

**Water Supply Reserve Account – Grant and Loan Program
Water Activity Summary Sheet
Agenda Item 10.a.**

Applicant: Southeastern Colorado Water Conservancy District

Co-Applicant: Upper Gunnison River Water Conservancy District

Water Activity Name: The use of excess storage capacity in Blue Mesa Reservoir to avoid or reduce the impact of a Colorado River Compact curtailment in Colorado

Water Activity Purpose: Non-Structural Activity

County: Gunnison

Drainage Basin: Gunnison

Water Source: Gunnison

Amount Requested: \$245,000

Source of Funds: Statewide (\$196,000)

Matching Funds: 20% (\$24,500 from Gunnison Basin and \$24,500 from Arkansas Basin)

Staff Recommendation
Staff recommends approval of up to \$196,000 from the Statewide account, \$24,500 from the Gunnison Basin Account and \$24,500 from the Arkansas Basin Account to help complete the “The use of excess storage capacity in Blue Mesa Reservoir to avoid or reduce the impact of a Colorado River Compact curtailment in Colorado” study.

Water Activity Summary:

The objectives of this project are to assess the effectiveness of using excess capacity storage in Blue Mesa Reservoir to avoid, forestall and/or mitigate the magnitude and duration of potential Colorado River Compact curtailment in Colorado. A principle objective is to evaluate the use of Blue Mesa Reservoir as a potential storage location for a Colorado water bank. The analysis may also consider and use the potential output of the Water Banking Study (partially funded by the CWCB through the ATM grant program) to be conducted by the Water Bank Group as input reflecting the likely available supplies (e.g., pre-1922 consumptive use credits) which might be deposited in a water bank. The project will contribute to better understanding of circumstances surrounding a potential curtailment of Colorado River diversions in Colorado and the effectiveness of utilizing excess storage capacity in Blue Mesa Reservoir as a water bank. The project will provide a draft report that will include conclusions and recommendations based upon the findings.

The draft report will include potential water banking operations and guidelines in Blue Mesa Reservoir. The intent of this study is to create a feasible operational framework for a water bank that could be the basis for an excess storage capacity contract at Blue Mesa Reservoir.

Discussion:

Resulting from a series of joint Arkansas-Basin roundtable subcommittee meetings, this project aims to provide an evaluation of the potential use of excess capacity in Blue Mesa Reservoir, under different hydrological scenarios, to avoid, reduce or forestall a Colorado River Compact curtailment in Colorado. The use of Blue Mesa Reservoir for this purpose has been identified by several roundtables as having significant potential for reducing the threat of curtailment of Colorado River

diversions in Colorado. This project relates very closely to two other ongoing projects: (1) the Colorado River compact curtailment study and (2) the Water Banking Study. The participants in all of these studies recognize the close relationships (and potential overlap) between the three studies. Several meetings with representatives of these studies have met several times prior and have agreed to coordinate with each other throughout the studies. The Water Bank Group consists of representatives of the Colorado River Water Conservation District, the Southwestern Water Conservation District, the Nature Conservancy, the Front Range Water Council and the CWCB. In addition to the SECWCD and the UGRWCD, representatives from the Gunnison and Arkansas basin roundtables will contribute to the project's management and coordination with the other studies.

Issues/Additional Needs:

- Ensure that CWCB staff is an active participant in this study to ensure proper coordination with the compact curtailment study and the water bank study.
- Recognizing that there may be some overlap in these three studies, the Board may fund up to \$245,000, but not to exceed this amount. It is probable that the costs will be lower than this amount.

Staff Recommendation:

Staff recommends approval of up to \$196,000 from the Statewide account, \$24,500 from the Gunnison Basin Account and \$24,500 from the Arkansas Basin Account to help complete the "The use of excess storage capacity in Blue Mesa Reservoir to avoid or reduce the impact of a Colorado River Compact curtailment in Colorado" study.

All products, data and information developed as a result of this grant must be provided to the CWCB in hard copy and electronic format as part of the project documentation. This information will in turn be made widely available to Basin Roundtables and the general public and will help promote the development of a common technical platform.

In accordance with the revised WSRA Criteria and Guidelines, staff would like to highlight additional reporting and final deliverable requirements. The specific requirements are provided below.

Reporting: The applicant shall provide the CWCB a progress report every 6 months, beginning from the date of the executed contract. The progress report shall describe the completion or partial completion of the tasks identified in the scope of work including a description of any major issues that have occurred and any corrective action taken to address these issues.

Final Deliverable: At completion of the project, the applicant shall provide the CWCB a final report that summarizes the project and documents how the project was completed. This report may contain photographs, summaries of meetings and engineering reports/designs.

Engineering: All engineering work (as defined in the Engineers Practice Act (§12-25-102(10) C.R.S.)) performed under this grant shall be performed by or under the responsible charge of professional engineer licensed by the State of Colorado to practice Engineering.