

STATE OF COLORADO

Colorado Water Conservation Board

Department of Natural Resources

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MEMORANDUM

TO: Colorado Water Conservation Board

FROM: Jennifer Gimbel
Dan McAuliffe
Christian Lyons

DATE: November 17-18, 2009

SUBJECT: Agenda Item 7d, November 2009 CWCB Board Meeting
CWCB Director's Report

Bill Ritter, Jr.
Governor

Harris D. Sherman
DNR Executive Director

Jennifer L. Gimbel
CWCB Director

Dan McAuliffe
CWCB Deputy Director

Pg. 3 – FEDERAL AND INTERSTATE

- Ditch Bill Update
- Colorado River Management Work Group

Pg. 3 – STATEWIDE

- IBCC and Water Supply Reserve Account Annual Reports
- Floodplain Map Modernization/Risk Map Update
- Community Rating System Strategy for Colorado
- Division of Water Resources Fall Meetings
- Land Use and Water Supply Planning Symposium Major Themes
- Colorado Groundwater Report

Pg. 7 – ARKANSAS RIVER BASIN

- Colorado Springs Rainfall Study Update
- CWCB to Help Fund Fountain Creek Watershed Policy Evaluation
- Arkansas River Compact Administration (ARCA)

Pg. 9 – COLORADO RIVER BASIN

- U.S. – Mexico Bi-National Water Negotiations
- Upper Colorado River Alternatives Stakeholders Group
- Lower Colorado River Alternatives Stakeholders Group

Pg. 10 – GUNNISON RIVER BASIN

- **Gunnison River Restoration**

Pg. 11 – PLATTE RIVER BASIN

- **Chatfield Reservoir Reallocation Study Update**
- **Presentation at South Platte Forum**
- **Platte River Recovery Implementation Program**

Pg. 11 – SOUTHWESTERN RIVER BASINS

- **Tacoma Power Plant Relicensing Update**
- **Water 101 Seminar Presentation**
- **Southwest Basin Director Assistance with IPP Data Collection**
- **River Protection Workgroup**

Pg.12 – AGENCY UPDATES

- **Randy Seaholm Retires**
- **Recently Decreed ISF Water Rights**
- **Update on Basin Needs Decision Support System**
- **Stream and Lake Protection Section Personnel Update**
- **IWMD Section Name Change**

Pg. 16 – ATTACHMENTS

- **7d-01 Summary of Resolved Cases**
- **7d-02 De Minimis Cases**
- **7d-03 Ditch Bill Application Processing Status**
- **7d-04 Loan Financial Activity Report**
- **7d-05 Design and Construction Status Report**
- **7d-06 Loan Forecast & Prospect Report**
- **7d-07 Large Water Project Loan Prospect Report**
- **7d-08 Colorado River Management Work Group Letter**
- **7d-09 CWCW Resolution for D. Randolph Seaholm**
- **7d-10 Upper Colorado River Alternatives Stakeholder Group Letters**

~FEDERAL AND INTERSTATE~

DITCH BILL UPDATE: As part of staff's continuing effort to keep the Board informed of the U.S. Forest Service's ("USFS") progress on the issuance of Ditch Bill Easements and related issues, the information attached to this report as Attachment 7d-03, was provided by Michele O'Connell, USFS. If you have questions regarding this information, please contact Michele O'Connell at:

Michele O'Connell
USDA Forest Service, Rocky Mountain Region
Group Leader Lands Special Uses
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(Linda Bassi)

COLORADO RIVER MANAGEMENT WORK GROUP: On October 23, 2009, the Grand Canyon Trust sent a letter to Interior Secretary, Ken Salazar, requesting that the Colorado River Management Work Group be charted as a FACA committee. A copy of this letter is attached to this director's report. (Attachment 7d-08) *(Ted Kowalski)*

~STATEWIDE~

INTERBASIN COMPACT COMMITTEE (IBCC) ANNUAL REPORT AND WATER SUPPLY RESERVE ACCOUNT (WSRA) ANNUAL REPORTS:

Pursuant to section 37-75-105 (4), Colorado Revised Statutes, "the committee (IBCC) shall submit an annual report to the House of Representatives Committee on Agriculture, Livestock and Natural Resources and the Senate Committee on Agriculture, Natural Resources and Energy by October 31 concerning the status of compact negotiation and, in consultation with the Colorado Water Conservation Board ..., how moneys from the Water Supply Reserve Account ... were allocated during the previous twelve months for water activities approved by Basin Roundtables."

The report entitled "Interbasin Compact Committee 2009 Annual Report" and the report entitled "Water Supply Reserve Account 2009 Annual Report" perform full compliance with the above statutory section and copies will be distributed to each Board Member. These reports are also available on the CWCB website. *(Eric Hecox)*

FLOODPLAIN MAP MODERNIZATION/RISK MAP UPDATE:

FY09 projects:

The Morgan County DFIRM is now underway with the total project cost at \$303,970. The State is contributing \$25,000 and the local communities are contributing another \$25,000 with the remaining funds coming from FEMA.

Prowers County DIRM is now underway. There are three levees to analyze in the county and the total DFIRM project cost is \$767,629. The State and the local communities have committed to providing 20 percent of this total amount and FEMA will be providing the remaining \$615,000.

Chaffee County scoping meeting took place in mid September 2009. The DFIRM project for Chaffee is not anticipated to begin until next year.

CWCB received \$20,000 from FEMA for scoping counties for FY2011. The selected counties are Logan and Las Animas Counties. The scoping meetings should take place within FEMA fiscal year 2009-2010.

FY08 projects: Work continues for Gunnison, Montrose, Elbert, and Rio Grande Counties. The base mapping has been completed for Gunnison County. Montrose County is on track and the floodplain mapping task is almost complete. Rio Grande County is almost complete and anticipated to go preliminary at the end of January 2010. Elbert County base map has been completed and the floodplain mapping task is also complete. Elbert County is anticipated to go preliminary at the end of January 2010. Additional FEMA funding was provided this past year to address identified levee issues along the Arkansas River and Fountain Creek in Pueblo County. FEMA is currently reviewing the hydrology for Fountain Creek and as soon as it is approved, the hydraulic analysis and floodplain mapping will continue.

FY07 Counties: La Plata, Park, and Summit Counties are nearing the end of the Preliminary phase. La Plata County had two appeals, which are being resolved. Anticipated effective date for the maps will be summer of 2010. Both Park and Summit Counties are currently in the Appeal period. Delta County has recently received preliminary maps. A final meeting is scheduled at the beginning of November 2009. The City of Colorado Springs has contracted with Anderson Consulting to pursue certification of the Templeton Gap Floodway levee in El Paso County. Anderson Consulting has finalized the hydraulic modeling for Templeton Gap and FEMA is currently reviewing. Teller County and Archuleta County have gone effective since September 2009.

FY 06 Counties: Weld County detailed study work continues to progress. Weld County has identified levees in the Town of Evans and Severance. Due to these levees, additional work was needed. The projected preliminary date for Weld County has been pushed back to April 2010. Work continues for Fremont County and Clear Creek Counties. The projected preliminary date

for Fremont County has been delayed due to survey issues. It is now expected to go preliminary in November 2009. The State's contractor has been working on updating the hydrologic and hydraulic study to update the floodplain through Idaho Springs. Clear Creek County will go preliminary sometime in the Winter/Spring of 2010. The Pueblo County Arkansas River Levee floodplain study is in progress, finalization is still progressing. The hydrology and the methodology used are currently being reviewed by FEMA.

FY 05 Counties: Mesa County DFIRM preliminary maps were distributed and the County is now in the Appeal period. The Garfield County DFIRM is almost complete and was delayed due to a USGS study that has been reviewed by Michael Baker Jr., Inc. (FEMA's NSP). This study was recently submitted to FEMA for review. Discussions recently took place between FEMA, CWCB and the local community officials to resolve some questions regarding this study. Garfield County is planned to go preliminary in Winter/Spring 2010. The Montezuma County DFIRM went effective September 28th 2008.

FY 04/03 Counties: All of the Boulder County levees have been identified. The South Boulder Creek Study has been completed and approved. Incorporation of this study into the DFIRM is almost complete. FEMA will be providing Provisionally Accredited Levees (PAL) agreements for two levees in the County. The scheduled preliminary date for Boulder County is set for the end of December 2009. *(Thuy Patton)*

COMMUNITY RATING SYSTEM (CRS) STRATEGY FOR COLORADO: The CWCB's Watershed Protection & Flood Mitigation Section has contracted with French & Associates to provide assistance in efforts to improve community floodplain management practices in Colorado through FEMA's Community Rating System (CRS). The CRS is an incentive program that reduces residents' flood insurance costs in participating communities based on the number of points provided for community activities (see table below). Most practices are implemented at the local level to get credits, although some State program activities can increase local credits.

| Community Rating System Premium Reductions | | | | |
|---|-------------|-------------------|------------|--|
| | | Premium Reduction | | |
| | | In | Outside | |
| Class | Points | Floodplain | Floodplain | |
| 1 | 4,500+ | 45% | 10% | |
| 2 | 4,000–4,499 | 40% | 10% | |
| 3 | 3,500–3,999 | 35% | 10% | |
| 4 | 3,000–3,499 | 30% | 10% | |
| 5 | 2,500–2,999 | 25% | 10% | |
| 6 | 2,000–2,499 | 20% | 10% | |
| 7 | 1,500–1,999 | 15% | 5% | |
| 8 | 1,000–1,499 | 10% | 5% | |
| 9 | 500– 999 | 5% | 5% | |
| 10 | | 0 | 0 – 499 | |
| | | 0 | 0 | |

The main objective is to develop a strategy to increase CRS participating communities' credits and add new communities to the CRS program, resulting in better floodplain management in the state and lower flood insurance premiums for the state's residents. The Strategy report is to include time and cost estimates to pursue identified projects that cover three levels of state involvement:

- Uniform minimum credits, where state activities provide automatic credits to affected communities (or could provide credits if they were modified).
- State facilitation, where state activities can make it easier for communities to receive CRS credit.
- Typical Colorado community credits that most communities can receive with little effort, usually based on state models and guidance.

The strategy report is scheduled for completion at the end of this calendar year and will be followed by implementation of some or all of the recommended actions detailed in the report. Currently 45 of the 240 Colorado communities in the National Flood Insurance Program are in the CRS. These 45 communities have 55% of the flood insurance policies in the state. Colorado impressively ranks 5th and 10th in the nation in terms of community participation and policies in CRS communities, respectively. While these are good numbers, improving CRS participation and the scores for CRS activities would be a true measure of improving the practice of floodplain management in the state. (*Cristina Martinez*)

DIVISION OF WATER RESOURCES FALL MEETINGS: Over the last month, Stream and Lake Protection Section staff members Jeff Baessler and Brian Epstein attended Division of Water Resources fall meetings in Water Divisions 2, 3, 4 and 5. At each meeting, Jeff presented an overview of the ISF Program with a focus on the new appropriation process, pending ISF recommendations, Staff's water availability analyses, and Brian's new role as the CWCB hydrographer and liaison to DWR. The meetings provided a welcome opportunity to inform water commissioners and other DWR staff about the ISF appropriation process and CWCB's stream gaging program. (*Linda Bassi*)

LAND USE AND WATER SUPPLY PLANNING SYMPOSIUM MAJOR THEMES: In partnership with the Western States Water Council, DNR and CWCB hosted a symposium on Land Use and Water Supply Planning for a Sustainable Future. The IBCC and basin roundtables have frequently discussed the opportunity for land use practices such as increased density and green neighborhood designs to reduce future water demand. A draft report indicating what is already being done in Colorado and determining if there are any additional steps that could be taken was released in early September. These topics were further explored in the symposium. Four significant opportunities arose:

1. 75 percent of the homes in 2050 will be 'new homes,' homes that are not currently in existence today.
2. There is about an 18 month window during which many cities and counties will update

their comprehensive plans.

3. The Department of Local Affairs provides millions in grants and funds many local government comprehensive plans. The director of DOLA offered to consider grant applications that involve a water component in their plans.
4. DOLA is putting together a “Sustainable Solutions Interagency Team” which could be a forum for continued integration of water supply planning and land use planning.

Symposium participants noted that land use practices are not necessarily driven by water supply concerns. However, many other areas, such as water quality, the market and sustainable community multi-use developments, provide an opportunity for the water community to partner. In addition, regional solutions are necessary for basin-wide water demand reductions.

As one participant wrote” *“Try to be truly comprehensive, including land, water, and others such as transportation, energy, security... extend to include regional perspective.”*

Several participants indicated that better data was critical.

In addition, another participant indicated that before we ever get to any regulation more consistent information, and understanding are necessary first: *“Start to better engage and inform, create a better understanding of what is already available, what tools exist. Evaluate and characterize gaps and consequences of actions. From this effort, which can be shared by the state and its many partners – public and private – better legislation can be developed to regulate and ‘manage’... smarter growth.”*

CWCB will be meeting with the Water and Land Use Planning Advisory Committee to determine further themes and next steps, as well as finalizing the draft report. *(Jacob Bornstein)*

COLORADO GROUNDWATER REPORT: The Groundwater Commission will meet next on November 20 in Denver, Colorado. For more information visit:
<http://water.state.co.us/cgwc/>

(Ted Kowalski)

~ARKANSAS RIVER BASIN~

COLORADO SPRINGS RAINFALL STUDY UPDATE: With financial assistance from the CWCB, the City of Colorado Springs is currently finishing a comprehensive study of rainfall patterns in that area of the state. This study aims to update technical knowledge of the nature of rainfall in the Colorado Springs area, and is focusing on design depths, depth reduction factors, and spatial storm characteristics. To this point, the best data on rainfall available is based on information provided by the National Oceanic and Atmospheric Administration (NOAA) in their NOAA Atlas 2, Volume 3, published in 1973, which provides design rainfall depths for various durations and return frequencies for the State of Colorado. This study, done

locally by the City of Colorado Springs, takes advantage of a period of record over twice as long as that used to produce the NOAA Atlas.

Although the report is still draft in nature, many of the results can be preliminarily reported. Perhaps of greatest interest, it appears that design rainfall in the area may be significantly increased with the longer period of record available for the study. For example, at the Colorado Springs Airport, the NOAA Atlas suggests a 100-year, 6-hour precipitation of approximately 3.5 inches. The Colorado Springs study preliminary results indicate a 100-year, 6-hour precipitation of 7.4 inches, which represents an increase of 111% to the design rainfall depth for this duration and frequency.

These increases to design rainfall depths are partially offset for larger watersheds by Depth Reduction Factors (DRF) for the area that are much larger than those suggested by the National Weather Service (NWS). DRFs account for the isolated nature of most western thunderstorms by reducing the overall intensity of design rainfall by an increasing amount for larger watersheds. The NWS DRFs have been frequently criticized as being far too conservative and more representative of eastern US storms, which are characterized by more widespread footprints. With NWS DRFs, overall storm intensities are rarely reduced by more than 10-20%, even for watersheds that are hundreds or thousands of square miles in size. The City's study indicates that design rainfall depths can be reduced by as much as 90% for large watersheds and long durations.

Both of these results represent an extremely significant departure from standard design information currently used. These results, while dramatic, should be treated as draft at this stage. When the study is complete and a final report is issued, Watershed Protection and Flood Mitigation staff will provide an agenda item to the CWCB Board. *(Kevin Houck)*

CWCB TO HELP FUND FOUNTAIN CREEK WATERSHED POLICY EVALUATION AND WORKSHOP: The Technical Advisory Committee (TAC) of the newly formed Fountain Creek Watershed, Flood Control, and Greenway District (FCWFCGD) has requested financial and technical assistance with developing a watershed-wide review of local policies affecting the Fountain Creek watershed in various ways. A statement presented by the TAC to the Governing Board of the FCWFCGD states:

In order to protect and restore the Fountain Creek Watershed, regulations and policies must address the non-point source origins of problems in the watershed and recognize specific issues related to watershed health, particularly water quality, erosion, sedimentation and flooding. Regulatory requirements can effect land uses and thus influence drainage patterns, rates and volumes, water quality and other factors. This affects watershed health and will influence impacts to downstream communities. It is important to determine how progress can be achieved to ensure that each of the eleven local governments implement

regulations that consider the regional and cumulative effects of their programs and activities within the Fountain Creek Watershed.

As a community represented in the Fountain Creek Watershed Flood Control and Greenway District (District), the City of Colorado Springs has undertaken an evaluation of policies and practices along the Front Range and throughout the country. This effort will directly help this project by providing information on stormwater management practices that will assist in establishing policies appropriate for all the local governments within the watershed.

This project will directly benefit the Fountain Creek Watershed District by implementing applicable recommendations contained in the Fountain Creek Watershed Strategic Plan and the Fountain Creek Watershed Army Corps of Engineers Watershed Study. These Plans have been adopted by the Fountain Creek Watershed District Board.

This project will implement many of the recommendations contained in the Fountain Creek Watershed Strategic Plan. At the meeting of the Governing Board on Friday, October 23rd in Pueblo, the Board unanimously voted to move forward with the proposed project. The CWCB will contribute \$25,000 towards this effort. The contracting involved with this effort will be the first outside contract for the newly formed district. The Governing Board formally thanked the CWCB during the October 23rd meeting. *(Kevin Houck)*

ARKANSAS RIVER COMPACT ADMINISTRATION (ARCA): The Administration will hold its 2009 Annual Meeting at the Clarion Inn in Garden City, Kansas on Monday and Tuesday December 7-8, 2009. This will be the first time since 1999 that the Annual Meeting was not held in Lamar, Colorado. I will be meeting with Colorado's ARCA officials and staff in Pueblo on Monday November 9 to coordinate preparations for that meeting. *(Steve Miller)*

~COLORADO RIVER BASIN~

U.S. – MEXICO BI-NATIONAL WATER NEGOTIATIONS: On October 14-15, the U.S. Colorado River basin states' representatives met with the Mexican Colorado River basin states' representatives, U.S. federal representatives and Mexican federal representatives to continue the current U.S.-Mexico bi-national water negotiations. The delegations agreed to establish a modeling subgroup to explore different scenarios for the creation and use of Intentionally Created Mexican Allocation ("ICMA") and the modeling subgroup will be meeting over the next several months. In addition, the delegations agreed to explore a pilot project, and they formed a pilot project subgroup that will be meeting over the next several months as well. The next bi-national meeting will be in late January 2010. *(Ted Kowalski)*

UPPER COLORADO RIVER ALTERNATIVES STAKEHOLDER GROUP: The Upper Colorado River Alternatives Stakeholder Group continues to meet regarding alternatives to wild and scenic designation. After the last Board meeting, I wrote to BLM and requested additional time to submit the Stakeholder's proposal and BLM granted this request with some additional conditions. Both letters are attached to this report. (Attachment 7d-10) Thus, the Stakeholder Group must submit its proposal by November 30, 2009. This issue will be discussed at the Board meeting. *(Ted Kowalski)*

LOWER COLORADO RIVER ALTERNATIVES STAKEHOLDER GROUP: The Lower Colorado River Alternatives Stakeholder Group met in October and November in Grand Junction. Rebecca Mitchell, of the Executive Director's Office, is taking the lead on this process. In November, the Stakeholder Group formed subgroups to explore the various river segments that are being considered for suitability. This matter will be discussed at the Board meeting. Additional information is available at:

http://www.blm.gov/pgdata/etc/medialib/blm/co/field_offices/grand_junction_field/PDF.Par.3668.File.dat/Final%20Wild%20and%20Scenic%20Eligibility%20Report%20original%20signature%20web.pdf

(Ted Kowalski)

~GUNNISON RIVER BASIN~

GUNNISON RIVER RESTORATION: FISH AND WILDLIFE RESOURCES FUND

APPLICATION: Painted Sky Resource Conservation and Development Council, Inc. have submitted a pre-application to the Fish and Wildlife Resources Fund for reconstruction of the Hartland Dam in Delta, Co. The grant request is \$560,000, with a proposed match of \$1,365,000. So far, Painted Sky has secured \$804,000 from the US Fish and Wildlife Service. The existing Hartland Dam was constructed in 1881, and it spans 120 yards across the Gunnison River just upstream of the Uncompahgre River confluence. The dam blocks migration of fish, including several species of concern. It presents a significant boat passage hazard that has claimed 3 lives. It also contributes to excessive streambank erosion.

