

South Platte Basin Roundtable

Tuesday, September 14, 2010: The 49th meeting of the South Platte Basin Roundtable formed under the Colorado Water for the 21st Century Act.
Longmont, CO

List of members and guests available on request.

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

Standard Reports

- **IBCC Report: Mike Shimmin:** See Handout: Email document sent to IBCC members before last meeting; helpful one page listing of various studies that have been done and are underway to pursue effort of the state-wide water supply:
 1. --2050 M&I Projections
 2. --Oil Shale Phase II Energy Report
 - 3.--Identified Projects & Processes (IPPs)
 - 4.--The M&I Gap
 - 5.--Conservation Strategies
 - 6.--CO River Water Availability Study
 - 7.--Ag transfer & New Supply Development Cost Estimates
 - 8.--Nonconsumptive Needs
 - 9--Agricultural Needs

Item 1, 2 done; 3 & 4 due soon; 5—unknown release; 6: CO River Water Availability Study out soon..Phase 2 unknown status; 7—done; 8 – under discussion—committees working on it; 9 & 10—done; unsure about phase 2 because of funding questions.

Shimmin would like to express optimism because the subcommittees are talking about major topics in a more focused manner that the entire group has been able to in the past. The IP&P subcommittee is working on a process that allows the state to go forward on projects that are ready to go; revision of this plan will be presented at next meeting on Oct 14. Good step as this shows support from state agencies behind projects; thus, focus on project sponsor that has completed the work, State of CO and agencies will support the construction of these projects that are ready to go.

Eric Wilkinson: Discussion at CWCB re: waiting for state to move forward until all permits are obtained can be too late also in consideration that EPA's point of view is not necessarily in step with state concerns. Push-back from DNR to point out planning of state and have furthered conversations with EPA; many feel that state involvement in a project needs to be pre-permit

Shimmin: Also, distinction between state and federal agencies important to note; important to note when a project is supported by the state. Thus, having a tangible deliverable smart.

Another subcommittee is working on conservation—Mike Shimmin is now on that subcommittee—discussion is focused on bringing tangible suggestions for ideas for conservation that can be implemented in the near future; suggestions for legislation in the coming session that could be used to implement some of these conservation ideas; will be a list of ideas that are worthy for discussion, although not yet ready to put into place. Shimmin is lobbying for this group to come up with number of the saved water through conservation that we could include in our portfolio tool to determine the amount of water that can actually be saved through conservation; Shimmin sees need for this because the discussion on conservation has been all

over the spectrum and we are receiving no results from this; thus, we ought to be able to say in 2010 that X amount of water should be able to be developed through conservation; this is a crucial piece of the puzzle. Simplified summary: 4 pieces in puzzle: conservation; new supply development; IP&Ps; and everything else is ag dry-up; thus, important to be able to have all 4 pieces of this puzzle for complete view; therefore, important to have a number from conservation. Controversial because those who see conservation as the panacea think this number should be very large—or take care of the entire need; those in water community see a much more conservative number. Thus, Shimmin has goal to go with a middle ground approach number so that we have some concrete number that we can plug into the portfolio.

Third subcommittee: new supply subcommittee; question still lingers in terms of cooperation with west slope; Shimmin feeling optimistic that west slope willing to come to table and actually put something on table; this committee will further this work; core idea on table for discussion is that west slope may be able to agree that in some years there is some water in wetter years that may be able to be brought to east slope; fear—if this done in too many years—what effect might this have on west slope and other users—therefore, question is what kind of safety measures can be built into the plan so that if, in dry years, and if a compact call does come, how will west slope senior users and right holders be protected.

Eric Wilkinson: Also, not only west slope users but critical east slope users as well – how to protect their rights with a type of water bank. So that all these senior users would be protected.

Shimmin: Vision of developing more west slope water needs to be done with statewide perspective—and development must be to meet needs for west slope and east slope. Discussion is continuing and is more focused than it has been in past; promise that we are moving forward.

