Basin Roundtable Project Exploration Committee
Phase 1 Report to the Colorado Water Conservation Board

The Purpose of the Committee

The purpose of Basin Roundtable Project Exploration Committee was to 1) explore interests and issues related to a possible Flaming Gorge water supply project, 2) explore the current state of knowledge regarding the potential impact of a Flaming Gorge water supply project on those interests and issues, and 3) explore what additional work or activities would be needed to address the identified interests and issues. The process was initially focused on a possible Flaming Gorge water supply project, but the Committee took great care to explore issues, ideas, concepts, or concerns that emerged that apply to other potential transmountain water supply projects, while also exploring potential impacts to nonconsumptive values and the agricultural community in Colorado. **The Committee makes the following report and recommendations to the Colorado Water Conservation Board in completion of its work and urges the CWCB to continue to advance the dialogue in Colorado on the challenging issues related to water and meeting Colorado's future water supply needs.**

Recommendations

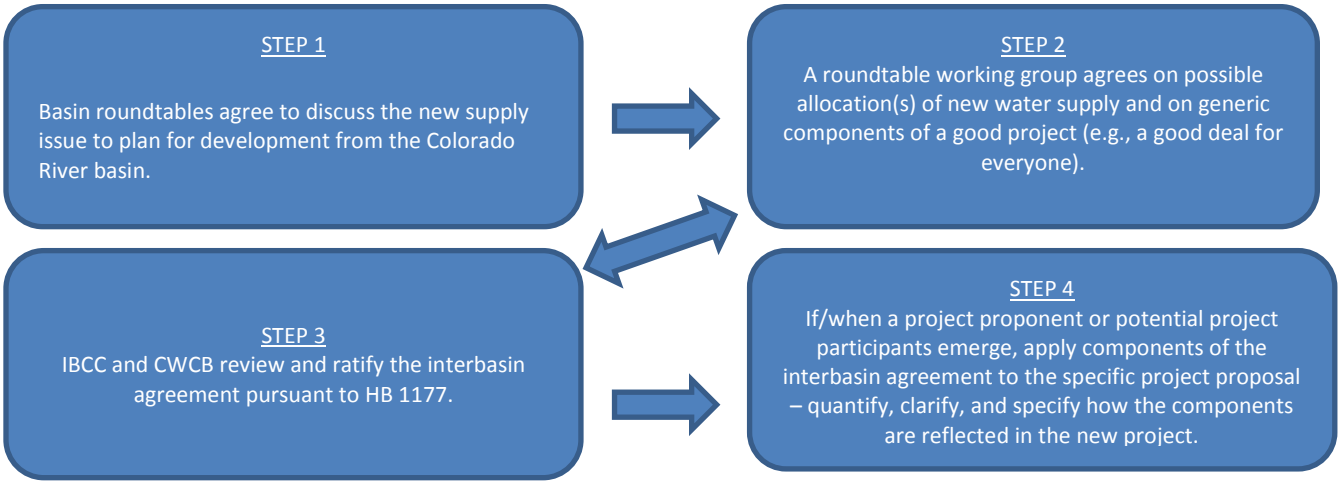
In the course of its work, the Committee has come to more fully understand and appreciate the gravity and risks of the status quo and the need to develop new supply[1] solutions that balance the current and future consumptive and nonconsumptive needs of both slopes and all basins. The municipal gap on the Front Range is immediate, the dry-up of agriculture is real and certain, and the environmental and economic concerns are serious and numerous. In the process of becoming informed about and discussing the benefits and costs of a specific new supply project focused around Flaming Gorge, the Committee has identified a key threshold step that must happen in order to move beyond the status quo in developing any significant new supply solution: an immediate and focused conversation with each roundtable and state leaders at the table must begin, aimed at developing an agreement or agreements around how water supply needs around the state can be met. Our conclusion and consensus is that the conversation needs to be transparent and inclusive in order to arrive at consensus agreements that can lead to meaningful statewide-level water supply solutions. The immediate need for this robust, focused, transparent, and balanced conversation is at the heart of each of our recommendations.

