

South Platte Basin Roundtable

Tuesday, July 13, 2010
Longmont, CO

If you see any errors, please contact Lisa McVicker at mcvicker1@q.com

In the November 10, 2009 minutes, Pete Helseth's name was misspelled. Pete is the Clear Creek County Open Space Commissioner and was invited to attend by Bert Weaver. Apologies to Mr. Helseth.

Standard Reports

- **IBCC Report: Mike Shimmin:** Process was focus; learning curve on part of facilitator; substantive issues not central to meeting; hope that next three meetings will bring substantive issues to fore; consensus is that DNR not focused; improbable that focus on new supply will be approached in any rigorous manner—Mr. Shimmin continues to be optimistic; others not so optimistic; Mr. Shimmin continues to focus on the process as an attempt to try. Next meetings:
 - August 30 in Loveland/Longmont area
 - October 14 in Salida/Canon City area
 - December meeting in Denver area.

- **CWCB Report: Mike Shimmin reports on behalf of Eric Wilkinson: no meeting recently, no report.**

Jim Yahn refocuses that the reason for this meeting is to review WSARA applications that must be presented to CWCB by July 23 for their September meeting.

- **Legislative Report: Dianne Hoppe: Senator Whitehead is now chair of Water Resource Committee; Water Resource Interim committee did not meet;** however, CO Ag water Alliance met as did educational foundation; in House—8 new members because of term limits—chance of bigger turn over—Senate turn over as well; means that as per our interests—new legislators will be working on budgetary issues and most do not have a background on budget or water issues; thus worthwhile to reach out to new legislature members to help with background.
Mike Shimmin comment: This morning Water Congress phone conference—Senator Whitehead advised that there could be a \$1 billion shortfall next year so that it is clear that the money for this process and CWCB could be in question; with Mary Hodge on JBC could be more hopeful;
Don Ament: Ballot Initiatives 161 etc are serious issues that we need to be focused upon; could eliminate all.

Jim Yahn: And floating initiatives? Off?

Harold Evans: Indeed 161 etc...will make it impossible to build anything, any enterprise fund, etc...any long term capital projects will be wiped out.

Doug Rademacher: Agree

Harold Evans: We have not met since we testified in front of House Water & Resource Committee: Jim Yahn reports:

Harold, Doug, Don, Eric were asked to testify in front of the House Water & Power Subcommittee: formal hearing on what federal government is doing for agriculture.

Doug Rademacher: Message sent to us was that conservation could come out of the water supply issue; all members sent back message that conservation is impossible; we must have new water storage projects; "conserve our way out of this"—no, impossible to do this: get rid of yards, parks, gardens, etc...quality of life at issue. If we cannot get NISP passed, we will never get another Windy Gap Farming, Halligan-Seaman—Windy Gap is the test—we should this before end of year.

Harold Evans: Chair woman from CA and ranking republican; comment on fruits and nuts in CA...☺ Weld County is number one producer on fruit and nuts producers if you take CA out...☺ Interesting to be in same room with Don Ament and Bob Sakata...

Doug: Bob Sakata makes point that if Two Forks had been built, 1 million acre feet of storage...

John Stencil: Compliment on all 10 people who testified; powerful testimony.

Joe Frank: Anything formal coming out of this?

Jim Yahn: No, seemed like politics; but it was excellent that we had multiple members from our roundtable testifying.

Harold Evans: I did submit our consumptive needs and nonconsumptive needs into the record; the work that we did is in the Congressional Records; not sure of benefits...but it is there. Very well attended;

Jim: Activists on outside as well. "Welcome to the dry side." Was in support of storage projects.