Eric Wilkinson: Originally, discussion was on legislation focused on west slope and how to articulate it in how could we bring water to east slope—originally, looked at state legislation to replace 1041—this changed to compensatory storage suggestion (by Eric Hune) for backup supply—probably $\frac{1}{2}$ yield because of collateralization. Now there is some closure in the discussions of sharing the water; west slope still has terms that need to be discussed—utilizing wet years, not dry yields—also discussion on 2 mill tax either to entire state or for east slope—1 mill for project development and 1 mill for mitigation on west slope; none of these ideas or suggestions have been finalized. West slope is agreeing that discussion is necessary but focus on protection continues. So, legislation for replacement of 1041 has gone away.

Shimmin: Fundamental shift in this conversation is that has gone from there is no water to a discussion that there is water but that there must be consideration of protections of all interests. Shimmin remains optimistic. **Next meeting if IBCC: Oct 14, Canon City.**

It has been made clear by Allen Davis that Gov Ritter wants a report from IBCC that summarizes what has been done and makes recommendations for next governor on next steps. This request has helped create a new focal point; new facilitator has been hired by state, and has helped subcommittee and made members focus and progress has been made as a result.

Questions:

Julio Iturreria: Possible legislation?

Shimmin: No, we are only at concept stage; nothing drafted yet.

Iturreria: One problem I see is that every district with which I am familiar does accounting a different way; thus, if you do go forward with legislation, important to have similar accounting system.

Shimmin: In telephone subcommittee yesterday, topic came up in need to standardize accounting; this focus was on billing, and how we might standardize these numbers. Therefore, we understand that we have a uniform data system where terms are defined—so yes, conservation subcommittee is aware of this and need to move forward. Thus, if utilities have to

make a standard report to CWCB—motivation to move to standardization. Thus, issue of uniformity and data management is on our list of priorities.

Harold Evans: Sounds like an unfunded mandate.

Shimmin: In every conversation, our first question is whether or not an idea is workable.

Harold Evans: Billing systems are expensive and complex to change. Uniform billing system will be expensive to undertake; would State of CO pay for it?

Shimmin: Focus is how we might be able to do this overtime; question for plan then is what steps do we need to take and what are the actions that we take over time. Part of problem is that many believe that we can immediately save 600 acft of water through conservation—solutions need to exist.

Evans: How closely is subcommittee working with the water conservation efforts of CWCB?

Wilkinson: At present, seems to be more of a top down approach of managing water conservation—in addition, technical subcommittee looking at 40% over 2008 levels—this is 60% over 2000 levels. Questions arise, thus, on survivability of landscaping, trees. Denver Water has said that the assumption is fatally flawed. At CWCB, questions out as to what water management such as Greeley and Loveland have made good comments. Therefore, assumption that 154,000 acft as much as 564,000 acft of water saving under aggressive conservation—but this assumes that the entities will not plow this back into dry year reliability and this does nothing to fill the gap.

Evans: Yes, these were the conclusions that SWASI II came to; we put out white paper that addressed this.

Wilkinson: Technical report reads that this savings is part of their calculations. Investigation needed to answer this question of what will actually occur in water conservation. Again, more of a top down discussion about water conservation than has occurred in past.

Joe Frank: Discussion seems to be focused on what each entity has to say—but isn't this discussion about a state-wide, system wide approach?

Wilkinson: True, and the more conservation, true effect on return flows.

Joe Frank: Indeed, this affects the entire system. Any study looking at that?

Sue Morea from CDM: Yes, we have already taken the passive savings off the statewide demand because we are anticipating the passive conservation systems will happen by 2050.

Frank: Does this decrease the supply?

Sue Morea: Yes, in reuse. We have taken it off the demand; therefore, any additional is an addition to passive. Also, the 150-500,000 acft is a maximum conservation; feedback from large providers like Denver say that only a small % (5%) is available to share outside their service area legally. Therefore, indeed, there is not a lot of water to add to the gap.

Doug Rademacher: Hard to imagine how you will come to consensus on this; hope that the group is very diversified. Indeed, if we want to look like the Middle East, we could conserve like this.

