

STATE OF COLORADO

Colorado Water Conservation Board Department of Natural Resources

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March 17-18, 2009 Agenda

A meeting of the Colorado Water Conservation Board (CWCB) will commence on Tuesday, March 17, 2009, at 8:00 a.m. and continue through Wednesday, March 18, 2009. This meeting will be held at The Radisson Hotel & Conference Center, 1900 Ken Pratt Blvd, Longmont, CO 80501.

Bill Ritter, Jr.
Governor

Harris D. Sherman
DNR Executive Director

Jennifer L. Gimbel
CWCB Director

Dan McAuliffe
CWCB Deputy Director

The CWCB posts notices of its meetings 30-days from the next regular meeting. Notices of special meetings are posted on the website within five business days and not less than 24-hours of such a meeting. Notices of regular and special meetings may also be received by email. To receive notices by email visit: <http://cwcb.state.co.us/Home/CWCBInsider/>.

Although dates and times are indicated in this notice and in the following agenda, the CWCB may address and take action on noticed items in any order. Known changes will be announced at the beginning of the meeting. This notice, any late notice (s) of additional items, and briefing memos prepared for the CWCB will be posted at 1313 Sherman Street, Suite 721, Denver, CO 80203, and on our internet website at: www.cwcb.state.co.us.

The CWCB's meetings are made available live through the internet via streaming audio technology. To listen to the proceedings, click the "Listen to the meeting LIVE!" link on the CWCB website homepage.

There will be a Water Supply Strategy Workshop, and a Special Meeting of the Agricultural Emergency Drought Response Grant Program Management Committee, on Tuesday, March 17, 2009 from 8:00 a.m. to 10:00 a.m.

CWCB encourages citizens to express their views and provide information to the Board on every agenda item. This can be done by sending an email to lisa.barr@state.co.us, by sending a letter to the Board Director or its Chairman, or by attending the meeting. If you attend a meeting, simply fill out a comment sheet and give it to the Board Coordinator at the recording station. The Board will appreciate hearing your views when it reaches that agenda item. If you have any questions, need special accommodations as a result of a disability, or require further information on any CWCB activity, please contact Lisa Barr at 303-866-3441, Ext. 3244. All programs, services, and activities of the CWCB are operated in compliance with the Federal Americans with Disabilities Act (ADA).

Tuesday, March 17, 2009
CWCB Call to Order – 10:15 a.m.

1. Review and Approval of Agenda (10:15 – 10:20)
2. Review and Approval of Meeting Minutes - January 27-28, 2009 (10:20 – 10:25)
3. Approve and/or Remove Items from Consent Agenda (10:25 – 10:30)
4. Future Board Meeting Dates (10:30 – 10:35)
 - a. May 19-20, 2009 Clarion Hotel/Pueblo Convention Center, Pueblo
 - b. July 21-22, 2009 The Elevation Hotel, Crested Butte (in
Connection with the Colorado Water Workshop)
 - c. September 15-16, 2009 Steamboat Springs
 - d. November 17-18, 2009 Denver
5. Blue Mesa Reservoir Issues (10:35 - 10:50)
6. 2009 State Legislative and Fiscal Decisions Update (10:50 – 11:05)
7. Intrastate Water Management & Development Section – Water Supply Reserve Account Grant Applications (11:05 – 11:35)
 - a. Lower Blanco Property Owners Association - Lower Blanco River Restoration Project
 - b. Florida Mesa Canal Companies – Ditch Loss, Hydropower, and Monitoring Improvement Program
 - c. Ducks Unlimited – Central South Platte Wetland Partnership
 - d. Town of Ridgway – Ridgeway Ditch and Lake Otonawanda Improvement Project
 - e. City of Grand Junction Water Enterprise Fund – Juniata Reservoir Enlargement Project
 - f. Upper Gunnison River Water Conservancy District – Agricultural Water Needs Assessment and Water supply Analysis
 - g. Northwest Colorado Council of Governments – Colorado Basin Nonconsumptive Needs Quantification
8. Intrastate Water Management and Development Section – Identified Projects and Processes (IPP) Database Demonstration (11:35 - 11:55)
- 9. LUNCH 11:55 – 12:55**
10. Water Information Section - Colorado Water Availability Study (CRWAS) status presentation (12:55 – 1:25)
11. Watershed Protection and Flood Mitigation Section - 2009 Flood Outlook Report (1:25 - 1:55)
12. Watershed Protection and Flood Mitigation Section - Fish and Wildlife Resources Fund Grant Application - Blanco River Restoration Project (1:55 - 2:10)