- **Education Liaison Report: Bert Weaver:** EAP: Education Action Plan: would like to set out as a goal for us to accomplish this year and am confident that we would have support of the Water Education Foundation. Jim Yahn: What would this involve? Bert Weaver: We would accomplish statutory mission.
- **Non-Consumptive Sub-Committee Report: Bob Streeter:** No action yet at this point; waiting for DNR folks to finish their work; expected to have draft by late June or July...waiting to see it.
- **Phreatophyte Sub-Committee:** halted use of beetles on salt cedar because of lawsuits in southern NM; this provides nesting for endangered fly catching; thus USDA has halted work on this; but no sub-committee work to date.
- **Alternative Ag Transfer methods Sub-Committee:** Joe Frank: June 24—existing participants on first round of grants; another one of \$1.5 million that will be awarded state-wide—have revised the criteria guidelines...slightly; upon approval of these, they will ask for proposals shortly after that; must be submitted 45 days before November meeting—short timeline; next round of grant funding--\$1.5 million is for entire state—first round was for South Platte and AK
Doug Rademacher: Competitive? Joe Frank: Yes; Western Slope focusing on 2025..Water for America Funds; if these are unsuccessful, will be going for these funds; more competition from West Slope; other ideas from West Slope—discussions for use of ag water for environmental uses—although nothing added to criteria—no weight given to any one use—more multiple uses, more weight.
Also talk about 10% cash match—in-kind services discussed; all felt strongly about this 10% cash match to emphasize participant use.
Jim Yahn: Criteria finalized? Joe: yes.

Water Supply Reserve Account Requests/Presentations

- **South Platte Water Cooperative Project:**
Joe Frank presents: Thanks to Mike Groves and Mike Shimmin; Jim Yahn, Allyn Wynd, Matt...Brown and Caldwell
Application was distributed in a timely manner to all South Platte Basin Roundtable members. 1.5 year of work on steering committee of water users and providers have looked into no. 1 use of excess augmentation credits
Districts 1 & 64 (Lower CO River:
The Lower South Platte Water Conservancy District (LSPWCD) is a public agency created in 1964 under the 1937 Water Conservancy Act for conserving, developing and stabilizing supplies of water for domestic, irrigation, power, manufacturing and other beneficial uses. Lower encompasses approximately 406,000 acres in portions of Morgan, Washington, Logan and Sedgwick counties.

LSPWCD currently owns, operates and manages infrastructure and water rights near Julesburg, CO for augmentation within the area, provides technical and water accounting assistance to water users within the District, actively participates in activities associated with the Platte River Recovery Implementation Program, and participates in Basin-wide, State-wide and Federal water policy and planning on behalf of water users in the District.

This project will research, analyze and formulate best fit alternatives for the organizational structure of a potential Water Cooperative in the area of the Lower South Platte River. The initial formation of a new organization would encompass water users within Water Districts 1 & 64 (Kersey to the CO-NE Stateline). The Water Cooperative, if successfully implemented would help manage and retime excess augmentation water available within the area via leases and exchange operations (using current water law, existing water rights and new water right applications). In addition, the Water Cooperative could potentially serve as an organization to help manage members' direct flow and reservoir water, via leases and exchange operations (using alternative agriculture transfer methods and existing and new change of use water rights) without injury to other water rights. Preparing, filing, and pursuing any necessary water court applications are not a part of this scope of work and grant request.

Funding from this grant will be used toward the analysis and determination of water law and water rights issues related to the Water Cooperative in order to identify and prevent injury to other water rights within the basin. Extensive engineering and economic work will need to be conducted for a comprehensive analysis of a viable and best fit operations plan. Should the Alternative Ag Transfer Grant Program application be successful, work will evaluate comprehensive operational [planning developed.

Funding for this project will be used to develop guidelines and an overall summary of potential options for the organization structure of a new water cooperative. Water users and other interested parties will be provided with best fit alternatives that summarize estimated costs, benefits, impacts, risk, etc.

Application is for \$200,000 in Statewide Water Supply Reserve Account and \$60,977 of funding from South Platte Basin Roundtable.

Note that 8% of time: free river; 22% cannot use that water—45% of this water could be exchanged to the top of District 1—Mt Poudre.

--Water activities associated with this project could benefit State of CO through creation of a new organization to manage and retime excess aug water available within the South Platte Basin via leases and exchange operations, and to help address shortages within the basin. These future benefits have ability to help offset pressure from the overall South Platte and Metro combined basins on other basin and transbasin water sources.

Complimentary because project looks at efficiently managing South Platte River water in addition to utilizing conventional alternative ag transfer programs; interconnected to previous and potential future Alternative Ag Transfer Method Grant Programs funding and projects. Significant finding of the CO Corn Growers Association was that a Water Cooperative would be useful in future implementation of alternative water transfers; for example, municipalities would prefer to contract for water with one organization rather than contracting with several individual ag producers.

