

STATE OF COLORADO

Colorado Water Conservation Board Department of Natural Resources

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TO: Colorado Water Conservation Board Members

FROM: Eric Hecox, Water Supply Planning Section

DATE: July 12, 2011

SUBJECT: **Agenda Item 13, July 12-13, 2011 Board Meeting**
Denver/West Slope Negotiations

John W. Hickenlooper
Governor

Mike King
DNR Executive Director

Jennifer L. Gimbel
CWCB Director

Staff Recommendation

This is an *information* item and Board action is not required.

Background

Denver Water and numerous west slope entities spent the past five years negotiating to settlements to several long-running disputes. In April 2011, 35 partners announced the details of the "Colorado River Cooperative Agreement." A two page summary of the proposed agreement is attached and the full agreement can be downloaded at:

http://www.crwcd.org/media/uploads/20110428_CRAC_mediation_agreement.pdf.

The proposed agreement is now being considered by towns, counties, and water entities throughout the Colorado Basin. Eric Kuhn with the Colorado River Water Conservation District will brief the Board on the details of the agreement.

Proposed
Colorado River Cooperative Agreement:
Path to a Secure Water Future
April 28, 2011

A secure and sustainable water future for Colorado is essential. It is vital for those who live in our cities and towns, for a healthy economy, for farmers and ranchers across the state, for wildlife and the aquatic life in our rivers and streams, and for those who enjoy the wonderful recreational opportunities our state offers. In short, it is essential to all that makes Colorado special.

Yet, competition for our water resources continues to increase. Nowhere is this more evident than in the Colorado River Basin, where conflicts between these competing interests have existed for generations.

A different approach is possible. It is an approach that provides proper balance among competing interests, a shared vision for better river health, reliable supply for all water users, and a future of cooperation, not conflict. It is precisely that approach that this agreement — among 35 water providers, local governments and the ski industry — embodies.

The visionary agreement provides for:

1. Resolution of historic conflicts and a holistic approach to resolving Colorado water disputes
2. Cooperative, long-term efforts to improve the health of the Colorado River mainstem and its tributaries
3. Additional water supply for those who live, work and play on the west slope and for customers of Denver Water

An Historic Collaboration

Never in the history of Colorado have so many varied interests agreed on a shared vision for a secure and sustainable water future. The partners to this proposed agreement include:

- Denver Water
- Colorado River District
- Grand County
- Summit County
- Eagle County
- Snake River Water District
- Dillon Valley Metro District
- Grand County Water and Sanitation District No. 1
- Winter Park Water and Sanitation District
- Middle Park Water Conservancy District
- Clinton Ditch and Reservoir Company
- Eagle Park Reservoir Company
- Eagle River Water and Sanitation District
- Upper Eagle Regional Water Authority
- Grand Valley Water Users Association
- Orchard Mesa Irrigation District
- Ute Water Conservancy District
- Palisade Irrigation District
- Mesa County Irrigation District
- Grand Valley Irrigation Company
- City of Glenwood Springs
- City of Rifle
- Town of Breckenridge
- Town of Dillon
- Town of Silverthorne
- Town of Frisco
- Town of Fraser
- Town of Granby
- Vail Resorts
- Vail Summit Resort's Breckenridge Ski Resort
- Vail Summit Resort's Keystone Ski Resort
- Powder-Copper Mountain
- Winter Park Recreational Association
- Arapahoe Basin Ski Area
- Copper Mountain Consolidated Metropolitan District

Benefit Highlights

For Colorado

- Ushers in a new era of cooperation by providing that any new water project by Denver Water in the Colorado River Basin will be developed only in cooperation with those entities impacted by the development
- Solidifies this era of cooperation by establishing a “Learning by Doing” process where Denver Water, Grand County, the Colorado River District, the Middle Park Conservancy District, and others have made a permanent commitment to identify and address future environmental issues in the headwaters of the Colorado River
- Provides protections for river flows and water quality along the entire reach of the main stem of the Colorado River
- Solidifies Denver Water’s commitment to conservation and reuse
- Makes possible an agreement between Denver Water and water utilities in Douglas and Arapahoe counties that will lessen their reliance on non-renewable groundwater and condition their ability to go to the Colorado River Basin for additional water supplies
- Improves the health of Colorado’s rivers and streams by dedicating funds to pay for watershed, water treatment and aquatic habitat improvements in the Colorado River Basin

For Cities, Counties and Other Entities in the Colorado River basin

- Additional water for towns, districts and ski areas in Grand and Summit counties to serve the needs of their residents and to improve the health of our rivers and streams
- An agreement to operate key Denver Water facilities, such as Dillon Reservoir in Summit County, and Williams Fork Reservoir and the Moffat Collection System in Grand County, in a way that better addresses the needs and concerns of neighboring communities and enhances the river environment
- Enhanced recreational opportunities by providing additional water to certain ski areas
- Greater certainty in the continued availability of water in the middle and lower Colorado River by ensuring that when the Shoshone Power Plant in Glenwood Canyon is not operating, the parties will operate their facilities as if the plant was operational to help maintain the historic flows in the Colorado River.

For Denver Water

- Greater certainty in developing a secure water future for its customers by resolving long-standing disputes over its service territory, its ability to use West Slope water, its ability to develop future water supplies in the Colorado River Basin, and other legal issues
- Additional water and enhanced system reliability for customers of Denver Water, representing nearly 25 percent of the state’s population, by moving forward the Moffat Collection System Project
- Agreement by all partners to not oppose Denver’s storage of its Blue River and Moffat Project water on the Front Range
- Clarification of the conditions under which Denver Water will be able to provide water outside its service territory — thus paving the way for the cooperative WISE Project