Wilkinson and Shimmin: Yes, very diversified group. Indeed, if you look at numbers in this report—through active conservation—could add even more—up to 900,000 acft.—the entire gap. However, some of us are reminding everyone that conservation alone will not solve the problem and we need to therefore have real numbers.

Shimmin: Some of the people resistant to come up with the number, reiterate that it is impossible to find the number—but focus is on we have to come up with a realistic estimate. Doubtful that the State of CO can dictate that we will achieve a certain amount of conservation by 2050; it will be patchwork of local efforts that will be implemented in some places and not in others—however, need to find number—instincts say that some number—best guess as to 2050 conservation number—might be between 200,000-300,00 acft. Look at SWASI II, 10 page

document assembled on all alternatives, etc—bottom-line—not hard to conclude that you will get 100% of alternatives at 100% of the time because it is not politically doable—thus, find a number that is pragmatically doable. Must come up with results for Governor and on mission to find something quantitative. Also see parallel with new supply development; easy to say confusion reigns—like CO Water Supply—somewhere between 0 – 800,000 acft. Not acceptable. Especially given that this study cost the state \$1million.

Bert Weaver: Comment on oil shale: industry says they can now produce a million barrels with 0-44,000 acft. Lets tell them to use the 0 technology. Is this real technology or PR from oil industry?

Shimmin: Not known.

Sue Morea: It is based on production; so low production—0 water technology. Depends on if the project goes or not; won't go at all if price of gas low.

Shimmin: History of oil shale development started in 1908 (cites report)—cycle where optimism swells up and then goes away—four of these cycles in the last 100 years; unsure where we are today; believes that the oil industry has trade secrets and thus we cannot really know.

Kevin Lusk: On conservation, would like to register discomfort from top down approach—cannot plan with this; El Paso Cty utilities really does not want anyone telling them what to do. Important that message is heard.

Shimmin: Have heard this from everyone.

Evans: Easy to solve others' problems when you are not part of the implementation; there is a number out there that is reasonable and achievable—but if we cannot provide it—what do we do; if report comes out that says conservation can meet all needs—no permits will be issued for any of the projects being planned.

Shimmin: My goal in this discussion is to make sure that the number is not too high because personally convinced that we cannot meet the gap through conservation alone; therefore, numbers must be on table in order to focus on other pieces.

Todd Doherty: Note to reiterate that where we are going with this report is to work with the technical advisory group and then future meetings with other policy makers and decision makers in these entities—so that through working with these folks, we will have more realistic numbers. Thus, now we are reworking the conservation study.

Also Report on AK/Gunnison subcommittee report falls in the IBCC process:

Last week, the two subcommittees met to focus on the 200,000 acft of conserved water and how it could be used: critical uses in emergency supply—Gunnison had some concerns that if a compact call came—that 200,000 acft would not be available—further analysis needed.

If that situation came up—could we use Blue Mesa Reservoir to fill with pre-1922 water rights for critical uses, compact call—discussion then evolved to possibilities of moving forward on this possible; articulating definition for key terms such as “critical emergency supplies”—decision was to limit it to existing uses at the time. Thus, concept of having bucket with Blue Mesa water or Reclamation water is something that both subcommittees want to move forward on—looking for support from Bureau, DNR and CWCB—third meeting, and productive.

Wilkinson: This means that it could be any pre-1922 water rights in the CO as long as above Blue Mesa.

- **CWCB Report: Wilkinson:** CWCB meeting going on now in Grand Junction; July meeting: Dominguez Wild and Scenic designation—in-stream flow provided in designated area, and if State of CO, then US would reserve a water right on it; CWCB struggled; BLM lead agency; in-stream flow designated is entire canyon with exception of more senior water users. This is an example of evolution of instream flow program where the flows are larger than the statutory