13. Watershed Protection and Flood Mitigation Section - Enhanced Snowpack Assessment Project Overview (2:10 - 2:30)
14. Water Supply Planning and Finance Section – Construction Fund and Severance Tax Trust Fund Perpetual Base Account – New Loans (2:30 – 3:00)
 - a. Deuel and Snyder Improvement Company – River Sand Gate Structure Project
 - b. South Metro Water Supply Authority – Water Supply Pipeline Capacity Acquisition Project

BREAK 3:00 – 3:15

15. Water Supply Planning and Finance Section - General Financial Matters of Existing Loans (3:15 - 3:35)
16. Water Supply Planning and Finance Section – General Financial Matters - Review of Financial Policies (3:35 – 4:05)
 - a. Policy #7 – Loan Lending Rate Determinations
 - b. Policy #10 – Loan Payment Deferment Requests
 - c. Policy #12 – Prioritization of Project Fund Applications
17. Attorney General’s Report, Legal Briefing and Executive Session – *This is a briefing on legal issues contained in the Attorney General’s written report and on items listed below that the Board may refer for discussion in an Executive Session based upon attorney-client privilege.* (4:05– 4:55)

Executive Session Items

- a. Case No. 4-05CW264; Application of Ranch Properties, LLC
 - b. Case No. 6-08CW909; Application of Shell Frontier Oil and Gas, Inc.
 - c. Case No. 5-08CW73: Town of Breckenridge; Application to make absolute a portion of the Town of Breckenridge’s RICD
 - d. Case No. 5-08CW72: Eagle River Water & Sanitation District; Application to make absolute a portion of the Town of Vail’s RICD
 - e. Case No. 5-07CW227: Colorado Water Conservation Board; Application for change of water right on Hat Creek for instream flow use (acquisition)
18. Report from Executive Session (4:55 – 5:00)

RECESS 5:00 p.m.

Wednesday, March 18, 2009

CWCB Call to Order

8:00 a.m.

19. Basin Directors' Reports (8:00– 9:00)

- a. Colorado River (Mainstem) Basin Director's Report
- b. Yampa-White River Basin Director's Report
- c. San Juan/San Miguel-Dolores River Basin Director's Report
- d. Gunnison River Basin Director's Report
- e. North Platte River Basin Director's Report
- f. South Platte River Basin Director's Report
- g. Arkansas River Basin Director's Report
- h. City and County of Denver Director's Report
- i. Rio Grande River Basin Director's Report

20. FY 10-11 Severance Tax Operational Account Recommendations (9:00 - 9:30)

21. Stream and Lake Protection Section – 2010 Instream Flow Recommendations – Pursuant to ISF Rule 5c., the CWCB is providing notice that the following 54 stream segments are being considered for instream flow appropriations in 2010. Staff will provide a summary of the ISF Workshop held on February 24, 2009, at which it received these recommendations. At the January 2010 CWCB meeting, staff may request that the Board form its intent to appropriate ISF water rights on these streams. (9:30 – 9:50)

| Div | Stream Segment | County(ies) | Recommender(s) |
|------------|--|--------------------|----------------------------|
| 1 | Coal Creek <i>(Boulder County Open Space Boundary to Louisville Wastewater Treatment outfall)</i> | Boulder | City of Louisville, DOW |
| 1 | Coal Creek <i>(to Louisville Wastewater Treatment outfall to Lafayette pumping station #2)</i> | Boulder | City of Louisville, DOW |
| 1 | Black Hollow Creek <i>(headwaters to confl Poudre River)</i> | Larimer | CDOW |
| 2 | Baldwin Creek <i>(headwaters to Chalk Creek)</i> | Chaffee | CDOW |
| 2 | Gibson Creek <i>(headwaters to Verde Creek)</i> | Custer | CDOW |
| 2 | Middle Creek <i>(headwaters to Ophir Creek)</i> | Custer / Pueblo | CDOW |
| 2 | Middle Creek <i>(Ophir Creek to Beulah Water Works)</i> | Custer / Pueblo | CDOW |
| 2 | Beaver Creek <i>(Douglas Gulch to East Beaver Creek)</i> | Fremont | CDOW |
| 2 | Beaver Creek <i>(East Beaver Creek to Unnamed Tributary)</i> | Fremont | CDOW |
| 2 | East Beaver Creek <i>(Gould Creek to Beaver Creek)</i> | Fremont | CDOW |
| 2 | Baker Creek <i>(headwaters to USFS Boundary)</i> | Huerfano | CDOW |
| 2 | Bonnett Creek <i>(headwaters to USFS Boundary)</i> | Huerfano | CDOW |

