Phase(s) of the Stream Management Plan including immediate needs for data collection in the 2007 field season. Recommendations will also include prioritizing reaches, prioritizing parameters, critical time lines, etc. The Technical Memorandum will include the following:
 - a) Results from Task 2 through 4,
 - Estimates of stream flow needs, as reported (and if available) from existing available data,
 - c) A Proposed approach to developing stream flow prescriptions
 - Data or other limitations to implementing the proposed approach to developing stream flow prescriptions,
 - e) Cost and time frames to finish the SMP
- 6. Meetings and Coordination: Throughout this effort we anticipate the following:
 - a) One meeting with Grand County and/or the management COMMittee.
 - b) One working meetings with the Project Team
 - c) A cursory 'windshield' tour of the County Representatives.T
 - d) Travel and time to acquire data filed at the County.
 - e) Ongoing coordination with the County, NWCOG and Management Committee

Form Revised October 2006	

6. List the names and addresses of any technical or legal consultants retained to represent the applicant or to conduct investigations for the water activity/project.

Name	Address/Phone Number
William Walsh	9560 Carr Street
Walsh Environmental Consultants	Westminister, CO
	(303) 456-9247
Tetra Tech RMC Consultants	900 South Sunset Street
letta letti kiit tollisultalits	Longmont, CO 80501
	(303) 772-5282
,	

Form Revised October 2006

7. Water Availability and Sustainability – this information is needed to assess the viability and effectiveness of the water project or activity. Please provide a description of each water supply source to be utilized for, or the water body to be affected by, the water activity. For water supply sources being utilized, describe its location, yield, extent of development, and water right status. For water bodies being affected, describe its location, extent of development, and the expected effect of the water activity on the water body, in either case, the analysis should take into consideration a reasonable range of hydrologic variation. Attach additional sheets as needed.

above Kremmling represents an extremelv Colorado River important resource to the State of Colorado, providing over 300,000 acre feet of transbasin diversions to the Front Range of Colorado, with the potential for this amount to significantly provides Additionally, this area in the future. increase irrigation water supplies for western Colorado, important stream river and reservoir important habitat for fisheries, and The home to two major Front Range water supply recreation. tunnels, the Moffat Tunnel and the Adams Tunnel, this region also has four major reservoirs, Granby, Williams Fork, Green Mountain and Wolford Mountain Reservoir, as well as Grand Lake, Shadow Mountain and Willow Creek Reservoirs. As these water supplies are used more heavily, it becomes imperative to identify the key flow needs at various points in the basin and different times of the year to protect important environmental and recreational values, while continuing to allow for development of water needed for human consumption, on both the West Slope and the Front Range of Colorado.

8.	If you have not specifically and fully addressed the Evaluation Criteria found in Part 3 of the criteria and guidance document please provide additional detail here. Attach additional sheet(s) if needed.

Farm Revised October 2006	ve Account - Grant Application Form
Additional Information feel free to do so here	on — If you feel you would like to add any additional pertinent information please. Attach additional sheets as needed.
Signature of Applicant:	e to the best of my knowledge:
Print Applicant's Name: Project Title:	Grand County Stream Management Plan
Return this application to:	The state of the s
Mr. Rick Brown Intrastate Water Man COLORADO WATE 1580 Logan Street, St Denver, CO 80203	agement and Development Section IR CONSERVATION BOARD inte 600
To submit applications by Em	eal, send to: rick.brown@state.co.us

Form Revised October 2006

Reference Information

The following information is available via the internet. The reference information provides additional detail and background information regarding these criteria and guidelines and water policy issues affecting our state.

Colorado Water Conservation Board Policies

Loan and Grant policies and information are available at - http://cwcb.state.co.us/Finance/

Water Supply Reserve Account Criteria and Guidelines –

http://cwcb.state.co.us/IWMD/tools.htm#Water_Supply Reserve Account

Interbasin Compact Committee and Basin Roundtables

Interbasin Compact Committee By-laws and Charter –

http://dnr.state.co.us/Home/ColoradoWaterforthe21stCentury/Interbasin+Compact+Committee/IbccH omePage.htm

Basin Roundtable By-laws –

http://dnr.state.co.us/Home/ColoradoWaterforthe21stCentury/IbccHome.htm

Legislation

House Bill 05-1177 - Also known as the Water for the 21st Century Act –

http://cwcb.state.co.us/IWMD/statutes.htm

House Bill 06-1400 – Adopted the Interbasin Compact Committee Charter –

http://cwcb.state.co.us/IWMD/statutes.htm

Senate Bill 06-179 – Created the Water Supply Reserve Account –

http://cwcb.state.co.us/IWMD/statutes.htm

Statewide Water Supply Initiative

General Information - http://cwcb.state.co.us/IWMD/

Phase 1 Report - http://cwcb.state.co.us/IWMD/PhaseIReport.htm

COLORADO BASIN ROUNDTABLE REQUEST FOR WATER SUPPLY RESERVE ACCOUNT 2006-2007 GRANT APPLICATION FORM

BALLOT FOR FUND REQUEST

DECEMBER 18, 2006

DDO IECT NAME	SB-179-	SB-179	HB-1400
PROJECT NAME	BASIN	STATE	FUNDS
	FUNDS	FUNDS	
TOWN OF PALISADE-WHITEWATER PARK	5 YES	10 YES	
\$100,000	8 No	6 No	
GRAND COUNTY/VAIL DITCH \$1,500,000		27 YES	
BULL CREEK RESERVOIRS	13 YES	16 YES	
\$150,000	2 No	1 No	
EAGLE PARK RESERVOIR \$250,000	1 No	25 YES	
ROARING FORK WATERSHED ASSESSMENT \$40,000	27YES	7 YES	
GRAND COUNTY STREAMFLOW MANAGEMENT PLAN \$30,000	27 YES	6 YES	
RECOVERY PROGRAM 10,825 STUDY \$200,000		25 YES	2YES
ENERGY DEVELOPMENT WATER NEEDS ASSESSMENT \$300,000		25 YES	2 YES