requirements. In the current meeting in Grand Junction, attempting to cover many issues: financial committee talking about non-reimbursables—mineral leases and federal leases could help (nonreimbursables: i.e.: helping state engineers with gauging stations, for example; grants, for example—not loans—these come out of severance tax.) Also looking at loan rates at this meeting—appears that these will arrive about the same, especially for AG. Workshop at CWCB in September—flow evaluation tool that TNC and others were advocating to use to determine needs analysis—report rendered that looked at original apps on Fountain Creek and Roaring Fork—this model has been updated. Not yet on CWCB website because of flaws—concerns exists about in-stream flow mode. As part of the CO Water Availability Study—analysis of CO water availability going downstream to 7 states plus additional study of impact of warming—move to remove compact studies from compliance study; belief among some that there needs to be completion of the compliance study before going to Phase II of compact study. Possible future: compact portion of CO Water Availability study will be removed from this study. RE: Water conservation: CWCB staff will be contacting major utilities re: concerns of top down/bottom up administration and the use of state water to fill the gap—Greeley Boulder, Loveland may be contacted.

Also, looking at update of SWASI from technical standpoint in order to update report; looking at 20, 30, and 40% conservation rates above the 2008 levels (this was 20% above 2000 levels); also looking at penetration of conservation measures: market penetration and durability penetration. In other words, in 2008, market penetration because of necessity ...but what is the durability of this? One point: if you look at entity that does water conservation, and decides not to plow shares back into driving yield—at some time, draught arrives—they will be looking at a new supply—whereas entities that plow their savings into their yields—they will be looking for new supplies for new and future customers—therefore, for some communities, conservation could be a wash: plow back into firm yield or go find new supply for new customers; for some entity like Denver Water, could be more than this, but water conservation is not a cure-all and there are multiple hidden factors in implementation that do not come to light. Thus, if you are representing municipalities, please give feedback to CWCB. Others are advocating for a providers review panel—Front Range water counsel advocating formal review process.

- **Legislative Report:**

No report; no interim committees this summer with elections coming.

Wilkinson: Brings attention to 60, 61, and 161. Report later from Bill Jerke

- **Education Liaison Report: Bert Weaver:** Reminder of 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. Introduces **Kristine Maharg with Foundation for Water Education**—nonprofit that works with state to reach with roundtables to work on roundtable for education. Hope that more will join in future; working on education action plan where you can use this as a tool to communicate these water education programs and to educate constituency; education outreach is powerful tool. Ideas: build on successes of public meetings in past year and conducting these presentations into about 30 minutes for Cty Commissioners and other decision makers that are dealing with planning and policy making; see this as a good way to engage stakeholders in the process; good way to educate on statewide applications of the IP&Ps. Next: will convene another meeting to discuss the content of these programs; hope that you can participate in this process; small fund available to fund these efforts—also if you choose to do larger outreach activities can apply for SWRA funds and foundation can help as well.

Bert Weaver reminds us of language from statute that we are to provide a forum for discussion and debate on water issues; thus, important to remind ourselves on this statutory charge. The fact that we are to provide a forum for debate is an important part of the mission. Next meeting: at 2:30 prior to the next meeting (January 14 unless there is something that comes up that requires action.)

- **Harold Evans, Bob Streeter, Jim Yahn:** Meeting with Senator Udall's office; Pam Shattuck is present—Udall's liaison. Overview of meeting with Jimmy Hague (water resources liaison with Udall's office)—good opportunity to get our message out; provided copies of our consumptive and nonconsumptive uses; thanks to Pam Shaddock.
- **Non-Consumptive Sub-Committee Report: Bob Streeter:** Phase II report of non-consumptive report; Phase I completed; Phase II looks at whether or not if there are any existing efforts to protect certain areas; through late winter and spring have gathered info and have put together a report for what they have found thus far; they will presenting to the roundtables (January meeting) in order to know what plans may address recreational attributes in our basin and what our recommendations are—thus need to reactivate Larry Howard, Bert Weaver, Greg Kournahan, Adam Bergeron and Bob Streeter are on this committee—if anyone else would like to be on the committee, please contact Bob via email.
Todd Doherty: logistically—this is to be part of SWASI—so subcommittee needs to meet before January. Streeter—okay—please send dates.
- **Phreatophyte Sub-Committee:** funds halted; each county is working on their own for weed control.
- **Alternative Ag Transfer methods Sub-Committee:** Joe Frank: Meeting on Sept 15, will be looking at Ag Transfer grant program; then after the criteria guidelines have been decided upon, grant applications can be submitted by November so they can be considered in the January 2011. Program has expanded from South Platte to statewide.
Two requests in front of CWCB from DU and from Lower South Platte: about \$2million of statewide money.
Doherty: Should we revert this back to twice a year—to May and September. We changed to once a year to make it more competitive; not so competitive; so we had \$4million and we now have \$2million available—more money in January—so shall we convert to 2 times a year?
Shimmin: This money is in the bank—seems therefore that we should commit this in March, before legislature.
Yahn: If need arises and money available, seems like we should be able to make request.
Wilkinson: In May, more certainty of availability of funding.