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|---|---|------------------------|--------------|
| 2 | Chaparral Creek (<i>headwaters to USFS Boundary</i>) | Huerfano | CDOW |
| 2 | Dodgeton Creek (<i>headwaters to USFS Boundary</i>) | Huerfano | CDOW |
| 4 | Big Dominguez Creek (<i>reaches pending Federal legislation</i>) | Delta | CDOW |
| 4 | Little Dominguez Creek (<i>reaches pending Federal legislation</i>) | Delta | CDOW |
| 4 | Blue Creek (Increase to existing ISF right) (<i>Little Blue Creek to Morrow Point Reservoir</i>) | Gunnison | BLM |
| 4 | South Willow Creek (<i>Sugar Creek to Blue Mesa Reservoir</i>) | Gunnison | BLM |
| 4 | Alpine Gulch (<i>headwaters to Henson Creek</i>) | Hinsdale | BLM |
| 4 | Spring Creek (<i>headgate Creede Trail Ditch to confl with Cebolla Creek</i>) | Hinsdale | BLM |
| 4 | Cebolla Creek (<i>Brush Creek to Spring Creek</i>) | Hinsdale / Gunnison | BLM |
| 4 | Cebolla Creek (<i>Spring Creek to USGS gage</i>) | Hinsdale / Gunnison | BLM |
| 4 | North Fork Tabaguache Creek (<i>headwaters to Tabaguache Creek</i>) | Montrose | USFS |
| 4 | Red Canyon Creek (<i>headwaters to Horsefly Creek</i>) | Montrose | USFS |
| 4 | San Miguel River (<i>Calamity Draw to Dolores River</i>) | Montrose | CDOW, BLM |
| 4 | Tabeguache Creek (<i>unnamed trib to Forest Service Boundary</i>) | Montrose | USFS |
| 4 | Tabeguache Creek (<i>confl Fortyseven Creek to Templeton Ditch</i>) | Montrose | BLM |
| 4 | Tabeguache Creek (<i>Templeton Ditch to confl San Miguel River</i>) | Montrose | BLM |
| 4 | Cochetopa Creek (Increase to existing ISF right) (<i>Nutras Creek to Pauline Creek</i>) | Saguache | BLM |
| 4 | Cochetopa Creek (Increase to existing ISF right) (<i>Alkali Creek to Tomichi Creek</i>) | Saguache | BLM |
| 4 | East Beaver Creek (<i>headwaters to Beaver Creek</i>) | Saguache | BLM |
| 4 | Mill Creek (Increase to existing ISF right) (<i>USFS boundary to BLM boundary</i>) | Saguache | BLM |
| 5 | Colorado River (<i>Eagle/Grand Co. Line to Eagle River</i>) | Eagle | Eagle County |
| 5 | Eagle River (Increase to existing ISF right) (<i>confl Cross Creek to confl Gore Creek</i>) | Eagle | CDOW |
| 5 | Colorado River (<i>Blue River to Piney River</i>) | Grand / Eagle | CDOW |
| 5 | Colorado River (<i>Piney River to Eagle River</i>) | Grand / Eagle | CDOW |