Goal of effort: Org would be transparent and fair to all participants—not cause any injury to any water rights holders;

--CO Division of Water Resources compiled data and information on recent augmentation accounting, river hydrology, diversions and river excess aug water in addition to times and quantities of potential river exchanges. It was determined that an estimated 15,000 to 30,000

ac-ft of excess aug water exists during average to dry years with Districts 1 & 64 during various times of the year (March-June) which may be available for retiming exchanges and lease.

--Some ditch and reservoir companies, augmentation groups and other water users conveyed to Steering Committee that in addition to retiming, exchanging and leasing excess aug water to local ag entities for improving local

Questions:

Harold Evans: Any idea of how much could be pumped if there was aug water available?

Joe: District 64, still not curtailment; others at 50%; Central is at 40% quota...but do not know volume.

Harold: Looking at exchange potential up to mouth of Poudre...municipalities might not be helped much; Greeley...not much exchange potential there. Looks like this excess would be beneficial to augmentation of wells that need it; Wiggins for example. This could be of benefit there. Also, note budget needs rechecking: in-kind more than noted—

John Stencil: Mentioned that the response had been quite positive to the cooperative idea—any official poll?

Jim Yahn: The Co-Op---further down the river you go, more difficult to exchange—less appealing; further up the river, more appealing—thus looking for alternative to ag dryup group—have raised \$19,500—Northeren and Lower have contributed substantively; seems that their support is real.

John Stencil: 2005 appears to have least free water in the river according to chart; how much better has free water been this year?

Joe Frank: .5 million acre feet of storable water if you had an online reservoir at stateline; substantial amounts of water that could be stored.

Patron: One of the things that could be brought into Corn Growers Application is talking about marketing mechanism and the Corn Growers could be attractive in this manner.

Joe Yahn: If we have water available—for instance Parker, United Water & San...many municipalities that are already taking up this exchange pipeline and if we could make a window of opportunity for exchange; for example, NISP project—we could get into there, would be beneficial. Could get us into 15 municipalities. So if we could do something similar to Xcel and show benefits during dry times.

Harold: On United exchange how much? Mike Shimmin: 225 cfs.

Greg Koernehane: Need to make it clear in the application about how you could show the potential of exchange to the other municipalities...my concern is that we do all this work and put these wells back to work, but would still leave them vulnerable to municipalities; I totally support this and think it is a great idea out of Corn Growers; but need to be clear here.

Jim Yahn: There are some growers that would rather have higher values for those...so we are trying to meet in the middle...thus of interest to all water users in this area.

Ralf Topper: Would South Platte Support Decision be of use?

Joe Frank: Yes, the analysis from Brown and Caldwell could be used in this way.

Harold Evans: How much money in basin account: Jim: \$130,000...then okay.

Bruce Gerck: Danger in this is that with excess credits..reality of water use in northeast corner of the State...in a moderately dry year..do exchanges, etc..this is a negatively affected area...this is real water and lack of availability at times. In analysis of this project, danger is that if this is not managed properly, if you manage augmentation in absence of aug calls..how to meet everyone's needs at the lower level. If you micromanage with excess credits, could throw us in to a call on recharge and this would be disastrous for well users lower down. Thus, need to be very careful in examination of what you might do with this. Caution: analysis: what will happen in a moderately dry year to the lower end as per recharge efforts on the lower river.

Joe Frank: In the dry years, North Sterling and Pruett would be drying the river as they are filling; thus the analysis is pumping out of District 64...

Bruce Gerk: Also talking about adding wells that do not have onsite time and place recharge; lower you are on the river, evident that the paper water is used and there is no real water; finite amount of water that comes to the lower river; one of my disappointments with the North Sterling Reservoir is that if we maximize use of every finite molecule of water, we won't see the water and it is of crucial importance that there is not injury to the lower river users. I will support the study, but I am fearful of consequences of over analysis.

Jim Yahn: This was a concern from other users: whenever you are trying to maximize the use of the water, there are ditches that will take the brunt of those whose water is being used. Thus question is who has control over those excess credits...this is one of the concerns and one that would be looked at in the study.