Colorado's Water Supply Future – 2010 SWSI Update – Todd Doherty & Sue Morea from CDM

See handout of reports:

Overview and Purpose:

- Provide a brief overview of major technical reports and their conclusions
- Discuss report schedule: timeframe for finalizing remaining components; statewide water needs assessment scheduled for Jan 2011; basin-specific reports 1st quarter of 2011; solicit feedback from roundtable
- List of reports:

- 2050 M&I water use projects: final complete
- Energy study phase 2 revised water use scenarios memo: draft roundtable product complete;
- M&I Gap Analysis—draft completed
- Reconnaissance level cost estimates for ag & new supply strategy concepts—final complete
- Ag demands/Alternative transfer methods: draft complete; finalize in 2010 statewide water needs assessment
 - Nonconsumptive: Watershed flow eval tool pilot study; complete
 - NCNA focus mapping phase 1—complete
 - NCNA Phase 2-draft complete; finalize in 2010 state needs assessment
- Conservation Products: (SWSI Conservation levels analysis; valuation of passive savings; guidebook of best management practices for municipal water conservation in CO; M&I conservation strategies; feasibility study to assess the permanency & penetration rates of M&I water conservation;
- Portfolio and strategies

M&I Water Use Projections

South Platte Demands: up to 2 million ac ft in 2050

Energy Study Phase II: Oil Shale Water Demands: projected water use from low of negative amount (produced water) and high to 100,000 acft range

M&I Gap analysis: 154,000 ac ft (based on water provider interviews; SWSI Phase I; NEPA documental and other sources)

(Was handed out to CWCB board during the current meeting in Grand Junction; after their comments have been received, this report will be updated and will be posted to CWCB website.)

(CDM will refine the report during review process if any provider wants their demands to be looked at differently.)

Statewide M&I and SSI Gap Summary: Low Scenario (under ideal conditions, economically, climate, etc.)(South Platte will bear brunt)

Existing Supply: 1, 161,000 ac ft/year

2050 IP&Ps: 437,100 ac ft/year

2050 Gap Projection: 189,020 ac ft/year

Statewide M&I and SSI Gap Summary: Medium Scenario (average growth scenario, similar to current conditions; note that passive conservation has been taken off the demand)

Existing Supply: 1, 161,000 ac ft/year

2050 IP&Ps: 353,200 ac ft/year

2050 Gap Projection: 393,020 ac ft/year

Statewide M&I and SSI Gap Summary: High Scenario (continued growth, economic conditions; not very high success rate on IP&Ps – 50%)

Existing Supply: 1, 161,000 ac ft/year

2050 IP&Ps: 354,300 ac ft/year

2050 Gap Projection: 629,030 ac ft/year

South Platte Basin M&I Gap: Medium Gap Scenario with 60% IPP Success—South Platte Basin: 40% M&I Gap

Report includes a summary of IP&Ps; and summary of IPP Categories; summary of South Platte Basin M&I and SSI Gap (from low, medium and high scenarios)

Agricultural Transfer and New Supply Development Strategies

Strategies: Ag Transfer, CO River System; Conservation; IPPs;