The goals of the project are to maintain delivery of senior water rights to the Hartland Irrigation Company, allow fish migration, provide for safe boat passage, improve channel stability, and enhance aquatic habitat. The Integrate Project Team is composed of many key stakeholders including US Fish and Wildlife Service, Hartland Irrigation Company, Colorado Division of Wildlife, Colorado River Water Conservation District, Gunnison Basin Round Table, Delta & Montrose Counties/Cities, and others. The application is expected to be presented to the Board at the January 26, 2010 Board Meeting. *(Chris Sturm)*

~PLATTE RIVER BASIN~

CHATFIELD RESERVOIR REALLOCATION STUDY UPDATE: The U.S. Army Corps of Engineers (Corps) continues to work with the CWCB and a large group of non-federal stakeholders to produce a Draft Feasibility Report and Environmental Impact Statement (FR/EIS) for the Chatfield Reservoir Reallocation Study (Study). The Study team is in the process of completing all necessary components of the draft document, including a robust environmental mitigation plan. The Corps is now imminently close to sending an official response to the two comment letters they received from the U.S. Environmental Protection Agency (Region 8) regarding the preliminary FR/EIS. In related news, several study team members from Colorado traveled to Washington, D.C. and met with Congressional Delegation members and staff and with high level personnel at the Corps Headquarters office to discuss appropriations, study status, and next steps in the process. *(Tom Browning)*

PRESENTATION AT SOUTH PLATTE FORUM: On October 21, 2009, Linda Bassi gave a presentation on the ISF Program at the South Platte Forum in Longmont as part of a panel focusing on biological issues, conservation of native fishes in the South Platte Basin, and river restoration efforts. *(Linda Bassi)*

PLATTE RIVER RECOVERY IMPLEMENTATION PROGRAM: The Platte River Recovery Implementation Program ("Program") held its last Governance Committee meeting in Kearney, Nebraska, on October 13-14, 2009. At the meeting, the Governance Committee approved: 1) Colorado's proposed amendment to the North Platte depletions plan for future depletions and 2) Colorado's proposed changes to two assumptions for Colorado's South Platte plan for future depletions. This topic will be on the November Board agenda. In addition, the Governance Committee spent a significant amount of time on the proposed annual budget that will be presented for approval at the next Governance Committee meeting. The Governance Committee also agreed to change the schedule of Governance Committee meetings so that they will be held quarterly, starting in 2010. The next meeting will be held in Denver, Colorado on December 1-2, 2009. The Program continues to acquire lands, and make progress on its adaptive management and water goals. An amended water action plan will be presented at the December meeting for Committee approval. For more information, please visit: www.platteriverprogram.org. *(Ted Kowalski)*

~SOUTHWEST RIVER BASINS~

TACOMA POWER PLANT RELICENSING UPDATE: The Public Service Company of Colorado d/b/a Xcel Energy is in the process of relicensing its Tacoma Hydroelectric Project with FERC. The Tacoma Project is located on Cascade Creek and the Animas River just north of Durango. Xcel owns the water rights to divert the flows of Cascade Creek into a conduit that delivers those flows to the Little Cascade Creek watershed, and then into Electra Lake. From

Electra Lake, the water is diverted into a penstock to the Tacoma Powerhouse in the Animas River canyon.

The relicensing process, which started in July 2004, is scheduled for completion in February 2010. As reported in May 2009, the Administrative Law Judge issued a decision that favored the USFS on the majority of the issues after holding a trial-type hearing on factual issues related to preliminary conditions on the license, including the imposition of a bypass flow. On July 27, 2009, the USFS submitted its final 4(e) conditions, which mirrored the preliminary conditions that were the subject of the hearing. FERC is in the process of completing its final EA, which will include those conditions. The USFS and Public Service Company are still exploring settlement options. *(Linda Bassi)*

WATER 101 SEMINAR PRESENTATION: On September 25, 2009, Jeff Baessler presented an overview of the ISF Program at the Water 101 Seminar in Telluride. The seminar was sponsored by the New Community Coalition, San Juan Citizens Alliance, San Miguel Whitewater Association, Telluride Institute, and Water Information Program. *(Linda Bassi)*

SOUTHWEST BASIN DIRECTOR ASSISTANCE WITH IPP DATA COLLECTION: CWCB Staff is in the process of updating information on the Identified Projects and Process (IPPs) currently being pursued by local water providers. Collecting and summarizing this data statewide is a large undertaking. Director Montgomery provided valuable assistance by contacting local water providers in the San Miguel Basin. The purpose was to identify future water storage needs for San Miguel County, the Town of Telluride, the Town of Montain Village, Norwood Water Commission, and the Telluride Ski and Golf Co. Director Montgomery facilitated generating a general list of needs and provided that information to CWCB Staff. Staff can now follow up on the specifics of each project. Board member involvement in making contacts with local water providers and identifying the water projects and plans they are pursuing is greatly appreciated. *(Eric Hecox)*

RIVER PROTECTION WORKGROUP: The River Protection Workgroup ("RPW") has agreed on a path forward for resource protection. This matter will be discussed at the Board meeting. *(Ted Kowalski)*

~AGENCY UPDATES~

WATER SUPPLY PROTECTION CHIEF RANDY SEAHOLM RETIRES: After 36 years of service to the State of Colorado and CWCB, D. Randolph Seaholm retired amidst much hoopla and gratitude on November 6th. Attached to this report is a resolution I am moving to have passed by the Board in recognition of all of Randy's

hard work and dedication to water issues in Colorado and western U.S. (Attachment 7d-09) (*Ted Kowalski*)

RECENTLY DECREED ISF WATER RIGHTS: On August 27, 2009, the Division 1 Water Court decreed and instream flow water right to the CWCB on the South Fork South Platte River in Case No. 02CW373 for 10.0 cfs (April 15 – October 31) and 4.4 cfs (November 1 – April 14), with an appropriation date of January 23, 2002. The upstream terminus is confluence with U.S. Highway 285 and the lower terminus is the south section line of Section 13, Township 12 south, Range 77 west of the 6th prime meridian. This ISF Reach is approximately 6.7 miles long and flows through part of Park County.

The CWCB entered into a stipulation with the City of Aurora to alleviate their concerns about this ISF segment.

On August 31, 2009, the Division 5 Water court decreed an instream flow water right to the CWCB on Arapaho Creek in Case No. 08CW093 for 4.5 cfs (April 15 – August 31) and 1.9 cfs (September 1 – April 14), with an appropriation date of January 23, 2008. The upstream terminus is the outlet of Caribou Lake and the lower terminus is the confluence with Buchanan Creek. This ISF reach is approximately 7.8 miles long and flows through part of the Indian Peaks Wilderness Area.

On August 31, 2009, the Division 5 Water Court decreed an instream flow water right to the CWCB on Right Fork Barrel Springs Creek in Case No. 08CW096 for 0.7 cfs (May 1 – August 31) and 0.3 cfs (September 1 – April 30), with an appropriation date of January 23, 2008. The upstream terminus is the headwaters and the lower terminus is the confluence with Barrel Spring Creek. This ISF reach is approximately 4 miles long and flows through BLM managed lands.

On August 31, 2009, the Division 5 Water Court decreed an instream flow water right to the CWCB on Willow Creek in Case No. 08CW102 for 18 cfs (April 1 – July 31) and 3 cfs (August 1 – November 30), with an appropriation date of January 23, 2008. The upstream terminus is the confluence with Cabin Creek and the lower terminus is the Bureau of Land Management (BLM) boundary. This ISF reach is approximately 2 miles long and flows through part of Arapaho National Forest. This appropriation is an increase to the decreed ISF in Case No. 78W3774 for 12 cfs (January 1 – December 31).

On August 31, 2009, the Division 5 Water Court decreed an instream flow water right to the CWCB on Rabbit Ears Creek in Case No. 08CW100 for 5.0 cfs (April 1 – October 31) and 2.2 cfs (November 1 – March 31), with an appropriation date of January 23, 2008. The upstream terminus is the headwaters and the lower terminus is the confluence with Troublesome Creek. This ISF reach is approximately 9 miles long and flows through BLM and U.S. Forest Service managed lands.

On October 7, 2009, the Division 5 Water Court decreed and instream flow water right to the CWCB on Mule Creek in Case No. 08CW095 for 1.2 cfs (April 1 – October 31) and 1.0 cfs (November 1 – March 31), with an appropriation date of January 23, 2008. The upstream terminus is the confluence with South Fork Mule Creek and the lower terminus is the confluence with Lost Creek. This ISF reach is approximately 2.25 miles long and flows through BLM managed lands. (*Rob Viehl*)

UPDATES ON BASIN NEEDS DECISION SUPPORT SYSTEM (F/K/A IP&P Database):

Background: CWCB staff is implementing refinements and expansion of the IP&P Database via two concurrent efforts. The first effort involves developing and piloting a statewide survey for water providers to collect and maintain accurate data. The second effort involves database enhancements and DSS integration. As a result of the extensive enhancements and integration with other CWCB Decision Support System (DSS) tools the name of the IP&P Database is changed to the *Basin Needs Decision Support System (BNDSS)*. The BNDSS will track projects and processes indentified in SWSI and others identified by water providers since the SWSI report. The BNDSS will monitor their progress and identify where CWCB programs can help implementation. The BNDSS will also track water use and supply data (actual and projected), population data (actual and projected), and non-consumptive project data, in order to refine local and regional estimates of the projected water supply “gap”.

BNDSS Provider Survey and Consultation

The CWCB has procured the services of DiNatale Water Consultants, Inc. (DiNatale) to help determine the format, substance, and attainability of information for the BNDSS via a provider survey. The surveys will be refined via pilot interviews and will also identify strategies and incentives to increase water supplier participation. The survey will be used to update the BNDSS with information from water providers throughout the State allowing the CWCB to monitor the progress of IP&Ps.

Current Status: A draft of the provider survey has been created in Microsoft Excel Format with interactive macros. The survey was distributed to CWCB staff in all sections for review. Staff comments were incorporated into a subsequent draft that was distributed to the water providers participating in the pilot interviews (Greeley, Johnstown, Glenwood Springs, Silt, Ute Water, Palisade, Minturn, and Louis Meyer, an engineer involved in numerous IP&P’s). The pilot interviews took place on October 30th, November 3rd, and November 4th. Feedback from the pilot interview process is being used to refine the survey in preparation for statewide use.

In addition, CWCB staff presented information on current efforts with the BNDSS project at each of the recent basin roundtable meetings. The roundtables were asked to provide feedback, however detailed, on IP&P’s in their basin to help with CWCB efforts to update the SWSI consumptive use gap analysis over the coming year.

BNDSS System Enhancements and DSS Integration

The initial implementation of the IP&P Database created a simple SQL Server database with a web interface to store data collected from SWSI and other CWCB activities, including county populations, water demand and supply, provider and project data, and water conservation data, with a website that allows data viewing, editing, and input. To maximize its utility, the database needs further refinement and integration with CWCB's other Decision Support System tools. Multiple areas for refinement and DSS integration are detailed in the RFP's scope of work.

Current Status: Staff is working with DNR purchasing on the RFP process. It is anticipated that the RFP will be finalized by the end of the calendar year. *(Greg Johnson)*

STREAM AND LAKE PROTECTION SECTION PERSONNEL UPDATE: On September 28, 2009, Brian Epstein joined the Stream and Lake Protection Section to fill the hydrographer position authorized in 2008. Brian has a M.S. in hydrologic science, and his work experience includes working as a water commissioner in Water Division 5 and running his own environmental consulting firm. Brian's knowledge and experience in administering water rights, measuring stream flows and working closely with water users will be a valuable asset to the Section. *(Linda Bassi)*

IWMD SECTION NAME CHANGE: The Intrastate Water Management and Development Section was created within CWCB to assist with the on-going implementation of the Statewide Water Supply Initiative (SWSI). Since its creation in 2005 the section's responsibilities have evolved to include supporting the implementation of the Colorado Water for the 21st Century Act (the Basin Roundtable Process), administering the Water Supply Reserve Account, administering the Alternative to Traditional Agricultural Transfers program, and other activities to help analyze and meet Colorado's long-term consumptive and nonconsumptive water needs. In recognition of this broader set of planning responsibilities the section is changing its name from the Intrastate Water Management and Development Section to the Water Supply Planning Section. *(Eric Hecox)*

~ATTACHMENTS~

- **7d-01 Summary of Resolved Cases**
- **7d-02 De Minimis Cases**
- **7d-03 Ditch Bill Application Processing Status**
- **7d-04 Loan Financial Activity Report**
- **7d-05 Design and Construction Status Report**
- **7d-06 Loan Forecast & Prospect Report**
- **7d-07 Large Water Project Loan Prospect Report**
- **7d-08 Colorado River Management Work Group Letter**
- **7d-09 CWCB Resolution for D. Randolph Seaholm**
- **7d-10 Upper Colorado River Alternatives Stakeholder Group Letters**

**INSTREAM FLOW AND NATURAL LAKE LEVEL PROGRAM
SUMMARY OF RESOLVED CASES
NOVEMBER 2009 – ATTACHMENT 7D-01**

The Board's ISF Rule 8i. states:

“In the event the pretrial resolution includes terms and conditions preventing injury or interference and does not involve a modification, or acceptance of injury or interference with mitigation, the Board is not required to review and ratify the pretrial resolution. Staff may authorize its counsel to sign any court documents necessary to finalize this type of pretrial resolution without Board ratification.”

Staff has resolved issues of potential injury in the following water court cases and authorized the Attorney General's Office to enter into stipulations that protect the CWCB's water right:

(1) Case No. 5-05CW297: Application L Quarter Circle, LLLP

The Board ratified this statement of opposition at its March 2006 meeting. The Board's main objective in filing the statement of opposition in this case was to ensure that the Applicant's proposed plan for augmentation and exchange does not injure the Board's instream flow water rights on Sweetwater Creek by not replacing out-of-priority depletions in time, and place. Staff, in cooperation with the Attorney General's Office, has negotiated a settlement to ensure that the CWCB's instream flow water rights will not be injured.

The Board holds the following instream flow water rights that could have been injured by this application:

| CWCB Case No. | <i>Stream/Lake</i> | Amount (cfs) | Approp. Date | Watershed | County |
|--------------------------|---------------------------|-------------------------|-------------------------|------------------|------------------|
| 5-80CW313 | Sweetwater Creek | 18 | 5/7/80 | Colorado River | Garfield & Eagle |

The CWCB and the Applicant have agreed to the entry of a decree that will prevent injury to the Board's ISF water rights on Sweetwater Creek. The Applicant has agreed to the following terms and conditions:

- Applicant acknowledges that the CWCB has an instream flow water right to preserve the natural environment to a reasonable degree on Sweetwater Creek, decreed by the District Court, Water Division 5, in Case No. 80CW313, in the amount of 18 cfs with an appropriation date of may 7, 1980, which right was appropriated and decreed prior to the filing of the Application in Case No. 05CW297.

- Applicant and the CWCB enter this stipulation pursuant to section 37-92 102(3)(b), C.R.S., in recognition that Applicant's irrigation (up to 50 acre-feet per year during the irrigation season) and stock watering (up to 0.1 acre-feet per year during any time of year) uses of water from the FL Anderson Riland Creek Ditch were being made pursuant to appropriations of instream flow rights on Sweetwater Creek in Case No. 80CW313.
- The CWCB's instream flow water rights on Sweetwater Creek are subject to the Applicant's use pursuant to CRS 37-92-102(3)(b), the water right decreed herein will be administered subject to the prior appropriation system in relation to all other water rights.

(2) Case No 2-06CW032: Application of Upper Arkansas Water Conservancy District

The Board ratified this statement of opposition at its September 2006 meeting. The Board's main objective in filing the statement of opposition in this case was to ensure that the Applicant's proposed plan for augmentation, including addition of new sources of augmentation water to the UAWCD's portfolio of water as well as the augmentation of additional types of structures does not injure the Board's many various instream flow water rights that are tributary to the Arkansas River.

A 4-day trial had been set to begin on October 20, 2009 for which the Board had granted Staff an authorization to proceed. However, before proceeding to trial the CWCB Staff in cooperation with the Attorney General's Office were able to negotiate a settlement with the Applicant to ensure 100% protection from injury for the Board's ISF water rights tributary to the Arkansas River. The Applicant has agreed to the following terms and conditions:

- The following provision will not restrict the augmentation of or the inclusion in this 06CW032 Plan or the Existing Augmentation Plans of Augmented Structures that have been approved by Applicant and to which Applicant has committed augmentation as of the date of this 06CW032 decree but that are still subject to the approval and review. On streams where the CWCB has decreed instream flow rights located within the augmentation area of this 06CW032 Plan or the Existing Augmentation Plans, before Applicant approves the inclusion of any structure in this 06CW032 Plan or the Existing Augmentation Plans after the date of this 06CW032 decree that is located within or upstream of a senior decreed instream flow right, Applicant will follow these procedures:
- 1) Applicant shall prepare an analysis to determine the amount of available flows in that particular stream. The amount of such available flows over and above the decreed instream flow shall be the maximum amount of junior depletions on that stream that applicant can cover thereafter under this 06CW032 Plan or the Existing Augmentation Plans. Once the depletions from the Augmented Structures that are junior to the instream flow right have equaled the amount of such excess available

flows, Applicant will not accept any further structures in this Plan or the Existing Augmentation Plans that will deplete the senior instream flow right. Applicant shall provide a copy of this analysis together with the applications for the potential Augmented Structures and all supporting documents to the CWCB. Any objection by the CWCB to this analysis shall be resolved using the procedures for Water Court de novo review; or

- 2) In the alternative, Applicant shall prepare an analysis to determine the potential for exchanges to storage on the specific stream and/or the availability of augmentation water that Applicant can add to this 06CW032 Plan or the Existing Augmentation Plans in a manner that will prevent injury to vested water rights including the instream flow right as shown by the projection report. Applicant will provide a copy of this analysis to the CWCB. Any objection to this analysis or the new sources of augmentation by CWCB shall proceed under the identified procedures. After resolution of any such objection and after the addition of any augmentation water to this 06CW032 Plan or the Existing Augmentation Plans pursuant to the terms of this 06CW032 decree, to the extent that the exchange and/or new source of augmentation water protects vested senior water rights, which may include the instream flow right, Applicant may add Augmented Structures that would otherwise deplete the senior instream flow right, subject to the other terms and conditions of this 06CW032 decree.

3) **Case No. 4-03CW063: Application of Fred Field and FUYU Farms**

The Board ratified this statement of opposition at its May 2003 meeting. The Board's main objective in filing the statement of opposition in this case was to ensure that the Applicant's proposed change of point of diversion does not injure the Board's instream flow water rights on Quartz Creek. Staff, in cooperation with the Attorney General's Office, has negotiated a settlement to ensure that the CWCB's instream flow water rights will not be injured.

The Board holds the following instream flow water rights that could have been injured by this application:

| CWCB Case No. | <i>Stream/Lake</i> | Amount (cfs) | Approp. Date | Watershed | County |
|----------------------|---------------------------|---------------------|---------------------|------------------|---------------|
| 4-80CW086 | Quartz Creek | 5 | 3/17/1980 | Tomichi Creek | Gunnison |

The CWCB and the Applicant have agreed to the entry of a decree that will prevent injury to the Board's ISF water rights on Quartz Creek. The Applicant has agreed to the following terms and conditions:

- Rights in the Parlin Quartz Creek Ditch or the Corbitt Ditch shall not be allowed to divert at their alternate points of diversion at any time that Quartz Creek is being administered for the use of any water rights located on Quartz Creek between the alternate point of diversion and Tomichi Creek, including but not limited to the CWCB's instream flow right adjudicated in Case No. 80CW086 (Quartz Creek). Once any of these ditch rights have been diverted at the alternate point of diversion, it may not be diverted at the alternate or original point of diversion at times the stream is being administered for use of the CWCB's instream flow right adjudicated in Case No. 80CW086 (Quartz Creek).
- The rights in the Parlin Quartz Creek Ditch or the Corbitt Ditch diverted at their alternate point of diversion above shall not be used for irrigation of any lands other than Applicant's land underlying the Chittenden Ditch Enlargement in the S/2NW1/4 of Section 14, T49N, R2E NMPM.
- Once any of these Ditch rights is used at an alternate point of diversion, it may not be used at any other point of diversion while the stream is on call.
- Rights in the Chittenden Ditch shall not be allowed to divert at its alternate points of diversion at any time that Quartz Creek is being administered for the use of any water right located on Quartz Creek between the alternate point of diversion and Tomichi Creek, including but not limited to CWCB's instream flow right adjudicated in Case No. 80CW086 (Quartz Creek). Once the Chittenden Ditch right has been diverted at the alternate point of diversion, it may not be diverted at the alternate or original point of diversion at times that the stream is being administered for use of the CWCB's instream flow right adjudicated in Case No. 80CW086 (Quartz Creek).
- The rights in the Chittenden Ditch diverted at its alternate point of diversion above shall not be used for irrigation of any lands other than the Applicants' land underlying Parlin Quartz Creek Ditch, in the S1/2S1/2 of Section 14, T49N, R2E NMPM.
- Once the Chittenden Ditch right is used at the alternate point of diversion, it may not be used at any other point of diversion while the stream is on call.
- The O'Regan No. 1 & 2 Ditches shall not be allowed to divert at their alternate points of diversion at any time that the stream is being administered for the use of CWCB's instream flow right adjudicated in Case No. 80CW086 (Quartz Creek). Once either of these ditch rights have been diverted at the alternate point of diversion, it may not be diverted at the alternate point of diversion at times that the stream is being administered for use of the CWCB's instream flow right adjudicated in Case No. 80CW086 (Quartz Creek).