The Committee has developed a consensus flow chart that identifies threshold steps and a process framework for moving forward with major new supply allocation from the Colorado River. The flow chart and the process it outlines suggests a pathway to achieving statewide consensus for a new supply project, based on roundtables defining the scope of a project, the IBCC and CWCB providing insight and approval, and project proponents or participants designing a project based on statewide consensus about the criteria of what characteristics and components are needed to be included into the design, implementation, and operation of a water project for that project to be considered a "good" project for Colorado. The flow chart is based on several assumptions:

- The goal is to minimize the risk of a Compact call.
- An M&I gap exists and needs to be filled. Some of the water needed to fill that gap may come from the Colorado River. That portion of the gap that is not satisfied by identified projects or processes, conservation, or new supply will likely come from the change of agricultural water to municipal and industrial use.
- The current legal framework will apply.
- All roundtables are affected by a new supply project.
- This process would be voluntary. An inability to complete the process (all STOP signs in the complete framework) means that proponents revert to "business-as-usual" for building a new project.

[1] "New supply project" as shorthand to refer to a new water supply project that develops water from the Colorado River.

The complete flow chart is available in Appendix A. The key elements of the process are:



RECOMMENDATION 1: Convene the substantive dialogue on the new supply leg of the "four-legged stool" (Step One of the process flowchart). The Committee concludes that the roundtable-based process was very productive and therefore recommends that the Colorado Water Conservation Board strongly encourage the Interbasin Compact Committee (IBCC) and the several roundtables, in cooperation with the Department of Natural Resources senior staff to use the $100,000 reserved for Phase 2 of this process to convene or reconstitute a broad, knowledgeable group to initiate a discussion that would address the following issues related to new supply development from the Colorado River basin. This discussion is the first step in the process framework developed by the Committee. Questions to address include:

a. How can Colorado maximize use of its Colorado River entitlement while also minimizing the risk of overdevelopment of the Colorado River?
b. How can future water needs on the West Slope be adequately addressed in the development of a new transmountain diversion?
c. Who would finance a project, who has bonding authority, and what would the State's role be in funding a project?
d. What is the appropriate role of the State in a new supply project?
e. What are the alternatives to a new supply project, how can they receive sufficient consideration and analysis, and how can they promote flexibility and reliability of current water supply systems?
f. How might the State Engineer and the Upper Colorado River Commission (UCRC) administer a Compact call? Could this process influence that approach?
g. Do we want to affirmatively use the Colorado River Storage Projection Act (CRSPA) reservoirs as *sources* for water to use and consume **or** as *banks and protections* from the downstream compact obligations and develop other new storage? Are the two uses mutually exclusive or is there flexibility that would allow use of the reservoirs for both purposes and, if so, to what extent?
h. How do the member states in the UCRC coordinate and/or consult on a major new diversion from or potential impact to a CRSPA reservoir?

The Committee recommends that the dialogue be roundtable-based, meet monthly, have defined membership (which could include current members of the Committee, members of the New Supply Subcommittee, and community leaders), have a clear charge with identified benchmarks, and have the approval and support of the IBCC and the Colorado Water Conservation Board. The Committee further recommends that this roundtable-based dialogue use existing and future roundtable work and State reports (including the forthcoming Colorado River Water Availability Study II) in its deliberations. A sample scope of work for Phase 2 is included in this report as Appendix B.

RECOMMENDATION 2: Include a Dialogue on This Issue in a Future Statewide Summit

The Committee recommends that the Colorado Water Conservation Board include a dialogue on the work of this Committee in a future statewide summit to provide an opportunity for the roundtables, IBCC, CWCB, legislators, and community leaders to all hear the Committee's recommendations at the same time, ask questions, discuss the concept, and provide feedback.

RECOMMENDATION 3: Continue to Support Interbasin, Roundtable-Based Dialogues Like This One

The Committee recommends that CWCB continue to support and fund roundtable-based dialogues like this one. While this group's discussion has not always been easy, it has been immensely helpful in increasing understanding among roundtable members from different basins and in fostering the development of truly groundbreaking ideas that have support of the basin roundtables. Continuing to encourage, support, and fund these types of dialogues is an excellent way for the Board to advance the statewide water discussion and implement the spirit of the Colorado Water for the 21st Century Act (HB05-1177).