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|---|--|-----------------|--|
| 6 | Indian Creek (<i>headwaters to confl headgate West Arapahoe Feeder Ditch 2</i>) | Jackson | BLM |
| 6 | North Fork North Platte River (<i>Headwaters to headgate Little Nellie Ditch</i>) | Jackson | BLM |
| 6 | South Fork Big Creek (<i>confl Wheeler Creek to Colorado-Wyoming Border</i>) | Jackson | BLM |
| 6 | Wheeler Creek (<i>Headwaters to South Fork Big Creek</i>) | Jackson | BLM |
| 6 | Big Beaver Creek (Increase to existing ISF right) (<i>Allen Creek to East Beaver Creek</i>) | Rio Blanco | BLM |
| 6 | Moeller Creek (<i>headwaters to confl Fawn Creek</i>) | Rio Blanco | CDOW |
| 6 | Piceance Creek (<i>confl with Dry Fork to Confl with White River</i>) | Rio Blanco | CDOW, BLM |
| 6 | Yellow Creek (<i>Springs in NWNE S12, TIN R98W, 6PM to confl White R.</i>) | Rio Blanco | CDOW, BLM |
| 6 | Grizzly Creek (<i>Unnamed tributary to USFS Boundary</i>) | Routt | CDOW, TU |
| 6 | Morrison Creek (<i>Muddy Creek to Silver Creek</i>) | Routt | DOW |
| 6 | Morrison Creek (<i>Silver Creek to Yampa River</i>) | Routt | DOW |
| 6 | Morrison Creek (<i>Dequine Ditch Alt Pt 1 to Yampa River</i>) | Routt | James Larson, Dequine Family L.L.C, Flying Diamond Resources |
| 6 | South Fork Slater Creek (<i>Headwaters to West Prong South Fork Slater Creek</i>) | Routt | CDOW, TU |
| 6 | South Fork Slater Creek (<i>West Prong South Fork Slater Creek to confl Slater Creek</i>) | Routt | CDOW, TU |
| 6 | West Prong South Fork Slater Creek (<i>Headwaters to Decker Ditch</i>) | Moffat Routt | CDOW, TU |
| 6 | West Prong South Fork Slater Creek (<i>Decker Ditch to South Fork Slater Creek</i>) | Routt | CDOW, TU |
| 7 | Animas River (<i>Minnie Gulch to Cunningham Creek</i>) | San Juan | BLM |
| 7 | Animas River (<i>Cunningham Creek to Arrastra Creek</i>) | San Juan | BLM |

22. Stream and Lake Protection Section – 2009 New Instream Flow Appropriations – The Board will take public comment on the following 19 ISF appropriations pursuant to ISF Rule 5c. The Board declared its intent to appropriate at its January 27, 2009 meeting.
(9:50 - 10:10)

| Div | Stream Name | County(ies) | Recommender(s)* |
|------------|--|--------------------|------------------------|
| 2 | Maxwell Creek (<i>headwater to O.W. Friskey Ditch</i>) | Chaffee | CDOW, TU |
| 2 | Cucharas Creek (<i>headwaters to Hwy 12</i>) | Huerfano | CDOW |
| 2 | Huerfano River (<i>Lily Lake to confl Central Branch Huerfano River</i>) | Huerfano | CDOW |
| 2 | Huerfano River (<i>Unnamed tributary to confl Stanley Creek</i>) | Huerfano | CDOW |
| 2 | Rock Creek (<i>Native lake to confl Willow Creek</i>) | Lake | CDOW, TU |
| 2 | Purgatoire River Las Animas (<i>confl Middle & North Fork Purgatoire River to confl Lopez Canyon</i>) | Las Animas | CDOW |
| 2 | South Fork Purgatoire River (<i>unnamed trib to confl Tores Canyon</i>) | Las Animas | CDOW |
| 4 | Clear Fork East Muddy Creek (<i>headwaters to .4 miles upstream of confl with Little Muddy Creek</i>) | Gunnison | CDOW, TU |
| 4 | East Elk Creek (Increase to existing ISF right) (<i>confl Bear Wallow Gulch to confl Blue Mesa Reservoir</i>) | Gunnison | BLM, CDOW |
| 4 | Little Spring Creek (<i>Crystal Springs to inlet Ragged Reservoir #1</i>) | Gunnison | BLM |
| 4 | Little Spring Creek (<i>Ragged Reservoir #1 to Crystal Ditch Headgate</i>) | Gunnison | BLM |
| 4 | Bent Creek (Increase to existing ISF right) (<i>headwaters to Lake Fork Gunnison River</i>) | Hinsdale | BLM |
| 4 | Grizzly Gulch (<i>outlet Grizzly Lake to confl Lake Fork Gunnison River</i>) | Hinsdale | BLM, TU |
| 4 | Henson Creek (Increase to existing ISF right) (<i>confl North Fork Henson Creek to confl Nellie Creek</i>) | Hinsdale | BLM |
| 4 | Schafer Gulch (Increase to existing ISF right) (<i>headwaters to confl Henson Creek</i>) | Hinsdale | BLM |
| 5 | Corral Creek (Increase to existing ISF right) (<i>confl Smith Creek to hdgt Home #1 Ditch</i>) | Grand | BLM |
| 5 | Troublesome Creek (<i>confl Glomerate Creek to confl Rabbit Ears Creek</i>) | Grand | BLM |
| 5 | Troublesome Creek (<i>confl Rabbit Ears Creek to hdgt Pickering Ditch</i>) | Grand | BLM |
| 5 | Buzzard Creek (<i>Willow Creek to confl Owens Creek</i>) | Mesa | CDOW, TU |