- Once either of the O'Regan Ditch rights is used at an alternate point of diversion, it may not be used at any other point of diversion while the stream is on call.
- The Applicants shall install such measuring devices and supply such information regarding diversions as required by the Division Engineer for the administration of these rights.

4) Case No. 5-05CW266: Application of George and Pamela Beardsley

The Board ratified this statement of opposition at its March 2006 meeting. The Board's main objective in filing the statement of opposition in this case was to ensure that the Applicant's proposed change of use does not result in an expansion of use, and their plan for augmentation and exchange without the proper terms does not injure the Board's instream flow water rights on Brush Creek and South Brush Creek. Staff, in cooperation with the Attorney General's Office, has negotiated a settlement to ensure that the CWCB's instream flow water rights will not be injured.

The Board holds the following instream flow water rights that could have been injured by this application:

| CWCB Case No. | <i>Stream/Lake</i> | Amount (cfs) | Approp. Date | Watershed | County |
|----------------------|---------------------------|---------------------|---------------------|------------------|---------------|
| 5-77W3651 | South Brush Creek | 2 | 01/19/1977 | Blue River | Summit |
| 5-77W3615 | Brush Creek | 3 | 01/19/1977 | Blue River | Summit |

The CWCB and the Applicant have agreed to the entry of a decree that will prevent injury to the Board's ISF water rights on Brush Creek and South Brush Creek. The Applicant has agreed to the following terms and conditions:

- The Colorado Water Conservation Board ("CWCB") has a water right that was decreed in Case No. W-3651 for minimum instream flow on South Brush Creek and asserts that Beardsley No. 1 Pond has inundated a part of the channel South Brush Creek that is subject to that decree. After conducting a site visit and consulting with the Colorado Division of Wildlife, the CWCB has determined that the small inundation on South Brush Creek has not adversely affected the instream flow right or the natural environment. To assure the development of the conditional water storage right decreed herein to the Beardsley No. 1 Pond does not result in material injury to the CWCB's water right, any expansion of the Beardsley No. 1 Pond shall not cause the inundation of any portion of South Brush Creek downstream of the existing dam for Beardsley No. 1 Pond. Nor shall any new inundation be caused by

new structures either upstream or downstream of the existing Beardsley No. Pond dam without CWCB's written consent.

- Except for the expansion of Beardsley No. 1 Pond upstream of its dam as provided in the above paragraph, applicants shall obtain the written consent of the CWCB before constructing any storage impoundment under the plan for augmentation approved herein that will have the effect of inundating any portion of the stream channel on which the CWCB holds a water right for minimum instream flow with a decreed priority senior to the December 28, 2005 filing date of the application of this case. Additionally, before constructing any habitat improvement in a natural stream that would be augmented under this decree, applicants will provide plans for such improvements to the Division Engineer and the CWCB and provide those agencies with a reasonable opportunity to review such plans to assure compliance with this decree.
- Applicants shall install and maintain such control structures and measuring devices as may be reasonably required by the Division Engineer to administer the change of water rights and plan for augmentation approved in this decree and applicants shall maintain such records and provide periodic accounting as may be reasonably required by the Division Engineer.
- The exchange shall not operate if there is a valid call being administered for the benefit of the minimum instream flow water right decreed to the CWCB on South Brush Creek under the decree in Case No. W-3651.

5) Case No. 5-05CW182: Application of BMG Ranch LLC and George and Pamela Beardsley

The Board ratified this statement of opposition at its January 2006 meeting. The Board's main objective in filing the statement of opposition in this case was to ensure that the Applicant's proposed change of use and alternate points of diversion does not result in an expansion of use and does not injure the Board's instream flow water rights on Brush Creek. Staff, in cooperation with the Attorney General's Office, has negotiated a settlement to ensure that the CWCB's instream flow water rights will not be injured.

The Board holds the following instream flow water rights that could have been injured by this application:

| CWCB Case No. | <i>Stream/Lake</i> | Amount (cfs) | Approp. Date | Watershed | County |
|----------------------|---------------------------|---------------------|---------------------|------------------|---------------|
| 5-77W3615 | Brush Creek | 3 | 01/19/1977 | Blue River | Summit |

The CWCB and the Applicant have agreed to the entry of a decree that will prevent injury to the Board's ISF water right on Brush Creek. The Applicant has agreed to the following terms and conditions:

- The change in point of diversion of the Emma Sperry Ditch to the Benson Ditch as an alternate point of diversion is an upstream change of approximately 2,000 feet. Accordingly, the diversion of the Emma Sperry Ditch water right at the Benson Ditch alternate point of diversion will be subject to the CWCB's instream flow water right on Brush Creek decreed in Case No. W-3615, District Court in and for Water Division No. 5. At such times as the CWCB places a legal and enforceable call for its instream flow water right on Brush Creek, recognized and administered by the Division Engineer, Applicant BMG will either not divert the Emma Sperry Ditch water right, or else will divert the Emma Sperry Ditch water right at its original head gate.
- Applicant shall install and maintain such measuring devices and implement such accounting procedures as may be required by the State and Division Engineers to administer the subject water rights and change of water rights. However, nothing in this decree shall modify the measurement and accounting obligations of any entity or individual contained in any previously entered decree(s). Any accounting submitted to the State or Division Engineers or the Water Commissioner hereunder will be made available to the objectors in this case at their request, at reasonable copying charges.

6) 6-07CW061 & 6-07CW072: Application of Upper Yampa Water Conservancy District

The Board ratified this statement of opposition at its January 2007 meeting. The Board's main objective in filing the statement of opposition in this case was to ensure that the Applicant's proposed change of water storage right does not result in an expansion of use and Applicant's proposed alternate point of storage does not injure the Board's instream flow water rights on Silver Creek and the Yampa River.

A 7-day trial had been set to begin on October 7, 2009 for which the Board had granted Staff an authorization to proceed. However, before proceeding to trial the CWCB Staff in cooperation with the Attorney General's Office were able to negotiate a settlement with the Applicant to ensure that the CWCB's instream flow water rights will not be injured.

The Board holds the following instream flow water rights that could have been injured by this application:

| CWCB Case No. | <i>Stream/Lake</i> | Amount (cfs) | Approp. Date | Watershed | County |
|---------------|--------------------|--------------|--------------|-------------|--------|
| 6-77W1328 | Silver Creek | 5 | 9/23/1977 | Upper Yampa | Routt |
| 6-01CW106 | Yampa River | 72.5/47.5 | 7/24/2001 | Upper Yampa | Routt |

The CWCB and the Applicant have agreed to the entry of a decree that will prevent injury to the Board's ISF water right on Silver Creek and the Yampa River. The Applicant has agreed to the following terms and conditions:

- In the event of a call placed by the CWCB for its instream flow right on the Yampa River decreed in Case No. 01CW106, which call is recognized and administered by the Division Engineer, the district shall maintain a bypass flow through the Morrison Creek Reservoir as the lesser of 1) the natural inflows to the Reservoir, or 2) the amount necessary to bring the Yampa River flow just downstream of the confluence with Morrison Creek up to the decreed instream flow amount.
- If the existing Division of Water Resource's gage on Morrison Creek at the reservoir site is inundated by the District's project, the District shall move the gage to a location on Morrison Creek downstream of the reservoir for which the DWR of the CWCB has obtained legal right to permanently place and maintain such gage. The relocated gage shall maintain its current configuration with a satellite monitoring system.
- The district shall grant the CWCB reasonable access to any measuring devices on Morrison Creek or Morrison Creek Reservoir that are installed by the District and Come within the District's possession or control.
- The CWCB holds an instream flow water right decreed, in Case No. 77W1328, District Court, Water Division 6, on Silver Creek, which extends upstream from the confluence with Morrison Creek and Silver Creek. Storage in the Morrison Creek Reservoir may inundate a portion of the CWCB's instream flow right as it relates to the proposed Morrison Creek Reservoir is not known at this time. During the permitting process and prior to commencing construction of the Morrison Creek Reservoir that would inundate any existing CWCB instream flow right on Silver Creek decreed in Case No. 77W1328, the District shall request and obtain approval from the CWCB for such storage pursuant to the provisions of 2 CCR 408-2, Section 7, or any successor regulation regarding inundation then in effect. The District shall provide the Court and Division Engineer, Water Division 6, with a copy of any resolution, order, or other relevant proof, authorizing the inundation of the CWCB's instream flow right. Inundation shall not be allowed absent such approval and notice to the Court and Division Engineer, so long as the CWCB instream flow right decreed in Case No. 77W1328 remains in effect.

7) Case No. 7-08CW064: Application of Roger Brooks & Veryl Goodnight

The Board ratified this statement of opposition at its November 2008 meeting. The Board's main objective in filing the statement of opposition in this case was to ensure that the Applicant's proposed change of point of diversion and place of use do not injure the Board's

instream flow water rights on the East Mancos River by causing an expansion of use of the subject water right and changing the irrigation return flow patterns. Staff, in cooperation with the Attorney General's Office, has negotiated a settlement to ensure that the CWCB's instream flow water rights will not be injured.

The Board holds the following instream flow water rights that could have been injured by this application:

| CWCB Case No. | <i>Stream/Lake</i> | Amount (cfs) | Approp. Date | Watershed | County |
|----------------------|---------------------------|---------------------|---------------------|------------------|---------------|
| 7-84CW268 | East Mancos River | 2 | 7/13/1984 | Mancos River | Montezuma |

The CWCB and the Applicant have agreed to the entry of a decree that will prevent injury to the Board's ISF water rights on the East Mancos River. The Applicant has agreed to the following terms and conditions:

- When the the CWCB is calling for its Instream Water Right in the stretch of the East Mancos River between its confluence with the Middle Fork to a point downstream at the Giles Ditch point of diversion (the "Affected Reach") are less than 2 c.f.s., Applicant shall cease diverting the subject water right until such time as the division engineer determines that there is enough water in the Affected Reach to satisfy in full the water right decreed to the CWCB in Case No. 84CW268, District Court in and for Water Division No. 7. The point of diversion of the Giles Ditch is located on or near the west bank of the East Mancos in the NE1/4NW1/4, Section 24, Township 36 North, Range 13 West, N.M.P.M.
- The lands historically irrigated by the subject water right have been subjected to a dry-up covenant to ensure that no expansion of the Giles Ditch water right occurs as a result of this change of water right. A copy of the dry-up covenant is attached hereto as Exhibit 2.
- The Water Court will retain jurisdiction of this matter for reconsideration on the issue of injury to the vested rights of others pursuant to C.R.S. § 37-93-304(6). The period of retained jurisdiction will be 3 years following entry of this decree.

(Kaylea White)

**Director's Report Attachment 7d-02 – November 17-18, 2009, Board Meeting
Stream and Lake Protection Section De Minimis Cases**

The following table summarizes the applications that have the potential to injure the Board's instream flow water rights, but their impacts are considered de minimis. In each of these cases, the cumulative impact to the Board's rights is 1% or less. Pursuant to ISF Rule 8(e) (the de minimis rule), staff has not filed Statements of Opposition in these cases and has provided the required notification to the Division Engineer and applicants.

| Case No. | Applicant | Stream/ Case Number | ISF Amount | Percent Injury | Cumulative % Injury | Previous Cases |
|-----------------|--------------------------|-----------------------------------|---------------------------------------|---------------------------|--------------------------------|-----------------------|
| 1- 09CW089 | Glacier Ridge Assoc. | MF South Platte River/ 80CW064 | 12 cfs (summer) 6 cfs (winter) | 0.0000% 0.0454% | 0.0000% 0.0454% | 0 |
| 1- 09CW089 | Glacier Ridge Assoc. | MF South Platte River/ 80CW067 | 20 cfs (summer) 20 cfs (winter) | 0.0000% 0.0340% | 0.0543% 0.0741% | 3 |
| 2- 94CW041 | John & Linda Jennings | Chalk Creek / 77W4662 | 18 cfs (summer) 18 cfs (winter) | 0.0013% 0.0002% | 0.1519% 0.0098% | 22 |
| 4- 09CW082 | Anthracite Coal Co. | Coal Creek / 06CW231 | 21 cfs (summer) 18 cfs (winter) | 0.0557% 0.0315% | 0.0557% 0.0315% | 0 |

**Region 2 Ditch Bill Application Processing Status
October 1, 2009 FY09 Final**

Prior Rights Assertion Cases

| | Assertions Claimed* | Assertion Evidence is Uncertain* | Assertion Evidence is Insufficient* | Assertion Relinquished Upon Easement Signing* | Assertion is Potentially Valid, Applicant Prefers Easement* | Assertion is Potentially Valid, Applicant Prefers Assertion* |
|-----------------------------------|---------------------|----------------------------------|-------------------------------------|---|---|--|
| Forest | | | | | | |
| Arapaho Roosevelt | 5 | 1 | | | | 1 |
| Bighorn | 2 | 1 | | | | |
| Black Hills | No Assertions | | | | | |
| GMUG | 107 | 3 | 0 | 52 | 1 | 52 |
| Medicine Bow / Routt | 3 | 1 | 1 | | | 1 |
| Pike San Isabell Cimeron Comanche | 5 | | | | | |
| Rio Grande | 52 | 8 | 11 | 0 | 0 | 33 |
| San Juan | 130 | 19 | 32 | 4 | 4 | 75 |
| Shoshone | No Assertions | | | | | |
| White River NF | 32 | | 2 | 0 | 6 | 21 |
| Assertion Totals | 336 | 33 | 46 | 56 | 11 | 183 |

* See definitions on page 3.

Ditch Bill Easement Application Cases

| | | A | B | C | D | E | F | G | H | |
|--------------------------------------|---|---|---------------------------------|------------------------|--------------------|-------------------------|--------------------|------------------|-----------------------|--|
| | Total Number of Easement Applications** | Easement Application Suspended, Assertion Recognized* + | Easement Application is Denied* | Application Uncertain* | Easement is Valid* | NEPA Scoping Initiated* | Easement Prepared* | Easement Issued* | Easement Consolidated | Ditch Bill Applications Processed* (Sum of columns A, B, G, H) |
| Forest | | | | | | | | | | |
| Arapaho Roosevelt | 18 | 1 | 3 | 2 | | 2 | | 7 | | 11 |
| Bighorn | 5 | | | | 3 | | | 1 | | 1 |
| Black Hills | 1 | | | 1 | | | | | | 0 |
| GMUG | 519 | 53 | 86 | 0 | 13 | 0 | 50 | 317 | | 456 |
| Medicine Bow / Routt | 80 | | 11 | | | | 57 | 39 | | 50 |
| Pike San Isabell Cimeron Comanche | 21 | | 2 | | 8 | | 5 | | | 2 |
| Rio Grande | 92 | 33 | 19 | 3 | 4 | 8 | 0 | 11 | 14 | 77 |
| San Juan | 231 | 75 | 58 | 14 | 0 | 28 | 11 | 45 | | 178 |
| Shoshone | 13 | | | 13 | | | | | | 0 |
| White River NF | 205 | 21 | 72 | 0 | 5 | 0 | 22 | 77 | | 170 |
| Ditch Bill Easement Totals*** | 1185 | 183 | 251 | 33 | 33 | 38 | 145 | 497 | | 931 |

Open Applications **254** **Percent of Ditch bill applications*** processed*** **79%**

* See definitions on page 3.

** The number of easement application cases has increased as water rights are divided and sold to multiple parties.

*** Total Applications open as of January 1, 2005 to current. A number of Ditch Bill Applications were Processed previous to January 1, 2005. Those Ditch Bill Applications (Approximately 300) are not included in the above totals.

Region 2 Ditch Bill Application Processing Status
October 1, 2009 FY09 Final

Definitions

| | |
|---|--|
| Assertions Claimed | In addition to a Ditch Bill Easement Application, a ditch owner can also claim a right to use water transmission facilities dating back to before a National Forest existed. |
| Assertion Evidence is Uncertain | It is not clear whether an assertion claim is likely valid. The claimant has been asked to provide additional evidence. |
| Assertion Evidence is Insufficient | The assertion evidence is insufficient to recognize the assertion claim. The assertion evaluation process is closed and the Ditch Bill evaluation process continues. |
| Assertion is Potentially Valid, Applicant Prefers Easement | The assertion is likely valid, but the applicant prefers a Ditch Bill Easement. The assertion analysis process is closed and the Ditch Bill evaluation process continues. |
| Assertion is Potentially Valid, Applicant Prefers Assertion | The assertion is likely valid and is preferred over a Ditch Bill Easement. The assertion is recognized in US Forest Service land status records and the Ditch Bill evaluation process is suspended. |
| Assertion Relinquished Upon Easement Signing | Applicant asserted a prior right to the water facility predating establishment of the National Forest or Grassland and upon signing the Ditch Bill easement all previous asserted rights were relinquished. |
| Easement Application Suspended, Assertion Recognized | The assertion is likely valid and is preferred over a Ditch Bill Easement. The assertion is recognized in US Forest Service land status records and the Ditch Bill evaluation process is suspended. |
| Easement Application Withdrawn | Applicant has voluntarily withdrawn the application in writing. The Ditch Application is closed. |
| Easement Application is Denied or Withdrawn | Applicant does not meet one of 9 established criteria or the applicant has voluntarily withdrawn the application in writing. The Ditch Application is closed. |
| Easement Application is Uncertain | It is not clear whether a Ditch Bill Easement application meets all 9 criteria. The Ditch Bill Easement Applicant has been asked to provide additional evidence. |
| Easement Application is Valid | A Ditch Bill Easement application meets all 9 criteria and will be issued. |
| Easement Application is Valid NEPA Scoping Initiated | After easement validity has been determined, National Environmental Policy Act (NEPA) scoping has begun to determine under what conditions the application will be issued to meet Federal, State, and Local law and policy. |
| Easement Consolidated | Two ditchbill easement applications were submitted for the same water facility on two different Forests. One application for each Forest. The Forest with the headgate or dam will process the entire application. |
| Easement Prepared | The easement NEPA document and easement have been completed and sent to the applicant for signature. |
| Easement Issued | The NEPA process has been completed, all necessary signatures have been obtained, and a deed for the easement has been issued. |
| Ditch Bill Applications Processed | An assertion has been recognized and the Ditch Bill Application has been suspended. A Ditch Bill Application has been withdrawn. A Ditch Bill Application has been denied. A Ditch Bill Easement has been issued. A Ditch Bill Easement has been consolidated. |

**WATER PROJECT CONSTRUCTION LOAN PROGRAM
LOAN REPAYMENT DELINQUENCY REPORT
LOAN FINANCIAL ACTIVITY REPORT
NOVEMBER 2009 – ATTACHMENT 7D-04**

LOAN REPAYMENT DELINQUENCY

Loan Repayments received relative to the Water Project Construction Loan Program have been reviewed for the period covering July 2009 through October 2009. The effective due date of the payment is inclusive of the Board's current 30 day late policy. Hence, the date the payment was received was compared to the last day allowable prior to the payment being considered late.

Repayments due for the first four months of Fiscal Year 2010 totaled 108. There were four loan payments not received on time during this period. Two loan payments from the Excelsior Irrigating Company, the loan payments from the City of Grand Junction and Rodney Preisser were less than 30 days late. Thus, the on-time performance for the total repayments due was 96% in compliance or 4% not in compliance.

As additional notes: (1) Rodney Preisser has not met his obligations since Fiscal Year 2007; (2) the Town of Starkville has not met its obligations since Fiscal Year 2006; and (3) the Pinon Mesa Ranches Community Association's loan is in default and has been referred to the State's Central Collections Services for disposition of the remaining balance.

LOAN FINANCIAL ACTIVITY

Loan Financial Activity relative to the Water Project Construction Loan Program for Fiscal Year 2010 is detailed on the following attachment. Funds received relative to loans in repayment totaled \$5.7 M for this period. Funds disbursed relative to new project loans totaled \$2.6 M for this period. Net activity resulted in \$3.1 M received by the CWCB Construction Fund and the Severance Tax Trust Fund Perpetual Base Account (STTFPBA) over the total disbursed.

Further breakdown is summarized as follows: The Construction Fund portion consists of \$3.4 M in receivables and \$1.0 M in disbursements for a total net activity of \$2.4 M received over disbursed. The STTFPBA consists of \$2.3 M in receivables and \$1.6 M in disbursements for a total net activity of \$0.7 M received over disbursed.