Invitation for Feedback

The Committee strongly encourages members of Colorado's water community to provide feedback on the process framework and the other recommendations included in this report. Any feedback received will be shared with the Phase 2 dialogue group to help inform their work, including the scope and substance of their deliberations. Feedback should be submitted to the facilitator, Heather Bergman, who will aggregate all responses into a single document and provide it to the Phase 2 group at their first meeting. heather@peakfacilitation.com

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Principles of a "Good" New Supply Project

The Committee invested a lot of time in learning about a possible Flaming Gorge project and worked to identify potential benefits and concerns about such a project (see below). As this dialogue unfolded, the Committee began to see that many of the potential benefits, concerns, and challenges could emerge from any new supply project and any new supply project that would be supported by individuals and communities around the state would need to address similar concerns and challenges. The Committee therefore decided to develop a consensus list of principles or characteristics of a "good" new supply project, or a new supply project that would have the highest likelihood of gaining support around the state. A "good" new supply project does the following:

- Facilitates Colorado's use (but not overuse) of its entitlement under the Colorado River Compact
- Decreases, or at least does not increase, the risk of Compact curtailment to existing water users
- Is clear about how it would affect the state's Compact compliance and also how storage would be a part of the project
- Is clearly related to the big picture of statewide water supply and demand
- Reduces municipal reliance on Denver Basin non-tributary groundwater, while promoting conjunctive use of groundwater and groundwater used as a dry-year, firm supply
- Provides a new water supply that is a viable option when compared to conversion of East Slope agricultural supplies
- Is designed and operated to create maximum flexibility for municipalities, industries, and agricultural producers, and still meet nonconsumptive uses during drought years
- Does not reduce yield to existing water users

- Does not forestall future West Slope water uses that are based on existing plans but are not as immediate as East Slope needs
- Explicitly protects existing agriculture
- Does not result in agricultural water rights being exchanged for other agricultural water rights (i.e., dry-up of West Slope agriculture in lieu of dry-up of East Slope agriculture)
- Entails cooperation among multiple entities and multiple basins
- Is multi-purpose, even if its primary purpose is to provide water for municipal or industrial uses and the secondary purposes are to provide water for agricultural and nonconsumptive uses
- Addresses hydrological and spatial variability among basins in order to prevent divisiveness between Front Range and West Slope communities
- Has support from basins on both sides of the Divide
- Represents a net benefit to the basin in which diversion occurs in terms of meeting water, environmental, social, and/or economic needs
- As much as possible, promotes ongoing economic strength, vitality, and benefits not only to the basin of receipt but to the source basin and the state as a whole
- Maintains or improves environmental conditions
- Does not require that the project proponent mitigate or redress environmental or other impacts of the past or of other projects and does not worsen environmental impacts created from the past; such additional mitigation would be funded as much as possible by other sources (State, federal, etc.); project would be even better if environmental conditions can be improved directly or in partnership with other entities
- Incorporates sufficient environmental and other impact review early on in the process; no reasonably foreseeable additional requirements or reviews will emerge in the middle of the process unless project scope or elements change
- Minimizes the need for new infrastructure / utilizes existing infrastructure to the maximum extent possible
- Has an identified source of funding and a clear governance, management, and operational plan
- Reflects exploration and implementation of as many alternatives as possible to ensure that demand and supply are both being addressed as creatively and comprehensively as possible

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Background on the Committee

Membership

The Committee was comprised of two representatives of each of the nine basin roundtables (BRTs) in Colorado, with the exception of the North Platte and Rio Grande Roundtables, which had one representative each. The State of Colorado had three seats but elected to be represented by one person with one vote. The environmental, recreation, and agricultural interests each had two seats. This group of individuals brought substantial geographic and substantive diversity to the discussion, with a wide variety of opinions and perspectives enhancing the discussion at every meeting. The complete list of Committee members is available in the protocols document in Appendix C.

How the Committee Was Established

The Flaming Gorge Committee process began with a Water Supply Reserve Account (WSRA) grant application from the Arkansas Basin and Metro Roundtables. The purpose of the first WSRA grant was to do a situation assessment to determine if stakeholders in Colorado's water community believed that a dialogue about a possible Flaming Gorge project would be productive and add value to the state's water discussion. In late 2010 and early 2011, stakeholders throughout the state participated in individual interviews, and an additional 32 individuals responded to an online survey. The vast majority of assessment respondents indicated that a

dialogue about a possible Flaming Gorge project would be valuable. The final stage of the assessment process was an in-person meeting with a small but diverse group of stakeholders to finalize a process concept that would become the foundation of a new WSRA grant application to fund the Flaming Gorge dialogue itself. The in-person meeting (June 2011) resulted in an agreement that the Flaming Gorge dialogue should be a roundtable-to-roundtable discussion, with additional seats made available for environmental, recreation, and agricultural interests.