BREAK 10:10 – 10:25

23. Water Supply Protection Section - Colorado River Compact Compliance Scope of Work – *Staff would like to discuss the Scope of Work for the initial phase of this study.* (10:25 - 10:45)

24. Water Supply Protection Section – Update on the South Platte River Issues – *Staff will provide a presentation on current issues.* (10:45 - 11:05)

Colorado Foundation for Water Education Update – Presentation by Nicole Seltzer (11:05 – 11:10)

25. Directors’ Reports (11:10 – 12:10)

- a. DNR Executive Director
- b. IBCC Director
- c. Agriculture Commissioner
- d. CWCB Director
- e. State Engineer
- f. Division of Wildlife
- g. Water Resource and Power Development Authority

LUNCH 12:10 – 1:10

26. Water Supply Protection Section – Wild and Scenic Rivers Issues – *Staff will update the Board on the following Wild and Scenic processes:* (1:10 – 1:35)

- a. Upper Colorado River
- b. River Protection Workgroup (Hermosa Creek)
- c. Lower Dolores River Management Plan Update

27. Office of Water Conservation and Drought Planning Section - Federal Stimulus Package Pertaining to State Revolving Funds for Water Projects (1:35 – 1:55)

28. Stream and Lake Protection Section - Roaring Fork River Basin Proposed Water Acquisition – Pursuant to ISF Rule 6m.(5), the Board will be asked to consider and take action on two requests for hearing on this proposed water acquisition from Pitkin County. (1:55 - 2:15)

ADJOURN 2:15 p.m.

CWCB Consent Agenda
March 17-18, 2009

Matters may be placed on the Consent Agenda when the recommended action follows established policy or precedent, there has been a negotiated settlement, or the matter is uncontested and non-controversial. Staff provides memos to CWCB members explaining the matters on the Consent Agenda. Matters on the Consent Agenda are noticed for hearing in the same manner as other agenda items. If a member of the CWCB requests further consideration of an item on the Consent Agenda, the item will be withdrawn from the Consent Agenda and discussed at the end of the meeting or at the next meeting. The Consent Agenda may be voted on without reading or discussing individual items. Any CWCB member may request clarification about any matter on the Consent Agenda.

1. Stream and Lake Protection Section – Statements of Opposition – *The Board will be asked to ratify Statements of Opposition that have been filed by staff to protect instream flow and natural lake level water rights in the following cases:*
 - a. Case No. 1-08CW268: Application of Park County Board of County Commissioners and Upper South Platte WCD
 - b. Case No. 2-08CW097: Application of Benedictine Fellowship of St. Laurence
 - c. Case No. 2-08CW106: Application of Upper Arkansas WCD
 - d. Case No. 4-08CW180: Application of Taylor Ranch, LLC
 - e. Case No. 5-08CW158: Application of Berlaimont Estates, LLC
 - f. Case No. 5-08CW184: Application of Starwood Metropolitan District
 - g. Case No. 5-08CW197: Application of Aspen School District RE-1
 - h. Case No. 5-08CW204: Application of William H. Thomas and Gunsight Pass Ranch
 - i. Case No. 6-08CW090: Application of Shell Frontier Oil & Gas, Inc.
 - j. Case No. 1-08CW259: Application of Kevin Frazier