COLORADO WATER CONSERVATION BOARD**FINANCIAL ACTIVITY REPORT****FOR FISCAL YEAR 2010****CONSTRUCTION FUND**

| Period | Principal | Interest | Total Received | Disbursements | Net Activity |
|-----------------------|---------------------|---------------------|-----------------------|----------------------|---------------------|
| July 2009 | \$ 991,399 | \$ 902,079 | \$ 1,893,478 | \$ 237,276 | \$ 1,656,202 |
| August 2009 | \$ 368,125 | \$ 340,643 | \$ 708,768 | \$ 369 | \$ 708,398 |
| September 2009 | \$ 207,401 | \$ 244,925 | \$ 452,326 | \$ 380,017 | \$ 72,309 |
| October 2009 | \$ 184,747 | \$ 121,026 | \$ 305,774 | \$ 352,123 | \$ (46,349) |
| November 2009 | \$ - | \$ - | \$ - | \$ - | \$ - |
| December 2009 | \$ - | \$ - | \$ - | \$ - | \$ - |
| January 2010 | \$ - | \$ - | \$ - | \$ - | \$ - |
| February 2010 | \$ - | \$ - | \$ - | \$ - | \$ - |
| March 2010 | \$ - | \$ - | \$ - | \$ - | \$ - |
| April 2010 | \$ - | \$ - | \$ - | \$ - | \$ - |
| May 2010 | \$ - | \$ - | \$ - | \$ - | \$ - |
| June 2010 | \$ - | \$ - | \$ - | \$ - | \$ - |
| FY 2010 Totals | \$ 1,751,672 | \$ 1,608,672 | \$ 3,360,345 | \$ 969,785 | \$ 2,390,560 |

SEVERANCE TAX TRUST FUND PERPETUAL BASE ACCOUNT

| Period | Principal | Interest | Total Received | Disbursements | Net Activity |
|-----------------------|---------------------|---------------------|-----------------------|----------------------|---------------------|
| July 2009 | \$ 130,286 | \$ 149,080 | \$ 279,366 | \$ 86,769 | \$ 192,597 |
| August 2009 | \$ 214,894 | \$ 202,229 | \$ 417,123 | \$ 670,022 | \$ (252,898) |
| September 2009 | \$ 547,833 | \$ 554,328 | \$ 1,102,161 | \$ 223,399 | \$ 878,763 |
| October 2009 | \$ 524,085 | \$ 37,827 | \$ 561,912 | \$ 663,310 | \$ (101,398) |
| November 2009 | \$ - | \$ - | \$ - | \$ - | \$ - |
| December 2009 | \$ - | \$ - | \$ - | \$ - | \$ - |
| January 2010 | \$ - | \$ - | \$ - | \$ - | \$ - |
| February 2010 | \$ - | \$ - | \$ - | \$ - | \$ - |
| March 2010 | \$ - | \$ - | \$ - | \$ - | \$ - |
| April 2010 | \$ - | \$ - | \$ - | \$ - | \$ - |
| May 2010 | \$ - | \$ - | \$ - | \$ - | \$ - |
| June 2010 | \$ - | \$ - | \$ - | \$ - | \$ - |
| FY 2010 Totals | \$ 1,417,098 | \$ 943,464 | \$ 2,360,562 | \$ 1,643,499 | \$ 717,063 |
| GRAND TOTALS | \$ 3,168,770 | \$ 2,552,137 | \$ 5,720,907 | \$ 2,613,284 | \$ 3,107,623 |

MEMORANDUM

TO: Colorado Water Conservation Board Members

FROM: Tim Feehan, P.E., Water Supply Planning and Finance
Mike Serlet, P.E., Chief, Water Supply Planning and Finance

DATE: November 4, 2009

SUBJECT: **Director's Report Attachment – November 16-18, 2009 Board Meeting
Water Supply Planning and Finance Section
Design and Construction Status Report
Attachment 7d-05**

The CWCB Water Supply Planning and Finance Section has completed 5 projects in FY 09-10. Currently for FY 09-10 we have 29 projects under construction and 19 projects in the design phase, involving over \$326,000,000 in loan funds

The attached spreadsheet summarizes project status, including budget, construction schedule, and progress to-date. During the final reporting period for FY 09-10, 4 projects were completed.

The attached progress report briefly outlines all active project design and construction information and progress to-date.

Projects under Construction

1. Grand Mesa Reservoir Company – Rehabilitation of Reservoir No. 1 and No. 9

| | |
|---|--|
| Authorization: Construction Fund | County: Mesa |
| Water Source: Gunnison | Project Yield: 1,000 Acre-Feet |
| Terms of Loan: \$200,000@ 2.4% for 20-years | Project Type: Reservoir Rehabilitation |

The Grand Mesa Reservoir Company operates 6 reservoirs on the Grand Mesa to supply water to 16 shareholders for the irrigation of 500 acres. This project involves the replacement of the outlet structures at each reservoir and also addresses seepage problems at each facility. The project was designed by the City of Grand Junction, one of the major shareholders, and is currently being constructed by the City of Grand Junction. The outlet structures have been installed and the seepage problem corrected at both reservoir locations. The City of Grand Junction is draining the two reservoirs to install the new outlet gates. The project has been on hold pending resolution of construction and water rights issues between the City and the Company. These issues have recently been resolved, with the final phase of the project scheduled to commence construction during the summer of 2010.

2. New Cache La Poudre Irrigation Company – Reservoir Construction

| | |
|---|--------------------------------|
| Authorization: Construction Fund | County: Weld |
| Water Source: South Platte | Project Yield: 4,500 acre-feet |
| Terms of Loan: \$7,200,000 @ 2.50% for 30-years | Project Type: New Reservoir |

The New Cache La Poudre Irrigation Company currently provides irrigation water to a 35,000-acre service area. The purpose of this project is to provide water storage to equalize ditch flows, to improve efficiency and the reliability of the Company's system, and for providing additional storage to meet future demands. The project will involve the construction of 3 separate reservoirs near the Town of Barnesville, Colorado, totaling 4,500 acre-feet of storage. Additionally, 8,200 linear feet of pipeline will be installed in construction with the reservoirs. Smith Geotechnical, Fort Collins, Colorado is the project designer. The Barnesville Reservoir project was awarded to Barker Construction, Fort Collins, Colorado and has been completed. The pump station from Barnesville Reservoir to Cornish Reservoir has been completed as well. The design for Cornish Reservoir has been completed and has been awarded to Barker Construction, Fort Collins, Colorado for construction. The Contractor has completed the work and is waiting on final SEO approval. The Company requested that CWCB's cost participation be changed from 75% to 89% to allow the full \$7,200,000 of loan funds to be released, which was approved at the September 2007 Board Meeting. The project will remain open until the land purchased to construct Cornish Reservoir is paid off in 2011.

3. Orphan Wells of Wiggins – Augmentation Project

| | |
|--|---------------------------------|
| Authorization: Construction Fund | County: Morgan |
| Water Source: South Platte Basin | Project Yield: 6,000 acre-feet |
| Terms of Loan: \$1,037,700 @ 2.5% for 30-years | Project Type: Well Augmentation |

The Orphan Wells of Wiggins is a new company comprised of 31 separate agricultural operators that own 45 wells which irrigated approximately 4,500 acres of farmland. This project involves the construction of 1 recharge well, 1 augmentation well, various pipeline, and 23 recharge ponds. The project will generate augmentation credits to cover the depletions for the 45 existing wells. The project is currently 90% complete. The project has changed from its original scope to include additional piping and recharge sites. Additionally, the Company has purchased several Riverside Ditch shares that will improve augmentation efforts. The Company was approved for an increase of \$200,000 at the November 2006 Board Meeting to complete the additional recharge sites and for the purchase of the Riverside Ditch shares. These funds have not been distributed. The Company elected to decline presenting its case in court last year, given strong objectors and the lack of senior water in its augmentation plan. Based on that decision the Company will not be able to operate and are currently in the process of dissolving the Company. CWCB is currently working with a few interested parties in purchasing the Company assets, which would be used to pay off or pay down the Company's existing debt with CWCB. Staff has met with the board members and agreed to substantially complete the project and put the project in repayment. They have requested that the interest that has accumulated be forgiven, which will be presented to the Board in January for a final decision. The members will be assessed in 2010. The Board would like to make their 2010 payment and also actively pursue selling off a large portion of their augmentation system. They would like to maintain some control of their assets by making their required 2010 payment.

4. Central Colorado Water Conservancy District - Water Rights Purchase and Gravel Pit Const.

Authorization: Construction Fund

Water Source: South Platte

Terms of Loan: \$20,000,000 @2.75% for 30-years

Supply/Augmentation

County: Adams, Weld, Morgan

Project Yield: 12,300 acre-feet

Project Type: Water

The CCWCD, located in Adams, Weld, and Morgan Counties has a service area of 300 square miles. The Sub district has 650 members with 966 junior wells and has operated an augmentation plan for these members since 1973. On December 17, 2001, the Colorado Supreme Court issued a judgment that changed the manner of operation for substitute supply plans in Colorado. The ruling stated that the State Engineer did not have the legal authority to approve substitute supply plans. The Court also stated that substitute supply plans, such as the one operated by CCWCD would either have to file for a decree in Water Court or follow new Rules and Regulations to be issued by the State Engineer. This ruling has required CCWCD to acquire more senior water rights as well as build additional storage to augment out-of-priority diversions. CCWCD is in the process of acquiring additional senior water rights. To-date the District has been approved for 3-separate loans, \$15,000,000, \$5,000,000, and \$20,000,000. The \$20,000,000 loan was recently approved at the November 2004 Board Meeting, for a total project loan authorization of \$40,000,000. The \$15,000,000 and \$5,000,000 were substantially completed in June of 2005. Central has completed efforts for the GMS Sub-district and are currently working on improvements to the WAS Sub-district. The WAS project is approximately 90% complete. The District has received a final ruling and were issued a decree. The District's decree is available for review for anyone interested in the final ruling. From the ruling the WAS Sub-district will not operate in 2008, but are hoping to operate at approximately 10% in 2009, contingent upon additional water being secured for post depletions in future years. The District is currently investigating existing wells in the Arapahoe Groundwater Basin to meet their future water needs as required by their decree, which stipulates a 7-year banked or available water source in future years. Furthermore, the District is working towards the completion of the Shores Project (Pond D and E) and is pursuing the issuance of Bonds to cover current and future water and

infrastructures purchases that will improve their overall decree. CWCB staff has indicated that it will not grant parity if the District elects to pursue the issuance of a bond.

5. Dolores Water Conservancy District - WETPACK

Authorization: SB 01-157
Water Source: Dolores River

Terms of Loan: \$5.4M @3.50% for 30-years

County: Montezuma

Project Yield: 6,000 acre-feet

Project Type: Distribution System

The District's WETPACK (Water for Everyone's Tomorrow Package) proposal is intended to better manage the available resources of the Dolores Project to provide an additional 3,300 acre-feet of water for the fishery below McPhee Dam, increase municipal water supplies, and to provide water of the irrigation of additional lands. This project involves a system of pipelines, pumps, and related facilities to deliver water to the District's Dove Creek Canal system for the irrigation of 4,000 acres of new lands that are presently dry land farmed. Water will be delivered to irrigators in pipes under pressure for sprinkler irrigation only. Harris Water Engineers, of Durango, Colorado, is the planning and design consultant for the project. The project involved the purchase of water shares and the construction of pressurized pipe systems at various locations within the valley. The original cost estimate to complete the project was \$8M, which reduced to \$6M with a final loan contract of \$5.8M. In 2005 the District indicated that full build out of the project was probably not going to occur, given crop production cost versus the cost to supply pressurized water. Therefore in 2005, CWCB approved an amendment to the District's existing loan contract, allowing the \$2.6M in completed work to be finalized under a separate contract and the remaining loan amount of \$3.2M to be transferred over to a new contract for future work. The \$2.6M loan contract that was finalized was collateralized by the original annuity that was setup for the full \$5.8M loan contract. Given the current trends in the financial market the District's annuity bond rating was downgraded from AAA to AA. The new rating not only changed the collateral standing with CWCB, but it also reduced the District's annual investment return. Given these changes and the lack of progress with future pipeline projects, the District has elected to payoff the \$2.6M loan, to eliminate the collateral concern with CWCB, and do de-authorize the \$3.2M loan for future pipeline projects. The District's payoff was received in May of 2009.

6. Parker Water and Sanitation District – New Reservoir Construction

Authorization: Construction Fund

Water Source: Cherry Creek

Terms of Loan: \$15,000,000 @4.75% for 20-years

County: Douglas

Project Yield: 16,200 acre-feet

Project Type: Reservoir Construction

The Parker Water and Sanitation District is currently in the design phase to construct the Rueter Hess Project for the storage of municipal water for its 7,924 customers. The new reservoir will provide terminal storage for use within the District's existing 8,596-acre service area. The reservoir will be located 3 miles southwest of Parker on Newline Gulch. The proposed reservoir will be a Class I structure, 135 feet high, impounding approximately 16,200 acre-feet of water. GEI Consultants, Denver, Colorado, will be putting together the final design and construction documents. Major land purchases have been completed and the Rueter Hess Reservoir and other related project activities are currently under construction. The entire project is anticipated to be completed by the fall/winter of 2008. Parker Water has approved the expansion of the reservoir to accommodate the requested needs of other water users in the area (Castle Rock and Castle Pine

North). The foundation work on the reservoir was expanded to accommodate this potential enlargement. The District is currently constructing the reservoir expansion. The final storage capacity of the reservoir will be approximately 72,000 acre-feet.

7. Mancos Water Conservancy District - Canal Rehabilitation

| | |
|--|------------------------------------|
| Authorization: Severance Tax Perpetual Account | County: Montezuma |
| Water Source: West Mancos River | Project Yield: 9,000 acre-feet |
| Terms of Loan: \$5,486,531 @2.80% for 30-years | Project Type: Canal Rehabilitation |

The Mancos Water Conservancy District supplies irrigation and municipal water within a 13,496 acre service area. The District's carriage facility is over 50-years old and the U.S. Bureau of Reclamation has recommended rehabilitation of the inlet and outlet canals. The proposed project is to rehabilitate inlet and outlet canals to the Jackson Gulch Reservoir and to replace its operational shops and headquarters. The District's goal is to have the entire project completed by 2014. The District has performed test sections with various lining materials to assist in determining the final design package for the ditch rehabilitation. The District has been in the process of asking the Federal Appropriations Committee for \$6,200,000 in grant funds to assist in completing the project, which was approved in March of 2009. The District is currently working on securing the funds by the end of 2009. They are anticipating a \$2,600,000 appropriation for 2010. If the grant funds are secured the overall project is scheduled for completion in January of 2014. The District did undertake the rehabilitation of the critical portion of their ditch system last summer, involving the construction of retaining walls and access road along the ditch. For this summer the District is currently in the bid process for another critical section of the ditch. Construction is anticipated to commence in August of 2009. Approximately \$1.6M in federal dollars was appropriated for the project in September of 2009, which will be available in 2010.

8. Upper Arkansas Water Conservancy District – N. Fork Reservoir Rehabilitation

| | |
|--|--|
| Authorization: Severance Tax Fund | County: Chaffee/Custer/Fremont |
| Water Source: N. Fork of S. Arkansas | Project Yield: 500 acre-feet |
| Terms of Loan: \$3,520,000 @ 3.50% for 30 yrs. | Project Type: Reservoir Rehabilitation |

The UAWCD has operated the North Fork Reservoir since 1979 for domestic, municipal, industrial, recreational, and augmentation water supply. The reservoir is at elevation 11,400 feet and is located approximately 10 miles from Maysville on the North Fork of the South Arkansas River. This project involves replacement of the outlet gate, improved access, increased spillway capacity, seepage control, and raising the dam 15-feet to achieve a storage capacity of 500 acre-feet. The project is located on Forest Service property, which required a special use permit and an environmental assessment prior to construction. The project was awarded to ASI, Buena Vista, Colorado, who commenced construction in August of 2006 and completed the work in May of 2007. The District will not be pursuing enlargement of the reservoir, due to issues associated with the Forest Service and the NEPA process. The District is currently working on remote monitoring equipment for North Fork Reservoir, and the NEPA process to continue operating as historic levels. The overall project is anticipated to be completed by July of 2010.

9. Debeque, Town of – Irrigation System Improvement Project

| | |
|-----------------------------------|-------------------|
| Authorization: Severance Tax Fund | County: Montezuma |
|-----------------------------------|-------------------|

Water Source: Mancos River
Terms of Loan: \$427,700@ 2.5% for 30 yrs.

Project Yield: 1,781 acre-feet
Project Type: Ditch Rehabilitation

The Town of DeBeque is constructing a new collection structure in the Colorado River and pump/piping system as part of the Irrigation System Improvements Project. The Project is expected to cost \$370,000 and provide an improvement to the Town's irrigation water delivery system. The improvements will increase delivery quantity and efficiency and will also reduce the demand on the Town's drinking water supply. The Town is located approximately 30 miles east of Grand Junction and serves 480 residents with sewer and water. The present irrigation system serves approximately half of the Town's residence however the system is often low on pressure and unreliable. In addition to increasing system reliability, this project will help utilize a recently acquired 3.5 cfs surface water right on the Colorado River. The project involves the construction of new diversion/control structure at the river, pump house, and 3,000 feet of pipeline to the town's existing storage tank. The pipeline and storage tank have been completed. The construction of the river diversion was recently completed in November of 2008. The Town has elected not to utilize CWCW loan funds for the project. The project is currently in the process of being de-authorized.

10. Union Ditch Company – Well Augmentation Project

Authorization: Severance Tax Trust Fund
Water Source: South Platte River
Terms of Loan: \$312,595 @2.50% for 320-years

County: Weld
Project Yield: 206 acre-feet
Project Type: Well Augmentation

The Union Ditch Company provides irrigation water to an area of 5,500 acres east of the Town of LaSalle and south of Greeley. The Union Ditch Company has filed application for an augmentation plan to provide replacement water for 40 junior wells owned by the shareholders, formerly serviced by GASP. This project involves the development of 3 recharge ponds, placement of flow measurement devices, and headgate structures into the ponds. The ponds will be filled by gravity flow from the Union Ditch. Union Ditch Company is currently constructing one recharge pond at the Miller Feedlot Site with an accompany diversion structure on the Union Ditch. The overall augmentation efforts are anticipated to be completed by May of 2010, which has required a time extension to their loan contract.

11. Bijou Irrigating District – Empire Reservoir Rehabilitation Project

Authorization: Severance Tax Fund
Water Source: South Platte River
Terms of Loan: \$4,454,100@2.25% for 30 yrs.

County: Morgan/Weld
Project Yield: 19,900 acre-feet
Project Type: Reservoir Rehabilitation

The District is a statutory Irrigation District (1905) and owns and operates Empire Reservoir located west of Fort Morgan in Weld and Morgan Counties. It is an off-stream reservoir primarily impounded by four separate dams constructed in about 1905. Water is diverted from the South Platte River through the Empire Intake Ditch. The water storage rights are 37,709 acre-feet and there is one refill right. The water storage at gage height (GH) 30.0 is 36,142 AF. The reservoir has been re-restricted to a GH 29.0 by the SEO due to wind erosion problems along the east embankment. The proposed project consists of repairing failed sections of parapet walls, removing trees along the upstream toe of the dam, and adding additional riprap slope stabilization along the East Dike Embankment. This will allow the reservoir to be filled to its full gage height. The one-foot increase in storage height will result in 2,682 AF of recovered storage. The District has completed the 1st phase of the East Dike, which involved the reconstruction of

approximately 8,500 feet of dam embankment. The remaining 4,000 feet of dike improvement will be completed during the fall/winter of 2009/2010. Given the increased cost of fuel and materials the loan contract was increased from \$2,408,500 to \$4,454,100 at the November 2008 Board Meeting.

12. Lower Poudre Augmentation Company – Reservoir and Water Rights Purchase

Authorization: Severance Tax Fund
Water Source: South Platte
Terms of Loan: \$3,104,053@2.50% for 30 yrs.

County: Larimer/Weld
Project Yield: 657 acre-feet
Project Type: Reservoir & Water Rights

The Lower Poudre Augmentation Company (LPAC) is a non-profit company that was incorporated in 2004, by the New Cache La Poudre Irrigating Company (2/3 interest) and the Cache La Poudre Reservoir Company (1/3 interest). There are 88 wells owned by 35 individuals/entities and the augmentation demands are approximately 3200 AF. The LPAC has filed for a permanent Augmentation Plan, and has operated on a Substitute Water Supply Plan for 3-4 years. LPAC proposes to purchase the Timnath Flatiron Reservoir, and 4.5 shares of Boxelder Ditch, and construct the necessary improvements to utilize the reservoir for augmentation purposes. The reservoir currently has a storage capacity of approximately 657 AF, with a depth of 12-15 feet. The reservoir area was mined for sand and gravel and lined with clay once mining was complete. The reservoir has received SEO certification as a lined gravel pit storage facility. The Company has purchased the reservoir and water rights and is currently completing the design for the reservoir structural improvements.