Report summarizes mid demand/mid supply Working Portfolio Goals: 60-70% statewide success rate desired on IPPs; 15-20% off of 2008 demand; ag transfers between 60,000-200,000 ag ac ft; 360,000 acft from new supply development for east slope and west slope

Report includes example of capital costs for portfolio to address statewide M&I gap: status quo: medium demands: \$17 billion in capital costs; \$19 billion capital costs/acre feet; summary of capital cost/ac ft: \$8,000 / acft for portfolio; \$12,000/acft of capital cost/ac ft

Report includes report on new supply development and ag transfer reconnaissance level life-cycle costs

2050 Ag Demands and Alternative Transfer Methods

Current Ag demands: Metro/South Platte: Water supply-limited consumptive use: 1,150,000 ac /year and 1,580,000 ac ft/year of full irrigation water requirement shortage

Current Ag shortages: South Platte Basin: Demand Shortage: from 0% to 25%

Percent Decrease in Irrigated Acres Due to Urbanization and Ag Transfers to Meet Gap: Metro/South Platte: 7% decrease in irrigated acres due to urbanization; 24% decrease in irrigated acres due to ag transfers to meet gap (191,000 acft)

Discussion on how the percent decrease in irrigated acres due to urbanization and AG transfers to meet gap do not seem right: Yampa to have a decrease in 42,000 acres due to ag transfers??? Energy? Please revisit.

Questions: What are the assumptions in regards to IPP? What has changed from first report where we were at 43% and now at 23%...what has changed? Need to revisit numbers? Is this assuming 250,000 have been brought over? CDM looking at 350,000 acft of west slope water brought to Metro/South Platte. Point is that you cannot depend on ag land and meet gap.

Comment: Confusing graph.

Alternative Ag Water Transfers Report: technical issues; legal and institutional issues; financial issues/economic considerations

Identified issues: high transaction costs; water rights administration; certainty of long-term supply

Alternative Transfer Methods: Potential Next Steps: Presumptive consumptive use; canal or ditch system-wide historical consumptive use analysis; transfer of a portion of consumptive use

SWSI Recommendations:

1. Ongoing dialogue among all water interests
2. Track and support the IPPs

3. Develop a Program to evaluate, quantify and prioritize environmental and recreational enhancements
4. Work towards consensus recommendations on funding mechanisms for environmental and recreational enhancements
5. Create a common understanding of future water supplies
6. Develop implementation plans towards meeting future needs
7. Assess potential new state roles in implementing solutions
8. Develop Requirements for standardized annual M&I water use data reporting

Five Year Planning Cycle: a continuum of planning and implementation

Nonconsumptive Needs Assessments Phase II

Statewide Summary of Nonconsumptive Projects and Methods Status: 106 number of projects and methods that are completed, ongoing, planned or proposed

--13 projects and methods: restoration project, flow protection information

NCNA Phase II Schedule: By April of 2011:

- Develop list of projects and Methods
- Deliver Projects and Methods to Basin Roundtables
- Develop Geodatabase of Projects and Methods
- Mapping analysis
- Outreach to Roundtables
- Roundtables Finalize Methods to address Nonconsumptive needs (Jan 2011-April 2011)

Comments:

McVicker: Upper Mtn Counties' Study and Upper South Platte: Concerns about draft expressed.

Ralf Topper: Final Draft out on needs; quantitative draft out on needs; working on supply report which is dependent on ground water

Janet Bell: Two more meetings (initially had to be delayed because of fiscal problems); two more meetings because of budget constraints; Park County has been present in these meetings and has contributed to the planning; next meeting on Monday, Sept 20.

Ralf Topper: Next meeting on Monday, Sept 1; final report will be done and report ready for Jan meeting.

Shimmin: IBCC has 2 more meetings: Oct 14, Dec 1. Need approval of IBCC draft by Dec 1. Need a scheduled meeting for November; if we are not ready, we can cancel and postpone. November 9: 2nd Tuesday of the month.

McVicker: Also would like to have a review of Upper Mtn County report

Sue Morea: We could also present on portfolio.

Consensus is yes; let's look at portfolio.