The roundtable-based dialogue process became the foundation of a second WSRA grant application to Colorado Water Conservation Board. At their September 2011 meeting, the Board reviewed the new WSRA grant application, took substantial public comment, and then requested that the project scope and budget be revised. The project was subsequently divided into two phases.

- **Phase I** of the project was tightly focused on gathering information about a possible Flaming Gorge project and identifying what additional work might be needed to ensure sufficient understanding of such a project. The project was also reframed as a pilot project to test the idea of using roundtable-to-roundtable dialogue as a way to explore issues related to new projects and other water-related issues. Additional seats were also added for East Slope and West Slope representatives from the environmental, recreation, and agricultural communities. Phase I funding includes funds from the statewide WSRA account, as well as allocations of basin funds from eight basin roundtables.
- The revised project scope allowed for a possible **Phase II** of the project, with up to $100,000 of additional statewide funds set aside for additional work by the Committee, if the Committee agreed that such work would be valuable and the Board approved. The Board approved this revised project at the September meeting, and project planning and implementation began. (The situation assessment report and the revised, the approved WSRA grant application and revised scope of work for the Flaming Gorge Committee are attached, Appendices G, H, and I, respectively.)

How the Committee Operated

The Committee developed operating protocols to guide their work together and establish decision-making parameters. The Committee agreed to work to achieve consensus in all decisions. Consensus was defined as "all members of the Committee can live with" the proposal. This is a consensus report from the full Committee; all members agree that this report is an accurate summary of their work. Topics upon which the Committee did not seek consensus are identified as such for clarity. (The Committee protocols are attached in Appendix C for reference.)

As part of the Committee's commitment to transparency and participation, all Committee meetings were public. Anyone who wanted to requested notification of meetings and final meeting summaries was added to an email distribution list. Additionally, the Committee invited public comment during the first and last ten minutes of each meeting. Public comments were received and are documented in the Committee's meeting summaries.

The Work of the Committee

Identification of Interests and Issues (January 2012)

The Committee's work progressed through three distinct phases. First, the group identified interests and issues at play in a Flaming Gorge discussion. This step helped the Committee understand the breadth of issues associated with a possible Flaming Gorge project and prioritize its work. These interests and issues took the form of questions, and while many of the questions apply uniquely to a possible Flaming Gorge project, most of them apply equally to any new water supply project. As part of its commitment to continue to engage the water community in this dialogue, the Committee solicited comments on the interests and issues list from the basin roundtables, stakeholder groups, and the New Supply Subcommittee of the Interbasin Compact Committee

(IBCC). The complete, consensus list of interests and issues is available in Appendix D. Below is a summary of some of the questions that the group sought to address during this process.

- Big picture and tradeoffs in meeting Colorado's water supply gap
- Seniority of water rights of a new water supply project
- Technical feasibility
- Legalities (including Compact compliance and administration of a Compact call)
- Economic cost
- Environmental impacts (both positive and negative)
- Recreational impacts (both positive and negative)
- Agricultural impacts (both positive and negative)
- Socioeconomic impacts (both positive and negative)

Consultation with Experts (March - August 2012)

Following the identification of interests and issues, the Committee spent several meetings educating themselves about several issue clusters. To help them better understand the unique aspects of two different versions of a possible Flaming Gorge project, the group heard presentations from two project proponents. To increase the shared understanding of the Colorado River Compact, how it could affect water development in Colorado, and how a Compact call might be administered, the Committee heard presentations from both the Executive Director of the Colorado Water Conservation Board and the Colorado State Engineer. In order to understand how a possible Flaming Gorge might be addressed by the federal government and how it might impact endangered fish recovery on the Green River, the Committee heard from the US Bureau of Reclamation and the US Fish and Wildlife Service. Finally, two members of the Committee researched the role that states in the West have played in developing new water projects for discussion with the full group. The full presentations and the question/answer sessions that followed each of them are summarized in the appropriate meeting summaries in the Appendix E.

Concerns & Benefits of a Flaming Gorge Project (June – November 2012)

Upon learning about the two Flaming Gorge project concepts from the proponents and about some of the related issues from other experts, the Committee identified several concerns and benefits of a Flaming Gorge project. This list is available in Appendix F. The list represents the individual perspectives of Committee members. The concerns and benefits discussions occurred in a brainstorming format; the Committee did not seek to vet or otherwise assess the accuracy of the items on the list. The group also did not seek consensus on each item on the list and not all members agree with all items on the list. However, the Committee does agree that the list reflects the universe of ideas and issues that were raised. Rather than spend a lot of energy working to achieve consensus on each item in the list of issues related to a Flaming Gorge project, the Committee instead turned its attention to the bigger picture and what they had learned about issues related to any new supply project (see below).