13. Bull Creek Reservoir Canal and Power Company – Reservoir Rehabilitation

Authorization: Severance Tax Fund
Water Source: Colorado River
Terms of Loan: \$1,212,000@ 2.5% for 30 yrs.

County: Mesa
Project Yield: 900 acre-feet
Project Type: Reservoir Rehabilitation

The Bull Creek Reservoir, Canal and Power Company are located in Mesa, Colorado, and have a service area of approximately 800 acres. The Company operates the Bull Creek Reservoirs that provide irrigation water to shareholders. The Company plans to repair and enlarge Reservoir No. 4. This will remove the current restriction on the reservoir and provide additional storage necessary to store the Company's decreed rights. The Company has a Stipulation and Agreement with the SEO that requires the Company to repair Reservoir No. 4 in order to avoid abandonment of a portion of the senior water rights. The Project is located on the US Forest Service property and will require a Special Use Permit for access roadway work and dam construction. The reservoir is remote and located at 10,000 feet elevation and will require special mobilization techniques. This project was previously approved by the Board in 2006, but has been re-scoped to address SEO concerns and higher than previously anticipated construction costs. The Company received SEO approval in August of 2008. The contractor, Geer-up-Construction, has completed the outlet works, seepage control, and is 75% completed with the reconstruction of the dam embankment. Work was suspended in October of 2008 due to weather. The contractor has negotiated a new contract with the Company to finish the remaining work in the summer of 2009. The Company has elected to release the current engineering firm and has negotiated a new contract with Vista Engineer, Grand Junction, Colorado to finish the project. Geer-up-Construction has mobilized on-site and is anticipated to be finished by September of 2009. The SEO has been actively involved in the construction and engineering for the project and has approved all work to-date. The Board approved a loan increase of approximately \$250,000 to the Company at the September 2009 Board Meeting. The project is 95% complete.

14. Aurora, City of – Raw Water Distribution Project

Authorization: Construction Fund
Water Source: South Platte
Terms of Loan: \$75,750,000@ 3.75% for 30 yrs.

County: Adams, Arapahoe, & Douglas
Project Yield: 10,000 acre-feet
Project Type: Raw Water System

Aurora (population 300,000) is located in the eastern Denver metropolitan area. The population is expected to exceed 600,000 people by 2050. Aurora's water supply comes from three major river basins within Colorado and is sensitive to dry or drought conditions. During average and above average years, the water supplies are ample to meet the City's water demands. However, during dry conditions, water supplies are limited because the water rights owned by Aurora are relatively junior. The Prairie Waters Project is a key part of Aurora Water's comprehensive water resource planning. To meet the demands of its existing customers in dry years, and to meet the increasing demands on the system in the future, the goal of the PWP is to supply 10,000 AF/yr by 2010 and 15,000 AF/yr by 2017. Aurora Water will accomplish these goals using reusable effluent from its existing portfolio of decreed reusable water rights, supplemented by lawn irrigation return flows and junior water rights. A key component of the PWP is the Conveyance System which includes three pumping stations and 33-miles of 60-inch diameter pipeline to convey raw water from near Brighton, Colorado to a purification facility near Aurora Reservoir. Total project cost is estimated at \$800,000,000. Pipeline installation has commenced and is approximately 80% complete. The City is anticipating drawing all loan funds by the end of 2009.

15. Overland Ditch and Reservoir Company – Reservoir Rehabilitation

Authorization: Severance Tax Fund
Water Source: Cow Creek
Terms of Loan: \$1,130,000@ 2.5% for 30 yrs.

County: Delta
Project Yield: 17,000 AF
Project Type: Reservoir Rehabilitation

The Overland Ditch and Reservoir Company's 120 members own and operate the Overland Reservoir, located in Delta County in the Gunnison National Forest at elevation 10,000-ft. This project involves increasing the current reservoir capacity from 6,200 AF to 7,171 AF, raising the spillway elevation 3.8 feet, installing toe drains, increasing the dam crest width, and additional embankment protection. The Overland Ditch Company shareholders at their August 2006 Board Meeting, approved increasing the capacity of the reservoir. The project is currently under design, with construction on-hold until fens can be addressed on-site.

16. Montezuma Valley Irrigation Company – May Lateral Pipeline

Authorization: Severance Tax Fund
Water Source: Dolores River
Terms of Loan: \$5,292,400@2.25% for 30 yrs.

County: Montezuma
Project Yield: 128,000 acre-feet
Project Type: Pipeline

The Montezuma Valley Irrigation Company is a non-profit corporation established in the State of Colorado in 1920. The Company manages the delivery of irrigation water to the approximately 46,000 acre service area. The Company is proposing to install approximately five (5) miles of 36-inch pipe in the existing May Lateral Ditch alignment. The installation of pipe will improve delivery and significantly reduce leakage. The May Lateral water is diverted from the Dolores River and is routed through the McPhee Reservoir prior to delivery to shareholders. The new

pipeline will carry approximately 18 cfs to the 105 shareholders that depend on the May Lateral for irrigation water. AgriTech Consulting has provided planning and preliminary design services. The Company has completed the installation of the entire pipe along the 5-mile project length. Over the next several months the Company will be reclaiming the area (i.e. final grading, slash removal, fencing, seeding etc.). The Company may be requesting additional loan funds.

17. Platte Valley Irrigation Company – New Equalizer Reservoir Project

Authorization: Severance Tax Fund
Water Source: South Platte River
Terms of Loan: \$2,388,650@2.25% for 20 yrs.

County: Weld
Project Yield: 52,401 AF
Project Type: Reservoir Construction

PVIC is a Colorado mutual ditch company and non-profit corporation serving approximately 14,832 acres of irrigated farm land in Weld County east of Platteville. PVIC diverts water for irrigation from the South Platte River near Fort Lupton and shares a jointly owned headgate with Farmers Reservoir and Irrigation Company (FRICO), as well as about 10 miles of the jointly owned Platte Valley Canal. Average annual diversions are 52,401 acre-feet. PVIC needs an equalizer on the ditch to allow for more efficient management of the water, as well as additional measurement and control structures on their main ditch. The reservoir will have a junior water right for storage of water directed to PVIC's recharge program. In an average year the reservoir is expected to store 300 acre feet, with a 300 acre foot refill. Construction will consist of a 431 acre-foot reservoir with a 14 foot high dam embankment with 10:1 upstream slopes and 3:1 downstream slopes. The reservoir bottom will be lined using clay from the required excavation as necessary to exclude groundwater. The outlet will be a 48 inch RCP, configured to act as the principal spillway. The project also includes relocation of an existing section of Evans No. 2 Ditch below the split from the Platte Valley Canal, modification of the existing bifurcation structure, and construction of three (3) new Parshall Flumes in various reaches of the ditch, as directed by the Water Court. The project is being designed by Smith Geotechnical, Fort Collins, Colorado, with construction anticipated to commence in December of 2009.

18. Greeley Irrigation Company – Greeley No. 3 Canal Rehabilitation

Authorization: Severance Tax Fund
Water Source: South Platte
Terms of Loan: \$2,233,867@2.85% for 30 yrs.

County: Weld
Project Yield: 18,000 acre-feet
Project Type: Canal Rehabilitation

The Greeley Irrigation Company (GIC) provides irrigation water to a service area of 2,367 acres in Weld County, generally within the City of Greeley and east of the City. GIC operates the Greeley Canal No. 3, constructed in 1870 by the Union Colony. About 1,100 acres of the 3,500 original irrigated acres have been subject to dry-up, and water converted to augmentation use. Present canal usage is roughly 1/3 City of Greeley, 1/3 agricultural irrigation, and 1/3 augmentation. GIC facilities consist of a river diversion structure, approximately 13 miles of earthen canal, check structures, delivery headgates, spill structures, trash screens, and other minor structures. A portion of these facilities are in need of repair, upgrades, or replacement. The GIC Board is undertaking a number of phased improvements to the canal including: 1) repairs to, and partial replacement of, the river diversion; 2) piping or lining of portions of the canal; 3) consideration of canal automation using supervisory control and data acquisition (SCADA) equipment; 4) tree removal and tree pruning; 5) canal realignment, reshaping, and straightening; and 6) removal or repair of selected headgates and installation of new headgates. The overall project is 85% and the Company has just recently completed the replacement of their diversion structure on the Poudre River. The Company is currently working on their SCADA system and

the realignment and reshaping of various sections of existing channel. The overall project is anticipated to be completed by July 2010.

19. Henrylyn Irrigation District – Horse/Prospect Reservoirs Rehabilitation

Authorization: Severance Tax Fund
Water Source: Denver/Hudson Canal
Terms of Loan: \$2,184,327@2.25% for 30 yrs.

County: Weld
Project Yield: 13,850 acre-feet
Project Type: Reservoir Rehab.

The HID was formed in 1907 Irrigation District Law of 1905, and consists of 32,745 acres of irrigated farm land in Weld County. The HID diverts water through the Burlington Canal Headworks on the South Platte River, extending 16 miles to and past Barr Lake. From Barr Lake the Denver-Hudson Canal continues 25 miles to Horse Creek Reservoir, and then continues another 25 miles to Prospect Reservoir. Horse Creek Reservoir was constructed in 1910, and is a High Hazard, Class 1 earth fill dam, with a dam height of 64 feet, a length of 4800 lineal feet, and a crest width of 16 feet. There is a 200 foot wide earth-lined spillway. The decreed storage right is 19,515 AF, but normal storage is 18,747 acre feet. The outlet works consist of 3 x 48" diameter steel conduits. The proposed project will provide a lining for the outlet works, install additional toe drainage, and resurface and re-grade the dam crest. Prospect Reservoir was constructed in 1914, and is a Significant Hazard, Class 2 earth dam, with a dam height of 43.5 feet, a length of 5,301 lineal feet, and a crest width of 20 feet. There is a 250 wide concrete and riprap spillway. The decreed storage right if for 7,660 AF, but the normal storage is 6,368 acre feet. The outlet works consist of a 48" concrete pipe that narrows to about 30" downstream of the control gate, due to previous re-lining projects. The reservoir is currently restricted to 1.5 feet below the historic maximum stage, due to concerns about the stability of the downstream slope of the dam. The proposed project will provide a lining for the outlet works, and resurface and re-grade the dam crest. Zak Dirt Construction has completed reconstruction of outlet channel and has regarded the dam crest on Horse Creek Reservoir. On Prospect reservoir the outlet pipe has been lined with regarding of the dam crest yet to be completed. The Company is also evaluating the possible need to replace the existing gates at Prospect Reservoir. Overall project is 85% complete.

20. New Salida Ditch Company – Ditch Rehabilitation

Authorization: Severance Tax Fund
Water Source: Upper Arkansas River
Terms of Loan: \$365,620@2.50% for 30 yrs.

County: Chaffee
Project Yield: 7,000 acre-feet
Project Type: Ditch Rehabilitation

The New Salida Ditch Company owns and operates the New Salida Ditch to deliver water to agricultural users from the Arkansas River through a diversion in Browns Canyon. The diversion is located 10 miles north of Salida and is approximately eight miles from its diversion to its end at Ute Gulch. In Browns Canyon, the Ditch runs parallel to the River for 1.25 miles. This section as historically been difficult for the Company to maintain and has suffered frequent breaks, resulting in costly repairs and the discharge of sediment into the adjacent river. The Company was cited by the Colorado Department of Health and Environment for a recent failure of the ditch in 2005. This project involves the installation of 3,200 feet of 42-inch pipe along the historically troubled ditch area. Project construction commenced in September of 2009 and should be completed by March of 2010.

21. Wood Lake Irrigation Company – Angel Lake Dam Repair

Authorization: Severance Tax Fund
Water Source: South Platte
Terms of Loan: \$212,706@2.50% for 30 yrs.

County: Weld
Project Yield: 848 acre-feet
Project Type: Reservoir Rehabilitation

The Wood Lake Irrigation Company (WLIC) irrigates about 2,150 acres in northern Colorado, in Weld County north of Greeley. WLIC facilities are located approximately 5 miles west of Eaton, and 2 miles east of Severance on Weld County Road 74, and consist of Wood Lake (3,235 AF), Angel Lake (424 ac-ft with refill), and Meyers Lake (600 ac-ft.), and approximately 5 miles of unlined ditch. WLIC's decreed water right for Angel Lake is for 424.7 acre-feet with a refill, for a total 848 acre-feet. The Angel Lake dam is approx. 2000 feet in length with a crest width of 50 feet (including roadway) and a max. height of about 16 feet. The dam is located on the south and east sides of the reservoir with the outlet located on the south side. Both the Angel Lake outlet conduit and spillway conduits are in poor condition, and need repair/replacement to avoid future SEO storage restriction. The outlet is an 18-inch clay pipe which has reached its usable life span, and the service spillway conduit is an 18-inch clay pipe that is in very poor condition. The proposed project will address deficiencies to meet the current standards and requirements of the SEO with full replacement of the outlet works and service spillway. Work will include breaching the dam embankment and removing the existing outlet works; replacing the existing outlet with 30-inch diameter concrete pipe; control structures including the intake structure with gate, gate tower with control gate, and energy dissipation outlet structure; installation of a toe drain to intercept seepage; construction of a service spillway incorporated into the outlet works to pass the 100-year storm; and placement of riprap and bedding on the upstream face of the dam in the breach area and at the energy dissipation structure. Construction is anticipated to commence in the fall/winter of 2009/10.

22. Granby Ditch and Reservoir Company – Reservoir Rehabilitation

Authorization: Severance Tax Fund
Water Source: Dirty George Creek
Terms of Loan: \$254,520@2.20% for 20 yrs.

County: Delta
Project Yield: 2,0 acre-feet
Project Type: Reservoir Rehabilitation

The Granby Ditch and Reservoir Company owns and operates the Granby Ditch and six reservoirs in the Grand Mesa National Forest. Currently its Reservoir #12 has been restricted by five feet due to a slump on the downstream face of the dam. The rehabilitation involves adding a toe drain collection to help with seepage along the dam and construction a buttress to improve stability. Repairing the dam will allow the Company to regain an additional 259 AF of storage. The Company received permission from the forest service to haul material during the fall of 2008. Bids were received on May 7, 2008 to complete the work, with Stone Fly Earthworks being the apparent low bidder at \$103,224. Six bids were received, ranging from \$103,224 to \$206,125 in cost. The Company has evaluated all bids and has awarded the contract to Sawfly Construction, Montrose, Colorado at their bid of \$103,224. Pre-construction between the Company, Engineer, Contractor and CWCB was held on July 2, 2009 with construction scheduled to commence on July 20, 2009. The project commenced construction in July of 2009 and was completed in October of 2009. Substantial completion is scheduled for January of 2010.

23. Farmers Pawnee Canal Company – Ditch Flow Control Structures

Authorization: Severance Tax Fund
Water Source: South Platte River
Terms of Loan: \$227,250@2.5% for 30 yrs.

County: Logan
Project Yield: 27,260 acre-feet
Project Type: Diversion Rehabilitation

The Farmers Pawnee Canal Company (Company) provides irrigation water to approximately 10,000 acres of land between Merino and Sterling, Colorado. It uses two separate structures to control flow in the Pawnee Ditch (Ditch). The first is a main diversion at the South Platte River. The second is a few miles down the Ditch and is used to adjust flow. The main diversion is a concrete rollover wall with vents to allow flushing of sand when opened. The secondary structure is currently controlled through the use of board style gates. Both structures are labor intensive and require monthly maintenance. To help with efficiency, the Company plans on replacing a portion of the main diversion with a new 12-foot radial gate. It also plans on replacing the board gates at the secondary structure with four 8-foot wide radial gates. Ransome Boone Excavating, Fort Morgan, Colorado has completed the ditch control structure. The Company is currently evaluating its options on the extent of the improvements needed on the river diversion. Improvements to the river diversion are currently scheduled for the fall of 2010.

24. North Sterling Irrigation District – North Sterling Reservoir Rehabilitation

Authorization: Construction Fund
Water Source: South Platte River
Terms of Loan: \$1,094,840@2.25% for 20 yrs.

County: Logan
Project Yield: 74,590 acre-feet
Project Type: Reservoir Rehabilitation

The District owns and operates the North Sterling Reservoir (Reservoir) located in Logan County and provides stored and direct flow water to landowners within the District's 40,917 acre service area. The District service area begins just east of the North Sterling Reservoir approximately 15 miles northwest of Sterling, Colorado and extends east to just northeast of Crook, Colorado. The Reservoir faces the possibility of a storage restriction from the State Engineer's Office without the construction improvements to the current spillway and the dam. In order to retain full storage capacity, the District intends to enlarge the existing spillway, raise the dam crest, and install a seepage collection system at the Reservoir. Construction commenced in September of 2009 and should be completed by December 1, 2009.

25. Water Supply and Storage Company – Ditch/Reservoir Rehabilitation

Authorization: Construction Fund
Water Source: South Platte River
Terms of Loan: \$843,350@3.70% for 30 yrs.

County: Larimer/Weld
Project Yield: 55,000 acre-feet
Project Type: Res./Ditch Rehabilitation

The Company is applying for a loan for two repair projects within its delivery system. The Grand River Ditch Project is located in Rocky Mountain National Park near the Continental Divide at 10,200 feet near La Poudre Pass, and the Kluver Reservoir Outlet Project. The River Ditch Project is a collection ditch for transbasin water diverted into La Poudre Pass Creek. The water is diverted again into the Larimer County Canal which delivers about 18,000AF of the Company's 55,500AF annual delivery. In 2003, the Ditch failed and temporary pipes were

installed to restore flows quickly. A long term repair was delayed pending a final settlement with the NPS's claim against the Company for damages caused by the breach. Design and construction are scheduled for summer/fall of 2009. The Kluver Reservoir Outlet Project is located in Larimer County between Kluver Lake and Reservoir #4. Travis Road is a County road which passes over the outlet ditch. The retaining walls have begun to fail and the road surface is partially undermined. The Company and the County are jointly funding project repair costs of the repair. The Kluver Project has commenced construction in June of 2009 and was completed in October of 2009. The ditch project commenced construction in August and was completed in late October.

26. Republican River Water Conservation District – Compact Compliance Pipeline

Authorization: Severance Tax Fund

Water Source: Republican River

Terms of Loan: \$60,600,000@2.0% for 20 yrs.

County: N. E. Colorado

Project Yield: 15,000 acre-feet

Project Type: Pipeline Construction

December 2002, Colorado entered into a Stipulation with Kansas and Nebraska to address the U.S. Supreme Court case of *Kansas v. Nebraska and Colorado*. Colorado agreed to develop a ground water model to determine stream flow depletions caused by well pumping in the Basin and to a five-year running average to determine compliance with the Republican River Compact. In 2007, the State had exceeded its allocation under the Compact by an average of 11,350 AF/yr. To solve the problem the District elected to acquire ground water rights with a historical consumptive of 15,000 AF/yr. This water will be delivered to the North Fork of the Republican River via a Compact Compliance Pipeline to the stream gage at the Colorado-Nebraska state line to offset stream depletions. The District is requesting a loan from the CWCB in the amount of \$60 million to finance the engineering, construction and water acquisition related to the Pipeline Project. The loan represents approximately 85% of the estimated \$71 million total cost of the Project. Final design is expected to start in the spring of 2008 and construction is scheduled for 2009 & 2010. The District has completed the design and bid packet for the project. Prior to construction and the disbursement of any additional CWCB loan funds, however, the District will need to resolve compact issues with Kansas regarding the recent concern over the proposed point of release of compact water on the North Fork of the Republican, which does not address the depletions on the South Fork of the Republican at the Colorado-Kansas state line and other related issues. The Republican River WCD did recently address issues of senior surface water users along the North Fork by the purchase of a 20-year lease from Yuma County Water Authority, who recently purchased the North Fork Water Rights under a separate CWCB loan contract. The District has completed the design plans and construction documents for the project. On June 19, 2009, utilizing CWCB loan funds, the District successfully closed the \$49,000,000 Cure water purchase, which was a critical piece to the overall success of the compliance project.

27. Ogilvy Augmentation Company – Well Augmentation Project

Authorization: Severance Tax Fund

Water Source: South Platte River

Terms of Loan: \$1,010,808@2.5% for 30 yrs.

County: Weld

Project Yield: 60 acre-feet

Project Type: Augmentation

The Ogilvy Augmentation Company (Augmentation Company) was established in 2005 to augment wells that operate under the Ogilvy Irrigating and Land Company service area. Approximately 1,400 acres of land are irrigated by the Augmentation Company members in an area north of Kersey, Colorado. There are 17 wells in the Augmentation Company that operate

under its temporary substitute water supply plan (SWSP). The SWSP is currently operated using leased water. A permanent water supply is necessary for the Augmentation Company to obtain a permanent augmentation plan. Funds are being requested from the CWCB to: purchase water rights, construct a recharge facility, construct a storage reservoir, and install monitoring devices. The Augmentation Company intends to purchase the water rights upon the approval of the CWCB funding and construct the recharge facility in fall/winter of 2008. It will file for its permanent augmentation plan in 2009. Once the permanent augmentation plan is approved, construction will begin on the storage reservoir. The Company has purchased the water rights and has constructed the recharge facility. The Company is waiting on approval of their augmentation plan before proceeding with the construction of the reservoir.

