SOUTHWEST BASINS ROUNDTABLE Michael Preston, Chair c/o Dolores Water Conservancy District P.O. Box 1150 Cortez, Colorado 81321 970-565-7562

EMAILED: January 14, 2011

Mr. Todd Doherty Chief, Intrastate Water Management and Development Section Colorado Water Conservation Board 1580 Logan Street, Suite 600 Denver, Colorado 80203

SUBJECT: Lake Durango Water Authority Source Water Infrastructure

Dear Mr. Doherty:

The Southwest Basins Roundtable is pleased to recommend funding of \$1,000,000 from the Statewide Account for the Lake Durango Water Authority Source Water Infrastructure Project.

The application was considered in detail and approved at the January 12, 2011 meeting of the Southwest Basins Roundtable. There was a quorum of Roundtable members present. The proposed project addresses an immediate supply gap between the current commitment of 1,435 taps and a safe yield adequate to serve 792 taps. Beyond meeting the immediate gap, the project will allow for future growth. The project will utilize water from the recently completed Lake Nighthorse using the recently completed intake structure. Using Lake Durango as a source of supply will also reduce dependence of Lake Durango on their La Plata River water rights which will benefit the La Plata Water Conservancy District and the challenges associated with the compact obligation to New Mexico, which is a matter of State interest.

There was considerable discussion in the Roundtable review about agreements and obligations involving La Plata West Water Authority which oversaw the construction of the intake structure in Lake Nighthorse, the Southern Ute and Ute Mountain Ute Tribes who invested funds for construction of the intake structure, and the Animas La Plata Water Conservancy District who has under contract M&I water needed to support the project. The Roundtable approval is contingent on reconciling these agreements and obligations.

Within 24 hours after the Roundtable approval of the Lake Durango application, the Animas-La Plata Water Conservancy District met with representatives of the Lake Durango Water Authority and the La Plata West Water Authority to begin working out issues in a manner that addresses the interests of these parties. Similar consideration will need to be given to the interests of the Southern Ute and Ute Mountain Ute Tribes.

Lake Durango Water Authority Manager Charles Johnson has composed a cover letter to you that will accompany the application acknowledging these multi-party interests and committing to a collaborative resolution of these issues. This commitment, brought to fruition, meets the stipulations of the Roundtable in approving this application.

The completed Grant Application will be forwarded directly to you by the applicant. Please contact the applicants directly or me at 970-565-7562, <a href="mailto:mpreston@frontier.net">mpreston@frontier.net</a>, if you have questions or wish to discuss these applications in more detail.

Sincerely,

Michael Preston

Southwest Basins Roundtable Chair