Principles of a "Good" New Supply Project (June – November 2012)

See above

Recommendations (October – December 2012)

See above

Appendices A – F

Appendix A:	Threshold Steps and Process Framework for Consideration of a Major New Supply Allocation from the Colorado River (Complete Flow Chart)
Appendix B:	Sample Scope of Work for Phase 2 Dialogue
Appendix C:	Basin Roundtable Project Exploration Committee Protocols
Appendix D:	Interests and Issues in a Flaming Gorge Water Supply Project
Appendix E:	Meeting Summaries December 2011 through November 2011
Appendix F:	Concerns / Challenges and Potential Benefits of Any New Supply Project and of a Flaming Gorge Project

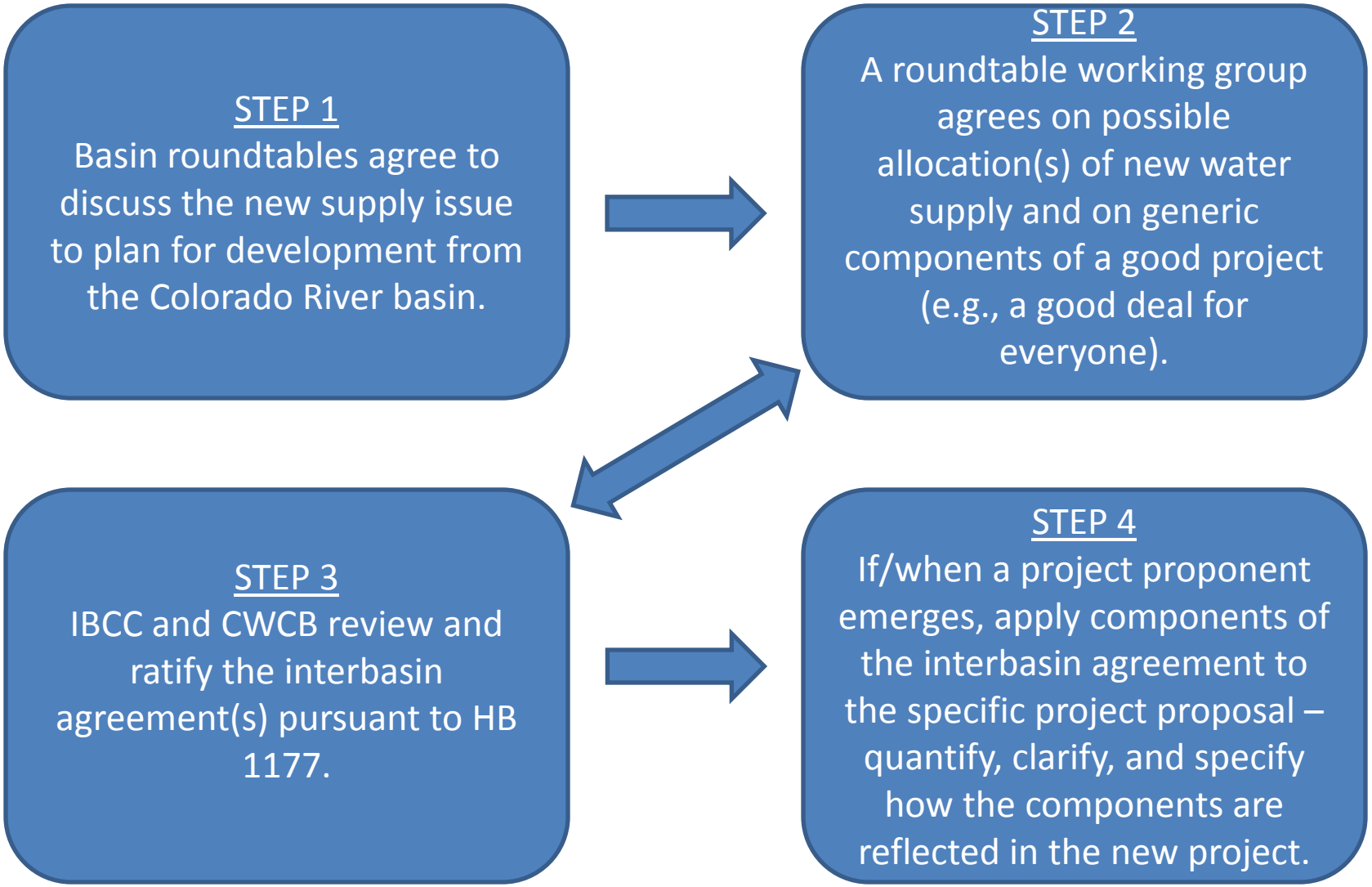
Appendix A

Threshold Steps and Process Framework for Consideration of a Major New Supply Allocation from the Colorado River

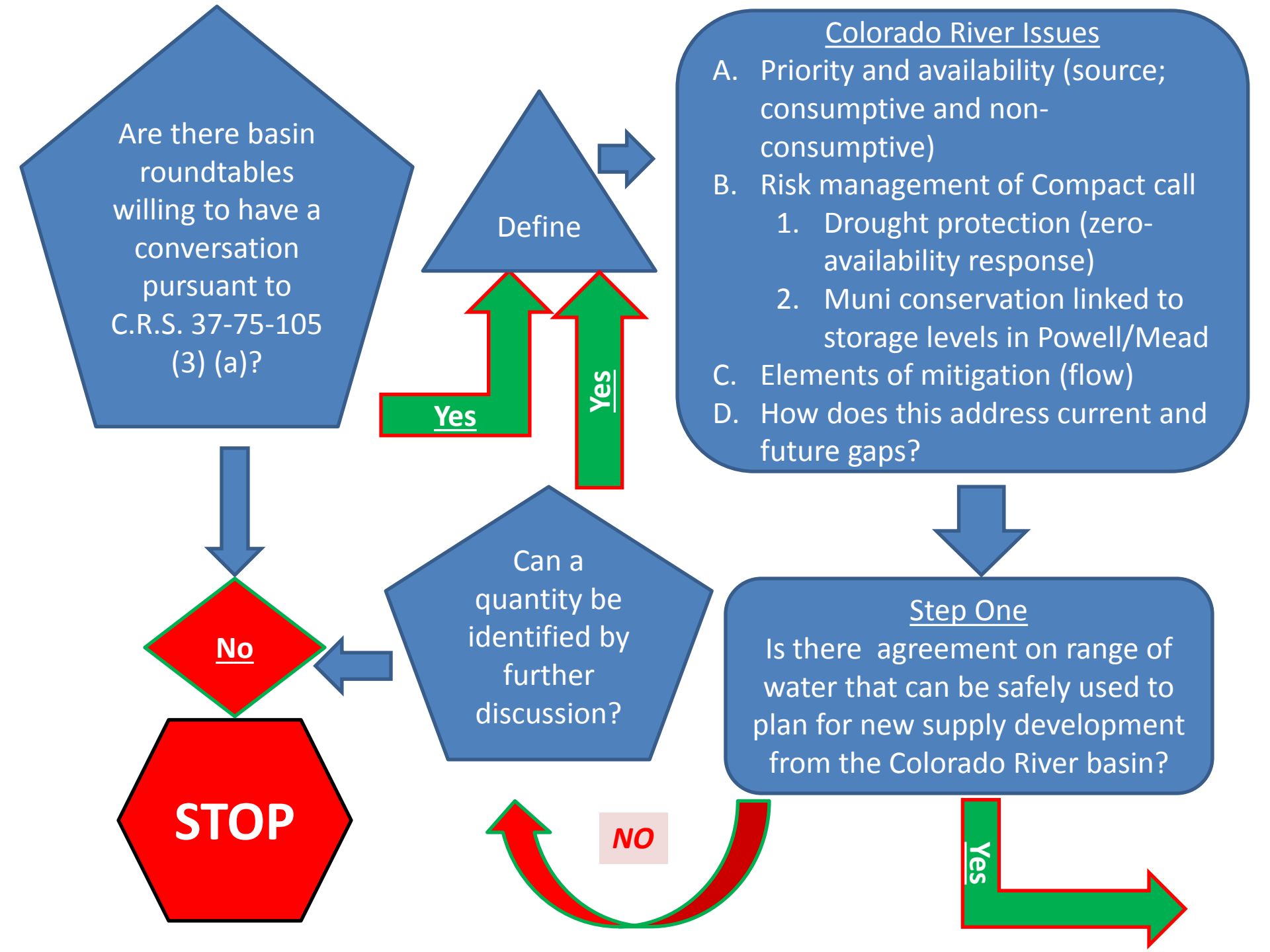
Developed by the Basin Roundtable
Project Exploration Committee