28. Boulder White Rock Ditch and Reservoir Company – Reservoir Rehabilitation

Authorization: Severance Tax Fund
Water Source: South Platte River
Terms of Loan: \$2,430,060@3.45% for 30 yrs.

County: Boulder/Weld
Project Yield: 12,000 acre-feet
Project Type: Reservoir Rehabilitation

The Boulder White Rock Ditch and Reservoir Company (Company) delivers irrigation water to land in Boulder and Weld Counties. It diverts water from Boulder Creek in downtown Boulder through the Boulder White Rock Ditch and stores water in two of its facilities: Six Mile Reservoir and Panama Reservoir. Due to recent operational changes, the Company no longer exchanges water with nearby ditches and needs to improve the flexibility in its own system to meet its shareholder's needs. The Company intends to build a reservoir pump station at the Panama Reservoir outlet in order to use water stored in the reservoir that is unable to be accessed through the existing gravity outlet. The Project is currently under construction.

29. Pagosa Area Water and Sanitation District – Dry Gulch Reservoir Land Acquisition

Authorization: Construction Fund
Water Source: San Juan River
Terms of Loan: \$11,217,060@3.50% for 30 yrs.

County: Archuleta
Project Yield: 35,000 acre-feet
Project Type: Land Acquisition

District serves 9,500 residents in the 100 sq. mile District service area. Drought and demand from growth is requiring additional storage and of around 12,400 AF of storage by 2040. Growth projections estimate the need for a 35,000 AF reservoir to meet demand through 2100. Dry Gulch site is the only reasonably valued site available due to land development. Primary fill source will be pumping of San Juan River water to the reservoir. A CWCB loan will be used to purchase two parcels of land to begin the process of meeting the needs of the District. The land is needed for both sizes of reservoir. Preliminary design and permitting is expected to start in 2008 and construction of the reservoir is projected to start in 2020. CWCB has disbursed just under \$10,000,000 in loan funds for land purchases, with the final land purchase to occur by December of 2009.

Projects under Design

1. Supply Irrigation Ditch Company – Knoth Reservoir Dam Rehabilitation

Authorization: Severance Tax Fund
Water Source: St. Vrain Creek

County: Boulder – N.E. of Lyons
Project Yield: 4,800 acre-feet

Terms of Loan: \$904,960@2.6% for 30-years

Project Type: Dam Rehabilitation

Supply Irrigating Ditch Company services approximately 8,500 acres of irrigated farmland in Boulder County between Lyons and Mead. Currently the water for irrigation is supplied by a direct flow decree and from the Beaver Park Reservoir (which is approx. 25 miles west of the start of the Supply Ditch near the continental divide). Supply Irrigating Ditch Company is in the process of acquiring a storage decree within Knouth Reservoir in exchange for the rehabilitation of the reservoir. This reservoir will give the Company some system flexibility, as this storage is significantly closer to users than Beaver Park Reservoir. The reservoir improvements include: construction of a spillway, removing vegetation from the embankment of the dam, lining select areas on the upstream dam face with a clay liner, placing riprap along the upstream dam face, enclosing an irrigation ditch within a pipe, and installing dam instrumentation. URS Corporation is currently working on the final SEO plans, which could be approved sometime this summer. Design changes and refinement of the original cost estimate have resulted in an increase to the overall project cost. It is anticipated that the Company will be requesting additional loan funds at the November 2009 Board Meeting.

2. Owl Creek Reservoir Company - Reservoir Rehabilitation

Authorization: Construction Fund

County: Weld

Water Source: Owl Creek Basin

Project Yield: 1,200 acre-feet

Terms of Loan: \$1,125,000 @2.75% for 30-years

Project Type: Reservoir Rehabilitation

Owl Creek Reservoir is located approximately 6 miles east and 3 miles north of the Town of Ault. The reservoir was originally constructed in 1896 to store water for irrigation. The dam was constructed of granular material, and over the years has suffered structural damage due to seepage. Given the condition of the dam embankment and the potential for failure, the dam was intentionally breached in 1983. The proposed project involves rehabilitating the existing dam embankment, the construction of a controlled outlet structure, and the construction of an emergency spillway. The project was bid in the fall of 2003. The Reservoir Company is currently exploring its options increasing the dredging quantity to obtain its full storage decree of 1,750 acre-feet. The Company is considering applying for additional funds from the Board to achieve the full reservoir capacity. Additionally, the Company has amended the loan contract for a 1-year time extension to complete the work. The Company is also researching the possibility of utilizing Owl Creek Reservoir as storage facility from flows outside of Owl Creek. This could be accomplished by pumping water from the Larimer Weld Canal, located approximately $\frac{3}{4}$ of a mile downstream of the reservoir. The Company is looking at bidding the project out for construction in November of 2009.

3. Southeastern Colorado Water Conservancy District – Arkansas Valley Conduit

Authorization: Severance Tax Fund

County: Pueblo, Crowley, Otero, Bent

Water Source: Arkansas – Fry Ark Project

Project Yield: 6,555 AF

Terms of Loan: \$60,600,000@3.25% for 30 yrs.

Project Type: Raw Water Pipeline

The Arkansas Valley Conduit is designed to bring relatively clean raw water to 41 water providers in the lower Arkansas Valley, who currently either take water from the Arkansas River, and/or pump from shallow and/or deep aquifers. This pumped water has quality problems and requires significant treatment before it meets Clean Drinking Water standards. The conduit will begin at Pueblo Reservoir Dam, where a 30.94 cfs municipal outlet is already in place and

reserved for the specific use of the conduit. The conduit will gravity flow approximately 138 miles down the Arkansas River Valley to Lamar. The conduit water will flow by the St. Charles Mesa Water District where it will enter a water filtration plant. As the conduit moves down the valley, spurs will take off the main line to deliver water to local and regional water providers. The conduit will receive its water from the USBR Fryingpan-Arkansas Project. Currently, about 5,779 acre-feet of water per year is available for entities East of Pueblo in an average year. Additionally, Return Flows are retained by the District and can be exchanged back up to Pueblo Reservoir for delivery. These Return Flows can provide up to an additional 1,600 acre-feet of water. Storage is available to these entities in Pueblo Reservoir because they are in the SECWCD service area. This storage will help provide water in the years when less than average water is provided by the Fry-Ark Project. The water will be provided strictly for municipal and industrial purposes. Final chlorination or treatment will be left up to each water provider. The conduit is currently planned to be paid 80% (approximately \$240 million) by the federal government. The District is anticipating securing federal funding in 2009/2010, with design and construction to follow.

4. Penrose Water District – Water Rights Purchase and Pipeline Installation

Authorization: Severance Tax Fund
Water Source: Arkansas River
Terms of Loan: \$8,844,570@3.25% for 30 yrs.

County: Fremont
Project Yield: 339 AF - Consumptive
Project Type: Pump/Pipeline/Reservoir

The PWD currently provides domestic water to approximately 4,000 people with 1,700 taps in and around the Town of Penrose, with existing demand of 489 acre-feet per year. PWD's water supply is obtained by a lease with the Beaver Park Water, Inc. (BPW) who owns and operates Brush Hollow Reservoir. The 1990 lease has a 30-year term, and provides an increasing amount of water each year, 751 AF in 2006, leveling out at 1,000 AF in 2020. In drought years, the amount available to PWD is further reduced below the contract amount. Future build-out demand in 2040 is projected to be 1,200 acre-feet for about 8,000 residents and 3,240 taps. The proposed Enterprise project includes the acquisition of 10/12th of the Pleasant Valley Ditch water rights near Howard, with a change in use and change in point of diversion approximately 50 miles downstream to Sec. 13, T19S, R69W. Water will be obtained through the installation of 7 shallow alluvial wells immediately north of the Arkansas River, and then pumped approximately 5.8 miles through a 12-inch transmission line to Brush Hollow Reservoir. As part of the project, Brush Hollow Reservoir will be enlarged by raising the dam four feet. Water rights purchases occurred in 2005. Water court application was filed in 2006, with a late 2008 court date anticipated. Reservoir enlargement is scheduled late 2008 and early 2009. Pump and pipeline construction is scheduled to occur in 2010 and 2011, with total project completion anticipated in 2012. The District is currently working on obtaining an agreement between the District and Beaver Park Water to allow the District to utilize Brush Hollow Reservoir for additional storage. Additionally the District is looking a number of other potential distribution and storage alternatives to meet their needs. The loan contract will not be executed until a firm distribution and storage plan is in-place and approved by CWCB.

5. Seven Lakes Reservoir Company – Reservoir Rehabilitation

Authorization: Severance Tax Fund
Water Source: South Platte
Terms of Loan: \$772,842@ 2.95% for 30 yrs.

County: Weld and Larimer
Project Yield: 7,796 acre-feet
Project Type: Reservoir Rehabilitation

The Seven Lakes Reservoir Company (SLRC) and its sister company Greeley and Loveland Irrigation Company (GLIC), own and operate an extensive system of reservoirs and canals in the Loveland and Greeley area. GLIC owns 4 reservoirs (including Lake Loveland and Boyd Lake) and SLRC owns 5 reservoirs (including Horseshoe Lake, immediately adjacent to Boyd Lake.). SLRC uses GLIC's Big Barnes Ditch to fill Horseshoe Reservoir. Water is carried in the Big Barnes Ditch and discharges into Lake Loveland at a decreed rate of 1000 cfs. SLRC desires to remove and replace an existing deteriorated 5-tunnel railroad crossing structure with a new bridge in order to safely move 1,000 cfs from the Big Thompson River through Lake Loveland to Horseshoe Reservoir, thus removing a serious bottleneck in the flow path of water. This project will install a new pre-fabricated railroad bridge based on BNSF Railroad design requirements. Construction will occur while the track remains in continuous service, with trains expected on a frequency of one about every six hours. Bridge support pilings will be driven during the time intervals when trains are not near the site, and pile caps constructed. Rails, ties and ballast can then be removed and the prefabricated bridge installed. Work is anticipated to commence in the fall of 2009 and be completed by the summer of 2010. The Company has experienced significant delays in getting contracts in-place to conduct the work with BNSF.

6. Duell and Snyder Improvement Company – Diversion Structure Rehabilitation

Authorization: Severance Tax Fund
Water Source: South Platte
Terms of Loan: \$90,900@2.50% for 30 yrs.

County: Morgan
Project Yield: 4,950 acre-feet
Project Type: Diversion Rehabilitation

The Duell and Snyder Improvement Company (Company) provides irrigation water to a 1,650 acre service area located in Morgan County. The Company operates a sand gate located on a South Platte River diversion structure. The sand gate is a vent section through the concrete rollover wall which is boarded up when the Company needs to divert water. Boards must be removed during the winter to allow excess sand (which builds up in front of the Company's diversion point) to wash down river. Currently, in order to remove boards and open the gate, a Company employee must walk several yards along the crest of the rollover wall to reach the sand gate. There is not a walkway or handrail for safety. Because this is a major safety concern for the Company, it evaluated alternatives to both improve the safety conditions for its employees and more efficiently operate the gate. The Company has chosen to replace the existing board gates with a new radial gate. Construction is expected to occur in the fall of 2009.

7. South Metro Water Supply Authority – Raw Water Delivery

Authorization: Construction Fund
Water Source: South Platte
Terms of Loan: \$5,090,400@4.50% for 30 yrs.

County: Adams/Denver/etc.
Project Yield: 10,750 acre-feet
Project Type: Raw Water Delivery

South Metro Water Supply Authority (Authority) is made up of 13 independent water providers that serve communities in the southern area of metro Denver. Currently, the Authority members rely mainly on groundwater aquifers to supply the area's M&I needs. Because this source is nonrenewable, members have been working to identify new supplies of water and opportunities to share resources and infrastructure to reduce dependence on groundwater. The Authority intends to acquire capacity in the East Cherry Creek Valley Water and Sanitation District (ECCV) Northern Supply Pipeline (Pipeline) as a means to convey renewable water supplies, recapture consumable return flows, and increase operational flexibility. The Pipeline is a 48-inch steel pipe that runs from Barr Lake to ECCV's service area (located to the east of Cherry Creek Reservoir). The capacity is 47 million gallons/day (mgd). The Pipeline is a regional transmission line and

will deliver water both to storage reservoirs and directly to Authority members who will then deliver the water through their distribution systems. The Authority is acquiring a total of 31.98 mgd of excess capacity from ECCV. The four members seeking funding from the CWCB will be acquiring 6.55 mgd of this total capacity. Final purchase and operating agreements are still under negotiation. It is expected that the purchase will take place in late summer/fall 2009.

8. Park Center Water District – Well Rehabilitation

Authorization: Severance Tax Fund
Water Source: Arkansas
Terms of Loan: \$1,010,000@3.50% for 30 yrs.

County: Fremont
Project Yield: 400 acre-feet
Project Type: Well Rehabilitation

Park Center Water District (District) is located in Fremont County on the north side of Canon City. The District was formed in 1968 to supply drinking water to area residents. The primary source of this water is a well owned by the Bureau of Land Management (BLM) and leased by the District. The District has leased this well for forty years and has a first right of refusal to renew the lease when the current contract expires in 2021. In the spring of 2008, the 3,216 foot deep well developed a leak. The BLM and District had a contractor inspect the well and it was determined that leaks existed at 10 feet below the surface and at depths as great as 2,400 feet. The District decided the most cost effective solution is to re-drill the well. The District has secured stimulus funding from BLM to re-drill the well, and therefore will not be utilizing CWCB loan funds. The loan will be de-authorized at the November 2009 Board Meeting.

9. Louden Irrigating Canal and Reservoir Company – Reservoir Rehabilitation

Authorization: Severance Tax Fund
Water Source: Big Thompson River
Terms of Loan: \$263,610@3.5% for 30 yrs.

County: Larimer
Project Yield: 150 acre-feet
Project Type: Reservoir Rehabilitation

The Louden Irrigating Canal and Reservoir Company (Borrower) owns and operates the Rist Benson Reservoir (Reservoir), which is on the west side of Loveland, Colorado. Since 2005, the Reservoir has been restricted to a gauge height of 10.0 feet due to seepage problems along the dam. The Borrower has repaired two sections of the embankment in previous years. This Project is the third phase of repairs and once completed will increase storage by 150 AF allowing for full storage of 491 AF. The rehabilitation involves excavating and re-compacting sections of the embankment, installation of a toe drain, and installing riprap on the upstream face of the dam. Construction is expected to begin in December of 2009 with completion by the end of summer 2010.

10. Town of Gypsum – LEDE Ditch and Reservoir Rehabilitation

Authorization: Construction Fund
Water Source: Colorado River
Terms of Loan: \$2,689,731@4.5% for 30 yrs.

County: Eagle
Project Yield: 685 acre-feet (254 new)
Project Type: Reservoir Rehabilitation

The Town of Gypsum purchased the LEDE Ditch and LEDE Reservoir water rights in 2006. The original water rights are decreed for irrigation uses, and provide storage for up to 947 AF in the reservoir. The Reservoir was built to a capacity of 431 AF. The Town seeks to increase capacity to 685 AF in order to accommodate continued agricultural irrigation, and for future water supplies to the Town. This upstream storage is required to assist in managing Gypsum Creek water rights calls and dry year operations. The reservoir storage will become even more important

as the Town's population continues to increase. The Town wishes to repair and improve the reservoir to utilize its potential, and to protect valuable senior storage rights in the reservoir. The reservoir is located in the headwaters of Gypsum Creek, south of Gypsum within the White River National Forest. Design and permitting is expected to occur in 2009/2010 with pipeline construction starting in late 2009 and dam construction starting in 2011.

11. Town of Dillon – Old Dillon Reservoir Enlargement

Authorization: Construction Fund
Water Source: Salt Lick Gulch
Terms of Loan: \$1,515,000@4.0% for 30 yrs.

County: Summit
Project Yield: 286 acre-feet (140 new)
Project Type: Reservoir Enlargement

The Town of Dillon is applying for a loan to participate in the enlargement of the Old Dillon Reservoir. In 2004, the Town, Summit County and Town of Silverthorne signed an agreement to enlarge the reservoir. The Town's participation cost is approximately 27% of the construction costs and 20% of the Engineering costs. The Town and the County initiated a feasibility study in 1995. The Reservoir was originally constructed as a 46 AF raw water storage reservoir filled via the Dillon Ditch, which diverts from Salt Lick Gulch. The Reservoir site is southwest of the Dillon Reservoir Dam. In the summer of 2008, the SEO issued an order to drain the Reservoir due to concerns over the integrity of the north dam. The Reservoir is currently not available for storage. The project will increase the reservoir capacity from 46 to 286 acre-feet. Permitting is underway and construction of the enlargement is scheduled to occur in 2010.

12. Joseph W. Bowles Reservoir Company – Bowles No. 1 Dam Rehabilitation

Authorization: Construction Fund
Water Source: Bear Creek
Terms of Loan: \$1,703,870@4.65% for 30 yrs.

County: Jefferson
Project Yield: 2,062 acre-feet
Project Type: Reservoir Rehabilitation

The Joseph W. Bowles Reservoir Company (Company) owns and operates Bowles No. 1 Reservoir, located in the southwest metropolitan area of Denver. The Company was formed in 1906 and currently has 50 shareholders who use the water for golf courses, parks, open space, and some individual ranches for irrigation water. The Company is applying for a loan to implement several repairs to correct dam-safety deficiencies and improve the long-term performance of Bowles No. 1 Dam and to rehabilitate the deteriorating reservoir inlet ditch. The dam rehabilitation includes widening the crest, reconstructing the upstream slope, and installing a seepage collection and toe drain system on the downstream slope. Work on the inlet ditch includes removing trees, reconstructing the ditch cross section and alignment, placing slope protection in high erosion areas, and installing a flow control pipe that will provide for discharge of excessive ditch flows into an existing spillway and drainage structure. The Company plans on submitting the final design to the SEO by February 2010 and beginning construction in August 2010 with completion by February 2011.

13. Snowmass Water and Sanitation District – Zeigler Reservoir Water Management System

Authorization: Construction Fund
Water Source: Snowmass Creek
Terms of Loan: \$1,952,805@4.25% for 20 yrs.

County: Pitkin
Project Yield: 1,800 acre-feet
Project Type: System Improvements

The District's project involves the constructing of a new delivery system; which includes the construction of a pump house, approximately 1,400 ft of pipe, construction of a flow control building, installation of telemetry and electric power. The District diverts water for treatment from East Snowmass Creek and East Snowmass Creek Spring, Brush Creek and Snowmass Creek. The District presently does not have a useable raw water storage facility, but purchased Ziegler Reservoir (aka Lake Deborah) in 2008 for the express purpose of improving system reliability by expanding the reservoir from its current 57 AF to approximately 225 AF. The District currently serves approximately 3,500 full time residents and during the winter ski season an additional 10,000 to 12,000 residents. To regulate flows and provide a supply during times of diminished stream flows, a system to divert water to and pump water from the reservoir is required. This Project will help the District to deliver water to utilize Ziegler reservoir as well as serve for the planned expansion of the reservoir. Final Design is near complete and construction is scheduled to begin in this summer and completed by the end of 2010.

14. Riverside Reservoir and Land Company – Riverside Reservoir Spillway Enlargement

Authorization: Severance Tax Fund
Water Source: South Platte River
Terms of Loan: \$2,838,100@2.5% for 30 yrs.

County: Weld
Project Yield: 64,000 AF (200 new)
Project Type: Spillway

The Riverside Reservoir and Land Company (Company) owns and operates the 64,000 acre-foot capacity Riverside Dam and Reservoir, an inlet canal known as Riverside Ditch, and a river diversion structure located near the town of Kersey, Colorado. The Company diverts water from the South Platte River, approximately 10 miles downstream of Greeley, Colorado. It stores water primarily during winter months for irrigation releases during the following water season. The Company, formed in 1902, delivers irrigation water to approximately 50,000 acres. The Company is applying for a loan to install a spillway at Riverside Reservoir (Reservoir). The Reservoir is not equipped with an emergency spillway, which is required by the DWR's *Rules and Regulations for Dam Safety and Dam Construction*. There is currently a nominal restriction of 0.05 feet (200 AF of storage loss) due to the lack of a spillway. In order to enhance the safety of the Reservoir and prevent further storage restrictions, the Company plans on constructing an emergency spillway. The final design is expected to be complete in January 2010 with construction occurring from July 2010 through March 2011.

15. Farmers Reservoir and Irrigation Company – Milton Reservoir and Barr Lake Improvements

Authorization: Construction Fund
Water Source: Beebe Seep Canal/Platte Valley Canal
Terms of Loan: \$3,535,000@3.7% for 30 yrs.