Evans: We have had a bottom down process for 49 months and suddenly there will be tops down report saying we have to approve a report that comes from the state?

Shimmin: 2 options: the report will not be done by the end of the year or the state will write it without our input...?

Morea: Most of it will be an accounting of process

Shimmin: The part that is important is where do we go from here forward.

Presentation of Agricultural Trends—Bill Jerke

Amendments 60 & 61, Proposition 101

Nothing will be done in CO if these pass.

Even conservative republicans against it; even strong TABOR supporter against these.

These amendments will crush jobs, crush CO's economy.

Examples: Prop 101: (cuts state income taxes from 4.63% to 3.5% over time, reduces vehicle-registration fees and taxes and eliminates all taxes and fees on phones except for 911 services) The rate rollback would take it back to 1919.

Pro-business perspective: these would cost more than 73,000 jobs, a majority in private sector; if we cannot do long term bonding—cannot do these projects.

Term to 10 years—will cost so much more, front load so much more.

These would cut school funding in half, forcing the termination of 8,000 classroom teachers.

Measures inundate CO's small businesses and rural businesses with runaway fee increases and licensure to bridge the gap of the 4.2 billion.

Water treatment plans: i.e. Fred Walker—sewage treatment plants—EPA sanctions—cost of \$10-12 million; must bond it; would not pass.

Airports: Greeley, Weld Cty airport authority—these will have to pay property taxes—runways, terminals—property taxes on these. ½ of current operating budget of Greeley airport will go to property taxes; Centennial: all of revenue.

Evans: Greeley would be looking at \$10 million just for property taxes—current revenue is \$13 million; would need to go to rate payers to make up the rest.

Estimate of \$4.2 billion to state and local govts; CO would be only state that would change financial markets.

Good news: lower property taxes for schools by ½--state will make up that shortfall; but lowers state income tax--\$1.25 billion—but state will have to make it up.

At end: will have \$38 million to run the state: education, higher ed is gone, prisons, roads...

Any district that has de-bruced, must do TABOR again. If you have voted already to de-bruce—you have voted that the overage in that formula can remain there instead of being forced to return that small amount (usually about \$1-2 each constituent)...so voters have decided districts (fire districts, etc) can keep that and not do rebate; these would force those districts to do it again.

If a district has paid something off, you have to lower the taxes by that amount even if different revenue stream.

Revised Bond Capacity: State Constitution of when you can bond; example, DPS—cannot ask voters a bond question for 18 years.

Exemptions: small business—what will legislature do in order to make up for lost revenue.

This would be a voter approved recession.

List of opposers: includes Local Farm Bureau—Farm Bureau is the conservative/Republican side of agriculture—when they come out against something like this, speaking for rural CO, concern.

Five commissioners of Weld Cty have come out against it.

How to help defeat:

Educate self and others: Donthurtcolorado website

Must be willing to talk about it.

Latest poll: 101 50/50; other 2 – slightly behind.

61 has best chance of passing because it deals with debt—but this is misunderstood.

Doug Rademacher: 101 and 61 still pulling positive—scary.

Weld County did a white paper on this—can forward this if you would like; went into depth of what this would do to County; 101 would devastate the county—road and bridges would be decimated; our budget would be such that a building such as this would be open just 2 days a week; roads will never be

plowed—levels of service would be back to 1919; for example, would slash county deputies—many municipalities are running two budgets—if 101 passes, we will have to take 10% off top on top of 17% slashed.

Bill Jerke: Higher education would be diminished dramatically. Higher education would be privately run. Reiterates need to educate in neighborhoods.

Next part of presentation:

James A. Michener-Centennial

“The Platte”: ..worthless, useless, little river ever..prior to the introduction of irrigation it had never been useful for anything.”

--map of size of Platte (snake)

--“American exceptionalism”: “South Platte Exceptionalism:--this is a story to brag.