Jim Yahn: Grant application is requesting: \$60,977 from Basin Account; \$200,000

Mike Applegate moves that the Roundtable supports the application for \$60,977 and for \$200,000 from the Basin Account.

John Stencel seconds;

Jim Yahn: moved and seconded and takes into consideration comments and to incorporate comments.

Ken Huson: Is basin contingent on statewide approval?

Jim Yahn: Yes.

Harold Evans: As Bruce has mentioned, there can be a good idea and you cannot see the unforeseen circumstances; Bruce's concerns of senior water rights is very important; assuming you get these grants, very important to note impacts.

Mike Shimmin: Recuse self because has represented Groves Farms and will not vote on it but thus leaves me free to advocate. One thing important to understand...if we cannot make this work without injury to other water rights...it will not work, will not go anywhere. Goal is to make this work under existing water rights and water users; if water users who own this water and who run the recharge that generates these credits, people who I can call "speculators" will come do it to you and you will spend hundreds of thousands of dollars fighting them; thus, goal of this is to create an entity that will allow the water users to head off others who will try to maximize these efforts against better efforts. Our goals are to make sure that all water users are being listened to.

Bruce Gerk: In this application: Is a portion of this money for filing water rights: strictly for examination

Jim: No...it is our hope that we will have a lot of the legal understanding in place and the project in place and if this works than we can apply for a water right.

Joe Frank: I will also recuse self from voting.

Jim Yahn: Call vote: Unanimous. Motion carries.

Greg Koernehahn:

Matt Tecla from Brown & Caldwell: Have worked closely with Corn Growers

Planned Recharge Project:

Overall objective of this project is to develop a process and tool that will be used in locating future water conservation wetland projects in the South Platte basin between Denver and the Colorado-Nebraska stateline.

Many factors will influence decisions regarding the most favorable locations for future wetlands. Some of these factors are more important than others; factors that DU has considered in previous projects and will consider in the context of the decision support model. Example:

- amount of waterfowl habitat in the vicinity of a proposed project
- available water supply
- ability to recharge the alluvial aquifer
- characteristics of the alluvial aquifer and lag times
- need for additional alluvial aquifer recharge
- funding partners
- potential permitting issues
- need for recreational opportunities
- cost/value of water and land
- comparative economic returns to water
- suitability of land

Specific objectives

- Assess important factors to consider in locating future water conservation wetlands
- develop a process and a supporting tool that can be used to identify potential areas where water conservation wetlands could be constructed considering a number of important factors
- using the tool, produce a map showing areas in the South Platte basin targeted for future water conservation wetlands.
- lay the foundation for a program to provide financial and technical assistance to ag producers who are interested in constructing water conservation wetlands

Has worked with NRCS to focus on how to get program on the ground so that landowners can access these program; NRCS needs additional year; DU hopes that this tool will help landowners as well.

Deliverable: Asking for Basin Roundtable support:

Deliverable: GIS analysis tool; map layers and maps showing important factors and their spatial distribution in the South Platte basin; summary map showing the spatial favorability and unfavorability of developing water conservation wetlands considering all of the important factors for locating these wetlands.

How to keep ag in business and get water to Front Range; economic analysis will show how to get water to lower river.

Application: \$99,821 from statewide account; statewide only because of statewide benefits; trying to show how effective we can be with funds; Brown and Caldwell and DU

McVicker: Any chance you will go up the river?

Greg: No.

Harold Evans: Move that South Platte Basin endorse this statewide application.

Doug Rademacher: Seconds; how do you want support.

Greg: Protocol for letter and ask for letter from Chair.

Jim Yahn calls question; motion carries.

Web Jones position: represented at –large for local domestic water providers; no applicants; had several people thought would be interested; will have to table that until next meeting. Web has moved to Steam Boat Springs.

“Local domestic water provider”—water districted

Will continue with discussion of Part 3 of South Platte Needs Assessment after dinner.

McVicker has to leave meeting at dinner. See report online “The Role of Urban Water Conservation in Meeting Colorado’s 2050 Demands—Veva Deheza, CWCB”

- Passive Water conservation (from natural replacement of water using appliances)
- Snapshot of Current Water Conservation Plans
- Statewide Water Conservation Best Practices
- Water Conservation Strategy for SWSI Update

Next Meeting: Tuesday, September 14, 2010