County: Adams/Weld
Project Yield: 125,000 AF
Project Type: Spillway

Farmers Reservoir and Irrigation Company operates a ditch and reservoir system extending 3,500 square miles along the Front Range corridor, from Golden to Kersey, Colorado. The system consists of four major reservoirs (Standley Lake, Marshall Lake, Barr Lake and Milton Reservoir) numerous smaller reservoirs, and approximately 400 miles of diversion and delivery canals. This loan request specifically relates to work to be completed at Milton Reservoir and Barr Lake. The Company intends to complete the following three projects: Milton Reservoir Outlet Works (replacing the upstream outlet gate structure and a portion of the piped outlet works), Milton Spillway (enlarging the existing spillway), and Barr Lake Spillway (enlarging the existing spillway and raising the perimeter dike). These projects have been submitted to the SEO for

review. The Company expects to construct these projects between September 2009 and January 2011.

16. Fort Morgan Reservoir and Irrigation Company – Pipeline Project/Augmentation Retiming

Authorization: Construction Fund
Water Source: South Platte River
Terms of Loan: \$1,494,800@2.9% for 30 yrs.

County: Morgan
Project Yield: 37,058 AF
Project Type: Augmentation/Pipeline

The Company operates a ditch system that serves surface water to approximately 15,000 acres of irrigated land between Weldona and Brush, and operates a recharge and augmentation plan that provides augmentation water for approximately 90 irrigation wells. In addition, the Company has an operational agreement with Groves Farms, LLC, which is a family farming corporation also located in Morgan County, for a recharge/augmentation plan. The Company, with Groves Farms, has designed a plan to re-divert and re-time augmentation credits from the Company's more senior recharge projects at certain times when they are not needed for direct augmentation use, and to divert water under new junior water rights when available for recharge and augmentation use. The Project involves installing one 24" pipe from the River extending three miles to recharge ponds on Groves Farms' land; installing two pumps to pump water from the River through the pipeline; installing one augmentation well and pumping equipment near Groves' ponds to pump ground water back to the South Platte River; and installing seven recharge/augmentation ponds (with a surface area of approximately 95 acres) on Groves Farms' land. The Project will be completed within 12-18 months after loan approval.

17. Lake Canal Reservoir Company – South Gray and Gray No. 3 Reservoir Rehabilitation

Authorization: Construction Fund
Water Source: Box Elder Creek
Terms of Loan: \$433,000@3.15% for 30 yrs.

County: Larimer/Weld
Project Yield: 1,120 AF (165 AF new)
Project Type: Reservoir Rehabilitation

The Lake Canal Reservoir Company is requesting a CWCB loan for reservoir improvements that include: 1) the installation of toe drains on the South Gray dam 2) the breaching of Gray No. 3 dam including erosion protection and access road realignment. The Project is necessary to address a SEO Dam Safety hazard and avoid the potential for a reservoir storage restriction. The South Gray Reservoir dam has excessive seepage along a major portion of the dam. The Reservoir Company desires to preserve the storage right on this reservoir and is interested in adding a toe drain or other seepage measures to ensure the safety of the dam. Gray Reservoir No. 3 is restricted to zero storage by the SEO due to the poor condition of the dam and outlet works. The Reservoir Company has received a court decree allowing the storage to be moved to other locations. Project design is expected to be done in early 2010 and construction is projected for the fall/winter 2010.

18. Raymond Dairy, Incorporated – Concrete Ditch Reconstruction Project

Authorization: Construction Fund
Water Source: Grand Valley Canal
Terms of Loan: \$63,950@2.5% for 30 yrs.

County: Mesa
Project Yield: 386 AF
Project Type: Ditch Rehabilitation

The Raymond Dairy, Inc. is located just northwest of Fruita, Colorado and is owned by Robert and Helen Raymond. The Raymond Ditch has a capacity of 3.5 cfs and is used to carry irrigation water to approximately 125 acres of field crops for dairy cattle. This Project involves replacing 2,400 feet of the ditch, and installing new head gates and punch plates. This Project will decrease ditch seepage; thereby improving the environment by reducing salt leaching into the Colorado River. NRCS has provided planning and design engineering services for this work. The total project cost is \$95,000. The Borrower has been approved for a grant from NRCS that will cover approximately 33% of the cost of the Project. Construction is scheduled for the fall of 2009. Proposed CWCB funding consists of an initial loan from CWCB for \$95,950 that will be reduced by the NRCS grant. The remaining \$63,950 will become a 20-year CWCB Loan.

19. Huefano-Cucharas Irrigation Company – Cucharas Reservoir Rehabilitation

Authorization: Severance Tax Fund

Water Source: Cucharas River

Terms of Loan: \$1,622,060@2.5% for 30 yrs.

County: Pueblo/Huerfano

Project Yield: 7,500 AF (New)

Project Type: Reservoir Rehabilitation

The Huerfano-Cucharas Irrigation Company (Company) provides irrigation water to farmers in the Arkansas valley. The Company was organized in 1944 and currently has 47 shareholders. The Company owns and operates the Cucharas Reservoir, located east of Walsenburg. The dam is a 145-foot high rock fill dam that has undergone several enlargements since the original construction in 1914. The reservoir has a capacity of 35,395 acre-feet. A storage restriction has been in place since 1988 with a deadline of October 1, 2010, imposed by the SEO either to rehabilitate the existing dam, replace it with a new dam or a zero no-storage restriction will be imposed followed by an order to breach the dam and remove the hazard it represents. The Company plans to rehabilitate the existing dam to allow a reduced level (7,500 AF) of storage. The Project involves lowering the spillway, replacing outlet gates, installing a satellite monitoring system, and updating a new Emergency Action Plan. Pending SEO plan approval, project construction is expected to begin during the winter of 2009/2010.

**Colorado Water Conservation Board
Design and Construction Status Report**

Nov-09

| <u>Applicant/Borrower</u> | <u>Project</u> | <u>County</u> | <u>Loan/Grant Amount</u> | <u>Size</u> | <u>Annual Yield (AF)</u> | <u>New Storage (AF) Created</u> | <u>Design Percent Compl.</u> | <u>Construction</u> | | |
|--|---|---------------|--------------------------|----------------|--------------------------|---------------------------------|------------------------------|---------------------|------------|-----------------------|
| | | | | | | | | <u>Start</u> | <u>End</u> | <u>Percent Compl.</u> |
| <i>Projects Completed in FY 2008-2009</i> | | | | | | | | | | |
| 1 East Mancos Highline Ditch Company | Ditch Rehabilitation Project - Pipeline | Montezuma | \$ 904,000 | 30,360 LF | 869 | | 100% | Nov-07 | Nov-09 | 100% |
| 2 Headgate 135 Lateral, Inc. | Ditch Rehabilitation - Pipeline | Mesa | \$ 262,200 | 4,800 LF | 1,000 | | 100% | Oct-08 | Nov-09 | 100% |
| 3 Silt Water Conservancy District | System Rehabilitation Project | Garfield | \$ 1,019,700 | 18,000 AF | 18,000 | | 100% | Nov-05 | Dec-09 | 100% |
| 4 WRCC, Inc. | Windsor Dam and Spillway Rehabilitation | Larimer | \$ 1,285,730 | 35,000 AF | 35,000 | | 100% | Jun-08 | Dec-09 | 100% |
| 5 Center of Colorado Water Conservancy District | Tingle Reservoir Construction | Park | \$ 454,500 | 400 AF | 400 | 400 | 100% | Sep-08 | Oct-09 | 100% |
| Total = | | | \$ 3,926,130 | Total = | 55,269 | 400 | | | | |

Projects Under Construction

| | | | | | | | | | | |
|---|---|----------------|-----------------------|----------------|----------------|---------------|------|--------|------------|------|
| 1 Grand Mesa Reservoir Company | Grand Mesa Reservoir No. 1 & 9 Rehabilitation | Mesa | \$ 200,000 | 1,000 AF | 1,000 | 200 | 100% | Jul-03 | Jun-10 | 75% |
| 2 New Cache La Poudre Irrigation Company | Construct 2 New Reservoirs and Pipeline | Weld | \$ 7,200,000 | 4,500 AF | 4,500 | 4,500 | 100% | Jun-05 | Jan-14 | 99% |
| 3 Orphan Wells of Wiggins, LLC | Well Augmentation Project | Morgan | \$ 1,037,700 | 6,000 AF | 6,000 | | 100% | Nov-03 | On-hold | 95% |
| 4 Central Colorado Water Conservancy District | Water Rights and Gravel Pit Construction | Adams/Weld | \$ 20,000,000 | 12,300 AF | 12,300 | | 100% | Nov-03 | May-10 | 90% |
| 5 Dolores Water Conservancy District | WETPACK | Montezuma | \$ 4,700,000 | 6,000 AF | 6,000 | | 100% | Oct-04 | Payoff | 50% |
| 6 Parker Water and Sanitation District | Rueter-Hess Reservoir Project | Douglas | \$ 15,000,000 | 16,200 AF | 16,200 | 16,200 | 100% | Jul-04 | Jul-10 | 75% |
| 7 Mancos Water Conservancy District | Inlet and Outlet Canal Rehabilitation | Montezuma | \$ 5,486,531 | 15,840 LF | 9,000 | | 60% | Jan-04 | Jan-14 | 60% |
| 8 Upper Arkansas Water Conservancy District | Reservoir Rehabilitation | Chaffee/Custer | \$ 3,520,000 | 500 AF | 500 | 200 | 100% | Jun-05 | Jul-10 | 95% |
| 9 Debeque, Town of | Raw Water Distribution System | Mesa | \$ 252,500 | 3,000 LF | 710 | | 100% | Mar-07 | De-author. | 100% |
| 10 Union Ditch Company | Well Augmentation Project | Weld | \$ 312,595 | 206 AF | 206 | | 75% | Sep-06 | May-10 | 80% |
| 11 Bijou Irrigation District | Empire Reservoir Rehabilitation - Dam Rehab. | Morgan/Weld | \$ 2,408,850 | 19,900 AF | 19,900 | 2,682 | 100% | Nov-07 | Feb-11 | 80% |
| 12 Lower Poudre Augmentation Company | Reservoir and Water Rights Purchase | Larimer/Weld | \$ 3,104,053 | 657 AF | 657 | | 100% | Oct-07 | May-10 | 65% |
| 13 Bull Creek Reservoir Company | Reservoir Rehabilitation Project | Mesa | \$ 1,212,000 | 900AF | 900 | 900 | 100% | Jul-08 | Dec-09 | 95% |
| 14 Aurora, City of | Raw Water Distribution System | Adams/Douglas | \$ 75,750,000 | 33 miles | 10,000 | | 100% | Jan-08 | Oct-10 | 90% |
| 15 Overland Ditch and Reservoir Company | Overland Reservoir Rehabilitation | Delta | \$ 1,130,000 | 6,200 AF | 17,000 | 971 | 95% | May-08 | Nov-10 | 5% |
| 16 Montezuma Valley Irrigation Company | May Lateral Pipeline | Montezuma | \$ 5,292,400 | 5 Miles | 128,000 | | 100% | Nov-07 | May-10 | 95% |
| 17 Platte Valley Irrigation Company | Equalizer Reservoir Project | Weld | \$ 2,388,650 | 431 AF | 52,401 | 431 | 100% | Oct-09 | May-10 | 5% |
| 18 Greeley Irrigation Company | Greeley Canal No. 3 Rehabilitation | Wied | \$ 2,233,867 | 18,000 AF | 18,000 | | 90% | Feb-08 | Jul-10 | 85% |
| 19 Henrylyn Irrigation District | Horse Creek & Prospect Reservoir Rehabilitation | Weld | \$ 2,184,327 | 13,850 AF | 13,850 | 3,000 | 100% | Nov-08 | Feb-10 | 85% |
| 20 New Salida Ditch Company | Ditch Rehabilitation | Chaffee | \$ 365,620 | 300 L.F. | 7,000 | | 95% | Oct-09 | Feb-10 | 40% |
| 21 Wood Lake Mutual Water and Irrigation Company | Angel Lake Outlet Repair | Weld | \$ 212,706 | 424 AF | 848 | 100 | 90% | Sep-08 | Dec-09 | 55% |
| 22 Granby Ditch and Reservoir Company | Granby No. 12 Dam Rehabilitation Project | Delta | \$ 254,520 | 838 AF | 2,000 | 250 | 65% | Jun-09 | Dec-09 | 95% |
| 23 Farmers Pawnee Canal Company | Ditch Flow Control Structures | Logan | \$ 227,250 | 27,260 | 27,260 | | 50% | Oct-08 | Sep-10 | 50% |
| 24 North Sterling Irrigation District | North Sterling Reservoir Rehabilitation | Logan | \$ 1,094,840 | 74,590 AF | 82,207 | | 100% | Sep-09 | Mar-10 | 80% |
| 25 Water Supply and Storage Company | Ditch and Outlet Rehabilitation | Larimer/Weld | \$ 843,500 | 100 L.F. | 55,000 | | 95% | May-09 | Feb-10 | 95% |
| 26 Republican River Water Conservation District | Compact Compliance Pipeline | NE, Colo | \$ 60,600,000 | 15,000 AF | 15,000 | | 90% | Nov-08 | Nov-10 | 10% |
| 27 Ogilvy Augmentation Company | Well Augmentation | Weld | \$ 1,010,808 | 60 AF | 60 | | 60% | Dec-08 | Feb-10 | 45% |
| 28 Boulder White Rock Ditch and Reservoir Company | Panama Reservoir Outlet Rehabilitation | Boulder/Weld | \$ 2,430,000 | 300 L.F. | 12,000 | 2,600 | 75% | Oct-09 | May-10 | 5% |
| 29 Pagosa Area Water and Sanitation District | Dry Gulch Reservoir Land Acquisition | Archuleta | \$ 11,217,060 | 35,000 AF | 35,000 | 35,000 | 5% | Nov-08 | Mar-20 | 0% |
| Total = | | | \$ 231,669,777 | Total = | 553,499 | 67,034 | | | | |

Projects Under Design

| | | | | | | | | | | |
|---|--|--------------|----------------------|----------------|----------------|--------------|------|--------|--------|------------|
| 1 Supply Irrigating Ditch Company | Knoth Reservoir Dam Rehabilitation | Boulder | \$ 904,960 | 4,800 AF | 4,800 | 400 | 90% | Nov-09 | May-10 | More \$ |
| 2 Owl Creek Reservoir Company | Owl Creek Reservoir Rehabilitation | Weld | \$ 1,125,000 | 1200 AF | 1,200 | 1,200 | 95% | Nov-09 | May-10 | 0% |
| 3 Southeastern CO Water Conserv. District | Arkansas Valley Conduit | Crowley | \$ 60,600,000 | 138 Miles | 6,555 | | 20% | May-10 | May-12 | 0% |
| 4 Penrose Water District | Water Rights Purchase and Pipeline Installation | Fremont | \$ 8,844,570 | 30,624 LF | 339 | | 35% | May-10 | Sep-10 | On-hold |
| 5 Seven Lakes Reservoir Company | Railroad Crossing | Weld | \$ 772,842 | 7,796 AF | 7,796 | | 95% | Dec-09 | May-10 | 0% |
| 6 Duel and Snyder Improvement Company | Diversion Structure Rehabilitation | Morgan | \$ 90,900 | 4,590 AF | 4,590 | | 95% | Dec-09 | May-10 | 0% |
| 7 South Metro Water Supply Authority | Raw Water Delivery - Capacity Purchase | Adams/Denver | \$ 5,090,400 | 10,750 L.F. | 10,750 | | 100% | Feb-10 | Oct-10 | 0% |
| 8 Park Center Water District | Well Rehabilitation | Fremont | \$ 1,010,000 | 3,200 L.F. | 400 | | 95% | n/a | n/a | De-author. |
| 9 Loudon Irrigating Canal and Reservoir Company, Inc. | Rist Benson Reservoir Rehabilitation | Larimer | \$ 263,210 | 491 AF | 2,000 | 150 | 30% | Dec-09 | Sep-10 | 0% |
| 10 Town of Gypsum | LEDE Ditch and Reservoir Rehabilitation | Eagle | \$ 2,689,731 | 685 AF | 1,200 | 254 | 75% | Jun-10 | Nov-11 | 0% |
| 11 Town of Dillon | Old Dillon Reservoir Enlargement | Summit | \$ 1,515,000 | 286 AF | 321 | 140 | 50% | Mar-10 | May-11 | 0% |
| 12 Joseph W. Bowles Reservoir Company | Bowls No. 1 Dam Rehabilitation | Jefferson | \$ 1,703,870 | 2,062 AF | 900 | | 25% | Mar-10 | Feb-11 | 0% |
| 13 Snowmass Water and Sanitation District | Zeigler Reservoir Water Management System | Pitkin | \$ 1,952,805 | 1,800 AF | 1,800 | | 95% | Sep-09 | May-10 | 0% |
| 14 Riverside Reservoir and Land Company | Riverside Reservoir Spillway Enlargement | Weld | \$ 2,838,100 | 64,000 AF | 105,000 | | 50% | Jan-10 | Jul-10 | 0% |
| 15 Farmers Reservoir and Irrigation Company | Milton Reservoir and Barr Lake Improvement Proj. | Adams/Weld | \$ 3,535,000 | 64,900 AF | 125,000 | | 50% | Jun-10 | Jan-11 | 0% |
| 16 Fort Morgan Reservoir and Irrigation Company | Pipeline Project - Augmentation Retiming | Morgan | \$ 1,494,800 | 15,840 L.F. | 37,058 | | 75% | Feb-10 | Sep-10 | 0% |
| 17 Lake Canal Reservoir Company | South Gray Reservoir Rehabilitation/Gray No. 3 | Larimer | \$ 393,300 | 1,120 AF | 1,120 | 165 | 50% | Sep-10 | Feb-11 | 0% |
| 18 Raymond Dairy, Incorporated | Robert Raymond Concrete Ditch Reconstruction | Mesa | \$ 63,950 | 2,500 L.F. | 386 | | 95% | Nov-09 | Mar-10 | 0% |
| 19 Huerfano-Cucharas Irrigation Company | Cucharas Reservoir Rehabilitation | Pueblo | \$ 1,622,060 | 35,395 AF | 3,000 | 7,500 | 50% | Nov-09 | Nov-10 | On-hold |
| Total = | | | \$ 96,510,498 | Total = | 314,215 | 9,809 | | | | |

= Reservoir projects that created new storage, either by new construction, dredging or by the removal of a SEO restriction.

STATE OF COLORADO

Colorado Water Conservation Board Department of Natural Resources

1313 Sherman Street, Room 721
Denver, Colorado 80203
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TO: Colorado Water Conservation Board Members
Director's Report

Bill Ritter, Jr.
Governor

FROM: Kirk Russell, PE, Loan Marketing
Water Supply Planning & Finance Section

Harris D. Sherman
DNR Executive Director

DATE: November 10, 2009

Jennifer L. Gimbel
CWCB Director

SUBJECT: **Director's Report Attachment 7d-06 –
November 16-18, 2009
Loan Forecast & Prospect Report**

Dan McAuliffe
CWCB Deputy Director

The Water Supply Planning and Finance Section compiles a list of potential borrowers/projects for the Water Project Loan Program. If the Board approves all loans recommended by staff on the November agenda the Loan Program will have roughly \$12 million available for eligible raw water projects at the January meeting.

Below is a list of loans which may be presented at the January meeting (Loan Forecast). Page two is a listing of loans Prospects under \$10 million, which have a strong chance of becoming future CWCB loans.