--economics of what we get from this tiny little river:

Ag sales by county in 2002—Weld County: 71% of state ag production; concentration is in lower South Platte basin—economic capability of entire state. 1.2 billion 2002; AK—have numbers 6&7 county:

Alamosa is =no. 10

--Ag sales in 2007—improvements in production; greater concentration of wealth along South Platte;

--2002: Hayman fire; worst draught in 400 years; 7 of 10 top producing counties in South Platte; small commodity prices—over \$6billion of sales in South Platte

--Irrigated acres by basin: South Platte & Republican: 1.5 million...next: Greater CO: 875,000 acres

--Ag products sold by basin: 2007: South Platte: \$4.4 billion...73% of all sales of state

--Number of dollars generated per irrigated acre by basin: (includes greenhouse, cattle, livestock, dairy, etc.)--\$2800/generated per acre (AK most like South Platte) (produce protein, more dollars per acre)

--Acre feet diverted by basin: South Plate: 3.2million acre feet diverted at head gate (not CU)

(Greater CO...over 5 million)

Farm dollars produced per acft diverted: (how efficient is the water that is diverted in production):

\$1.4/per acft vs CO \$72/per acft

Fun facts: Weld Cty gain alone of \$411 millions larger than all combined CO Basin

--Conclusion: South Platte is 19 times as economically effective as the CO River

Top ten counties in Ag sales: all in South Platte (1.6 billion in Weld Cty)

2/3rds of people in CO live in South Platte Basin

In 2030—Ag will still use 86% of our state’s water—how will Ag use this water? Conclusion: South Platte producers are the target of metro area—despite the efficiency of productive.

At-Large Member Application (Web Jones resigned; represented local domestic water provider interests)

Mike Scheid, General Manager, ELCO Water District

Jim Hall, Water Resources Manger, City of Greeley

Mike: ELCO Water District in Ft Carsons; grew up on Farm; civil engineering degree from CSU; 4 years as district engineer and 4 years as General Manger; service area: northeast of Ft Collins; 50 sq miles; serves population of 17,000; one of 3 districts that owns and operates filter plant in NE Ft Collins; water district is wrestling with future of water development; one perspective that could bring to group is ag and engineering background and professional development.

Jim Hall: Grew up in CO; CSU graduate; civil engineer; have been water resource manager for City of Greeley, before that was Division of Engineer for State; has thus seen shortages in State since 2002; has

been associated with roundtable as liaison; interested in roundtable process and believes in process of bringing people together. Roundtables bring opportunities for both informal and formal projects.

Questions:

Doug Rademacher: Question for Mike; what is your position on some of the projects in your area: Halligan-Seaman, etc.

Mike: We could not make a decision on new yield or storage; was participant in Halligan, but had to pull out because of budget concerns; ELKO is approaching development in incremental stages because we are a small player; focus is on ground storage; do not feel that anything is wrong with the projects, just process.

Jim: Working for City of Greeley, hoping the projects that they will go forward.

Wilkinson: Corps said that if we were to continue storage and new yield, our possibilities would be more complicated; decision was to only go forward with new yield, unmanageable to engage in alternative studies.

Joe Frank: Question on position?

Yahn: At large: One of whom shall represent local domestic water providers

Shimmin: Include a municipal area in the area: read this literally: municipal could be different from local domestic...question is then about what category is being filled?

Web worked for ELCO

Evans: Then he left ELCO and was on own until moved, but was rep for ELCO.

Evans: All municipalities provide local domestic water services.

Yahn: Any concerns in this area?

Sean Cronin: What is the title again?

Yahn: At large representative—from Act—one of whom shall represent local domestic interests.

Evans: Please read other at large

Yahn: 10 at large members appointed to roundtable; --1 environmental interests—appointed by environmental orgs; 1 ag interests; 1 recreation interests; 1 local domestic interests; 1 industrial interest; at least five of whom shall own adjudicated water rights—

Others are municipal reps from each county, county reps and conservancy district reps

Yahn directs that the members present can vote; paper vote—“Mike” or “Jim” on ballot

Shimmin: Reads language from Act again...

Vote: **Jim Hall will be the next at large representative**

Jim Yahn adjourns meeting at 8:10.

Next Meeting: Tuesday, November 9, 2010 unless notified differently.