LOAN FORECAST

| BORROWER | PROJECT NAME | PROJECT COST LOAN AMOUNT |
|----------------------------------|------------------------------------|-----------------------------|
| Farmers Highline Canal Company | Diversion Structure Rehabilitation | \$1,500,000 |
| Greeley-Loveland Irrigation Co. | Augmentation Structure | \$500,000 |
| Boulder Left Hand Irrigation. Co | Ditch Piping | \$300,000 |
| Lower Latham Reservoir Co. | Water Rights Acquisition | \$3,000,000 |
| | Total | \$5,300,000 |

Information shown is based on current staff knowledge and will likely change as Loan Prospects develop

Recent Project Loan inquiries:

Hinsdale County/Lake City – Lake San Cristobal Dam/Spillway \$500K
Monte Vista - \$800K water rights purchase
Headgate 25A – Private Ditch NRCS Piping Project \$450K/\$125K
Pinehurst Country Club - Harriman Lake Project Rehabilitation \$500K

SMALL (<\$10 million) LOAN PROSPECTS

| Basin | | BORROWER | PROJECT NAME | PROJECT COST | LOAN AMOUNT |
|-----------------|--|-------------------------------------|-------------------------------------|--------------|---------------------|
| South Platte | | | | | |
| | | B.H. Eaton Ditch Co (Windsor) | Pipeline & Diversion Structure | \$1,000,000 | \$1,000,000 |
| | | Louden Irrigation & Reservoir Co | Ditch Improvements | \$500,000 | \$500,000 |
| | | Greeley –Loveland Irrigation Co. | Augmentation Structure | | \$500,000 |
| | | Town of Wiggins | | | \$2,000,000 |
| | | No Poudre Irrigation Co | Pump Station | | \$5,000,000 |
| | | Fort Morgan Ditch | Ditch Rehabilitation | | \$100,000 |
| | | Town of Byers | Well & Pipeline | | \$700,000 |
| | | Town of Johnstown | Kauffman Reservoir Purchase | | \$5,000,000 |
| | | Private Group of Farmers (NRCS) | North Sterling Delivery System | | \$500,000 |
| | | Bergen Ditch Company | Dam Rehabilitation | | \$2,000,000 |
| | | East Larimer County Water District | Rigdon Storage Project | | \$3,000,000 |
| | | NISP Participants | NISP | | \$30,000,000 |
| | | Chatfield Reallocation Participants | Chatfield Reallocation Participants | | \$40,000,000 |
| | | | | TOTAL | \$90,000,000 |
| Arkansas | | | | | |
| | | City of La Junta | Water Rights Purchase | \$2,500,000 | \$2,500,000 |
| | | Fruitland Water Company | Pumphouse & Ditch | \$200,000 | \$200,000 |
| | | Cherokee Metro District | Wells and Pipelines | \$800,000 | \$800,000 |
| | | City of Trinidad | Reservoir/Rehabilitation | \$1,600,000 | \$1,600,000 |
| | | Ditch and Reservoir company | Big Johnson Reservoir | | \$8,000,000 |
| | | Town of Ordway | Reservoir Rehab | | \$2,000,000 |
| | | Town of Trinidad | North Lake Dam Rehabilitation | | \$1,600,000 |
| | | | | TOTAL | \$16,700,000 |
| San Miguel/Juan | | | | | |
| | | Farmers Water Development Co | Gurley Reservoir Enlargement | \$5,000,000 | \$5,000,000 |
| | | Florida Mesa Canal Company | Canal Rehabilitation | | \$900,000 |
| | | | | TOTAL | \$5,900,000 |
| Colorado | | | | | |
| | | Lateral MC070 Inc. | NRCS Ditch Rehabilitation | \$200,000 | \$140,000 |
| | | Highland Ditch Co | Ditch Rehabilitation Project | \$200,000 | \$200,000 |
| | | Ian Carney - Felix Tornare | Polaris Reservoir Rehabilitation | \$500,000 | \$500,000 |
| | | | | TOTAL | \$800,000 |
| Gunnison | | | | | |
| | | Fire Mountain Canal & Reservoir Co. | New Reservoir | | \$500,000 |
| | | | | TOTAL | \$500,000 |
| Rio Grande | | | | | |
| | | Monte Vista | Water Rights Purchase | | \$800,000 |
| | | | | TOTAL | \$800,000 |
| Yampa | | | | | |
| | | Catamount Reservoir Company | Reservoir Rehabilitation | | \$500,000 |
| | | | | TOTAL | \$500,000 |
| | | | | | |

STATE OF COLORADO

Colorado Water Conservation Board

Department of Natural Resources

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Bill Ritter, Jr.
Governor

Harris D. Sherman
DNR Executive Director

Jennifer L. Gimbel
CWCB Director

Dan McAuliffe
CWCB Deputy Director

TO: Colorado Water Conservation Board Members
Director's Report

FROM: Kirk Russell, PE, Loan Marketing
Water Supply Planning & Finance Section

DATE: November 10, 2009

SUBJECT: **Director's Report Attachment – November 16-18, 2009**
Large Water Project Loan Prospect Report
Attachment 7d-07

The following list is compiled to show the size and dollar amount of future raw water projects that CWCB has received information regarding potential financing needs. These projects will likely require Legislative approval since they exceed the small project loan limit of \$10 million.

PROJECT: CHATFIELD RESERVOIR REALLOCATION PROJECT

BORROWER: Multiple Agencies - Aurora, Brighton, Castle Pines Metro District, Castle Pines, North Metro District, Castle Rock Centennial W & S, Center of Colorado WCD, Central Colorado WCD, Colorado State Parks, Denver Botanic Gardens, Hock Hocking LLC, Parker W & S, Perry Park Country Club, Roxborough Park Metro District, South Metro Water Supply Authority, Western Mutual Ditch Co.

ESTIMATED PROJECT COST: \$100 million

LOAN AMOUNT: \$100 million ??

FUNDING NEEDED: 2010

DESCRIPTION: Project provides 20,600 acre-feet of new storage. Corp of Engineers has studied the reduction of the antecedent flood and re-operation of flood the releases to create the storage. The 15 members have contracted with CWCB to fund remainder of EIS. Current estimates indicate financial assistance from CWCB will be needed in the Fall of 2010.

PROJECT: RIO GRANDE RESERVOIR REHAB. & ENLARGEMENT

BORROWER: San Luis Valley Irrigation District

ESTIMATED PROJECT COST: \$35 million

LOAN AMOUNT: \$? million

FUNDING NEEDED: 200?

DESCRIPTION: The Rio Grande Reservoir is located 30 miles southwest of Creede, Colorado on the headwaters of the mainstem of the Rio Grande River. The Reservoir is being considered for a multi-use enlargement and was identified in the SWSI Report. CWCB funded an initial study in 2006 and additional study work was funded by a Statewide - Water Supply Reserve Account Grant in 2007. The latest effort is to continue the engineering to finalize an enlargement study. The results support a 10,000 acre-foot reservoir enlargement to 64,000 acre-feet. Financing assistance may include a CWCB loan.

PROJECT: DRY GULCH RESERVOIR - PAGOSA SPRINGS AREA

BORROWER: San Juan Water Conservancy District/Pagosa Springs W & S District

ESTIMATED PROJECT COST: \$130 million

LOAN AMOUNT: \$100 million

FUNDING NEEDED: est. \$100 million 2025

DESCRIPTION: The Dry Gulch Reservoir is an off channel reservoir projected to hold 35,000 acre-feet of water for the growing Pagosa Springs area. It is anticipated that permitting and final design will take several years. Construction is planned around 2025. Loan from CWCB was approved in July 2007 for approximately \$10 million for the purchase of land beneath the Reservoir.

PROJECT: BOXELDER CREEK REGIONAL STORM WATER PROJECT

BORROWER: Multiple Agencies – Ft Collins, Larimer County, Wellington, and Timnath

ESTIMATED PROJECT COST: Phase I - \$14 million

LOAN AMOUNT: \$14 million

FUNDING NEEDED: 20??

DESCRIPTION: The Boxelder Creek Regional Drainage Master Plan was commissioned by the Regional Alliance in order to develop a regional strategy for mitigation the impacts associated with flooding within the Lower Boxelder Creek basin that impacts communities in the southeast portion of Larimer County. Several alternatives were developed to minimize flooding. Entities would create a Storm Drainage Authority operating as an enterprise as the primary vehicle funding and contracting. Authority would be formed under and intergovernmental agreement agencies with land in the basin.

PROJECT: WINDY GAP FIRING PROJECT

BORROWER: Multiple Agencies - Broomfield, Greeley, Longmont, Lafayette, Louisville, Loveland, Erie, Evans, Fort Lupton and Superior, Central Weld County Water District, Little Thompson Water District, Platte River Power Authority and the Middle Park Water Conservancy District.

ESTIMATED PROJECT COST: \$220 million LOAN AMOUNT: \$? million
FUNDING NEEDED: Design 2008 and Construction 2010+

DESCRIPTION: Windy Gap diverts water from the Colorado River to the Front Range via the federal Colorado-Big Thompson Project on a space-available basis. During wet years when water is available for pumping at Windy Gap, Lake Granby is often full with little or no capacity for Windy Gap water. The Windy Gap Firing Project was proposed to store Windy Gap water and ensure reliable future deliveries. The purpose of the proposed Windy Gap Firing Project WGFP is to deliver a firm annual yield of up to 30,000 acre-feet of water by 2010 from the Windy Gap Project. The WGFP would also provide up to 3,000 acre-feet of storage for the Middle Park Water Conservancy District in Grand and Summit counties.

PROJECT: OVID RESERVOIR

BORROWER: District 64 Reservoir Company

ESTIMATED PROJECT COST: \$12 million LOAN AMOUNT: \$12 million
FUNDING NEEDED: Year unknown

DESCRIPTION: Project would provide a 5,700 AF reservoir on the lower South Platte River about one mile west of the town of Ovid. Water from the reservoir would be used to replace out-of-priority depletions caused by well pumping and compensate for state-line flows under 120 cfs, and for other purposes such as fish and wildlife. A Phase 1 economic study was completed in April 2005, and identified the need for an additional partner for the project, beyond the agriculture-based shareholders. A Basin – Water Supply Reserve Account grant of to assist with additional analysis. The Company wants to identify a partner before proceeding with a project. The Company was formed in 2006 to take over the reservoir project from the Ovid Reservoir Company.

PROJECT: NORTHERN INTEGRATED SUPPLY PROJECT (NISP)

BORROWER: Multiple Agencies - Fort Collins-Loveland. W.D., Windsor, Little Thompson W.D., Berthoud, Lefthand W.D., Erie, North Weld. Co. W.D., Evans, Central Weld Co. W.D., Fort Lupton, Fort Morgan, Eaton, Severance, Lafayette, Morgan Co. Quality Water

ESTIMATED PROJECT COST: \$350 million LOAN AMOUNT: \$? million
FUNDING NEEDED: 2010+

DESCRIPTION: Fifteen water providers are working with Northern Colorado Water Conservancy District to increase the quantity and reliability of their water supplies. The NISP goal is to provide up to 40,000 acre-feet of new reliable municipal water supply annually.

After examining hundreds of alternatives, the preferred project configuration includes Glade and Galeton reservoirs. Construction of Glade will require the relocation of five miles of U.S. Highway 287 northwest of Fort Collins. Galeton Reservoir, located northeast of Greeley, will provide local farmers with new water from the South Platte River. In exchange, the farmers will help fill Glade Reservoir by allowing the project to use Poudre River water they have used for over a century. Target date for award of the Glade facility in September 2009 (\$290 million)

PROJECT: GRAND MESA WATER PROJECT

BORROWER: Grand Mesa Water Task Force or Other

ESTIMATED PROJECT COST: \$? million

LOAN AMOUNT: \$? million

FUNDING NEEDED: 20??

DESCRIPTION: There is an existing need to import and store additional water in the Surface Creek Valley to allow for carry-over storage during dry years and long-term drought protection. Project proposes to build an upper level reservoir, hydroelectric station(s), a mid-level reservoir located (Cactus Park Reservoir), a canal from Cactus Park Reservoir to the Town of Cedaredge, a pump station on the Gunnison River and a Delivery Pipeline from the Gunnison River pump station to Fruitgrowers Reservoir.

PROJECT: PALMER LAKE PROJECT

BORROWER: Douglas & El Paso County

ESTIMATED PROJECT COST: \$15 million

LOAN AMOUNT: \$? million

FUNDING NEEDED: 2007

DESCRIPTION: Satellite well field project which will supply water to southern Douglas County and northern El Paso County communities. Project will include drilling new wells and installing distribution pipelines. Boyle Engineering completed a study in 2002 which was partially funded by CWCB.

PROJECT: CUCHARAS RESERVOIR REHABILITATION

BORROWER: Huerfano-Cucharas Reservoir Company

ESTIMATED PROJECT COST: \$30 million

LOAN AMOUNT: \$30 million

FUNDING NEEDED: 2010+

DESCRIPTION: Cucharas Reservoir was restricted several years ago. The State Engineers Office has allowed additional time to correct the safety concerns and avoid a dam breach order. Possible project options include a new 100 foot dam. A CWCB was approved in 2009 for construction of a reduced storage project. Complete reconstruction is still being discussed.



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Colorado State Office
2850 Youngfield Street
Lakewood, Colorado 80215-7093
www.blm.gov/co



In Reply Refer to:
6400 (CO-932)

OCT 21 2009

Ms. Jennifer Gimbel, Director
Colorado Water Conservation Board
1313 Sherman Street, Seventh Floor
Denver, CO 80210

Dear Ms. Gimbel:

The Bureau of Land Management (BLM) Colorado State Office (COSO) has determined it can accommodate the Upper Colorado River Wild and Scenic Stakeholder Group request for an extension to November 30, 2009. However, the COSO will not be able to accommodate any changes to the stakeholder alternative after that date due to analysis and publishing time constraints. The BLM's planning contractor will have completed the initial impact analysis of all the other sections of the land use plan by October 31, 2009. Accordingly, the BLM has committed to sharing the draft plan with cooperating agencies in December 2009.

While the BLM is encouraged by the stakeholder group's progress to date, it cannot justify further delay of an entire land use plan to accommodate additional stakeholder deliberations. The Wild and Scenic Rivers analysis is only one portion of a broad land use plan affecting an extensive range and number of stakeholders on other resource management issues. These stakeholders are awaiting BLM resource management decisions so they can proceed with their plans that will have significant economic impacts on local economies.

Because of the time needed to develop a durable river management plan, and the BLM's need to fulfill planning obligations, we have several suggestions to facilitate cooperation between BLM and the stakeholder group.

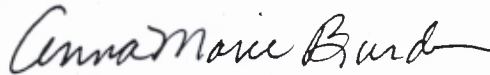
- If the stakeholder group is unable to deliver a final plan to the BLM by November 30, 2009, the BLM would appreciate receiving an indication of whether a final consensus on key conceptual issues for a river management plan is possible, or has been achieved but there is insufficient time to write a detailed agreement.
- If a consensus has been reached, the BLM would appreciate receiving an indication whether the plan would specifically address the stream segments in Glenwood Canyon. Currently, the conceptual plan and implementation outline contain very little detail concerning Outstanding Remarkable Value (ORV) status, ORV flow needs, and the baseline hydrology for this stream reach.

- The stakeholder group should take advantage of the lengthy period between the publishing of the BLM draft plan in the Spring of 2010, and the final plan and record of decision to further refine a proposed river management plan, react to new information found in the Moffat Tunnel Firming Project EIS, and respond to public comments on the alternate river management plan.

The BLM believes the ultimate deadline for full consideration of a stakeholder alternative will occur during the time period between the draft plan and the final plan. The November 30, 2009, deadline is based on the BLM's desire to facilitate cooperation with the stakeholders group. If the BLM performs an environmental analysis of at least a conceptual proposal in the draft plan, rather than wait until the final plan, feedback from the public will be facilitated.

The BLM recognizes the importance of this river segment to the State of Colorado and to the stakeholders. The BLM also recognizes the impact that its suitability determination could have on future river management. The BLM remains committed to working with the stakeholder group within the confines of our statutory obligation to complete resource management plans and Wild and Scenic River analysis in a timely manner.

Sincerely,



For/ David B. Hunsaker
Acting State Director /s/ Anna Marie Burden Acting

cc:

Dave Stout, Kremmling Field Office Manager
Steve Bennett, Silt Field Office Manager
Rob Buirgy, Stakeholder Group Facilitator

STATE OF COLORADO

Colorado Water Conservation Board Department of Natural Resources

1313 Sherman Street, Room 721
Denver, Colorado 80203
Phone: (303) 866-3441
Fax: (303) 866-4474
www.cwcb.state.co.us



Bill Ritter, Jr.
Governor

James Martin
DNR Executive Director

Jennifer L. Gimbel
CWCB Director

Dan McAuliffe
CWCB Deputy Director

RESOLUTION

Of the

COLORADO WATER CONSERVATION BOARD

Commending D. Randolph Seaholm

WHEREAS D. Randolph Seaholm worked for the State of Colorado for 36 years, and worked for the Colorado Water Conservation Board for 32 of those years until his retirement in 2009; and

WHEREAS D. Randolph Seaholm defended Colorado's compact entitlements vigorously for his entire career; and

WHEREAS just some of D. Randolph Seaholm's contributions include his work on: the Animas La Plata River Project; the San Juan, Upper Colorado and Platte River endangered species recovery programs; the Interim Surplus Guidelines, the Glen Canyon Dam Adaptive Management Program; the Navajo Indian Water Right Settlement; the Colorado River Interim Guidelines for Lower Basin Shortages and Coordinated Operations for Lakes Powell and Mead; Recreational In Channel Diversion policy; and many other Colorado River projects; and

WHEREAS D. Randolph Seaholm provided years of wise counsel to the Colorado Water Conservation Board on dozens of legal, engineering, and policy issues; and

WHEREAS D. Randolph Seaholm served the Colorado Water Conservation Board as a: skillful negotiator, an excellent manager, and a good friend.

NOW THEREFORE, BE IT RESOLVED that the Colorado Water Conservation Board, at its regular November 17-18, 2009 meeting, in Denver, Colorado does hereby express the thanks and appreciation of the Colorado Water Conservation Board, and its staff, for the untiring service and advice rendered by D. Randolph Seaholm in solving the many technical, policy, legal, and political water resource issues that have come before the Colorado Water Conservation Board during his service to the Board; and,

BE IT FURTHER RESOLVED that the Colorado Water Conservation Board sincerely wish D. Randolph Seaholm, his wife Sandy, and their family, full lives—filled with great health, lots of laughter, and prosperity.



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Colorado State Office
2850 Youngfield Street
Lakewood, Colorado 80215-7093
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In Reply Refer to:
6400 (CO-932)

OCT 21 2009

RECEIVED

OCT 26 2009

Colorado Water Conservation Board

Ms. Jennifer Gimbel, Director
Colorado Water Conservation Board
1313 Sherman Street, Seventh Floor
Denver, CO 80210

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Sincerely,


For/ David B. Hunsaker /s/ Anna Marie Burden Acting
Acting State Director

cc:

Dave Stout, Kremmling Field Office Manager
Steve Bennett, Silt Field Office Manager
Rob Buirgy, Stakeholder Group Facilitator

STATE OF COLORADO

Colorado Water Conservation Board

Department of Natural Resources

1313 Sherman Street, Room 721

Denver, Colorado 80203

Phone: (303) 866-3441

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www.cwcb.state.co.us



September 29, 2009

Dave Hunsaker,
Acting Colorado Director
Bureau of Land Management
U.S. Department of the Interior
2850 Youngfield Street
Lakewood, CO 80215

Bill Ritter, Jr.
Governor

Harris D. Sherman
DNR Executive Director

Jennifer L. Gimbel
CWCB Director

Dan McAuliffe
CWCB Deputy Director

Dear Dave:

I am writing to you to request that you grant additional time for submittals for consideration in the context of BLM's revisions to the Resource Management Plans for the Glenwood Springs and Kremmling field offices where the BLM is considering the "suitability" of certain stream segments for Wild and Scenic designation. My staff has been meeting regularly with your staff (and a host of other representatives) for the past two years regarding the BLM's process. I am encouraged by a dialogue that has been initiated with your staff, the Colorado River Water Conservation District, the Northern Colorado Water Conservancy District, Denver Water, Trout Unlimited, Summit County, Eagle County, Grand County, the Northwest Colorado Council of Governments, the Wilderness Society, Colorado Springs Utilities, American Whitewater, representatives of stakeholders involved in the lower Blue River management planning process, and others to explore alternative approaches to protecting Outstanding Remarkable Values while at the same time considering the State's water supply needs. We appreciate your staff's dedication to working with the State and local entities to determine whether Wild and Scenic designation is the best management alternative for these certain stream segments.

As you know, Wild and Scenic designation may or may not be the optimal management tool, but I am sure you would agree that a collaborative, consensus-driven approach to protecting those values would be preferable. Given the importance of these water resources to the Bureau of Land Management, the State of Colorado, environmental organizations, and local communities, I hope you will be able to support the collaborative process described above. I believe that it would be in the best interests of the State and the Bureau of Land Management to continue this dialogue.

Pursuant to your process, which requires you to consider a range of alternatives, we request that you allow additional time for the State, environmental, and local representatives to continue to explore alternatives for resource protection by extending the September 30, 2009 deadline by 60 days to allow the stakeholder group adequate time to refine its proposal. While 60 days may be enough time to resolve the remaining issues, we may seek an additional extension if necessary. I would remind you that the Platte River Protection Plan took close to ten years to negotiate and

that plan is a model for protecting water dependent resources while allowing water providers some flexibility in water management. I hope you agree that this would be an appropriate way to proceed in order to further your goal to respond to both national and community needs. Please do not hesitate to contact me if you have any questions about this matter.

Sincerely,



Jennifer Gimbel

cc: Ken Salazar, U.S. Department of the Interior
David Stout, BLM Kremmling Field Office
Steve Bennett, BLM Glenwood Springs Field Office
Roy Smith, BLM
Colorado Water Conservation Board members