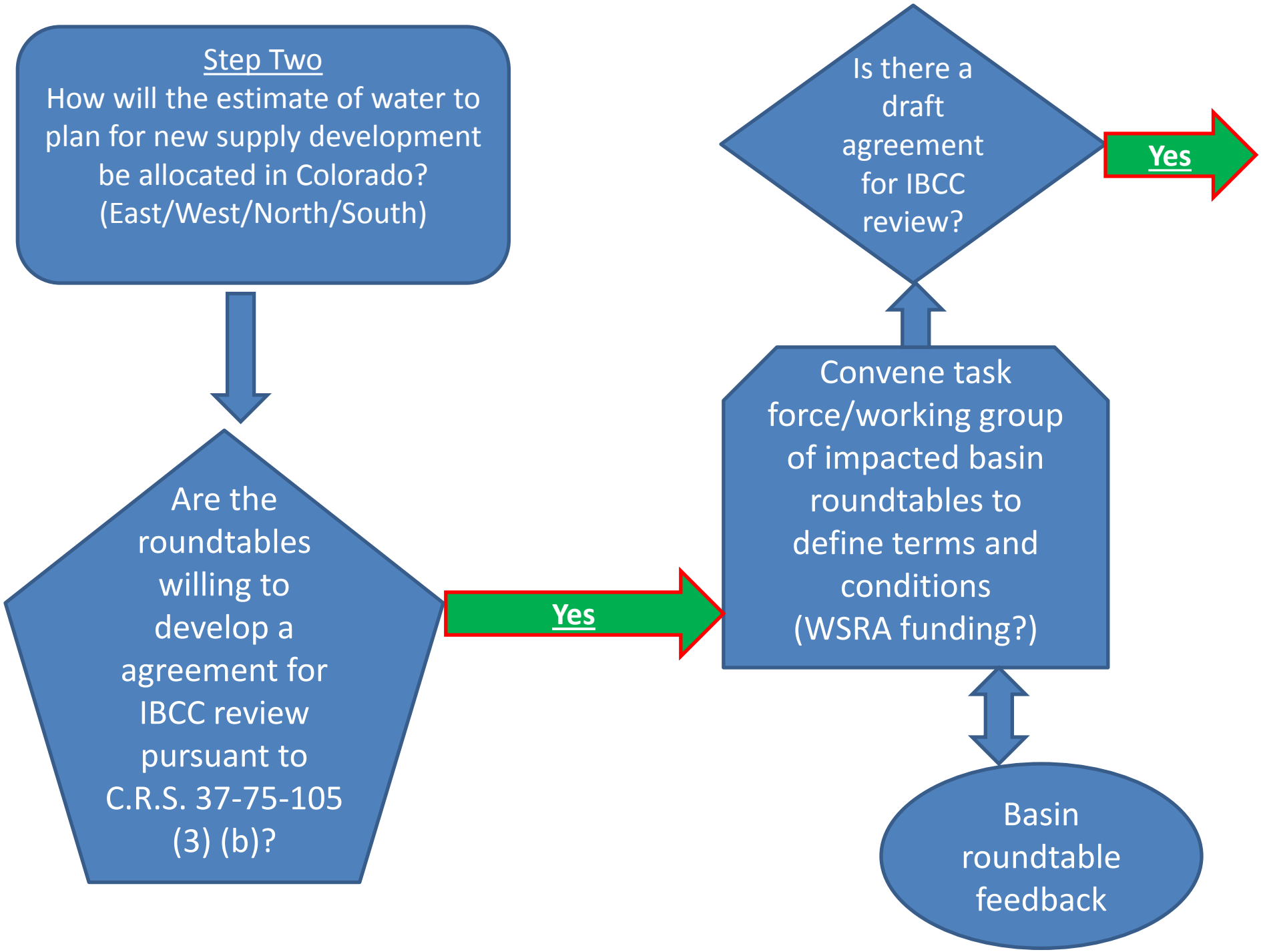
Final Draft from Project Exploration Committee Meeting 1_3_13

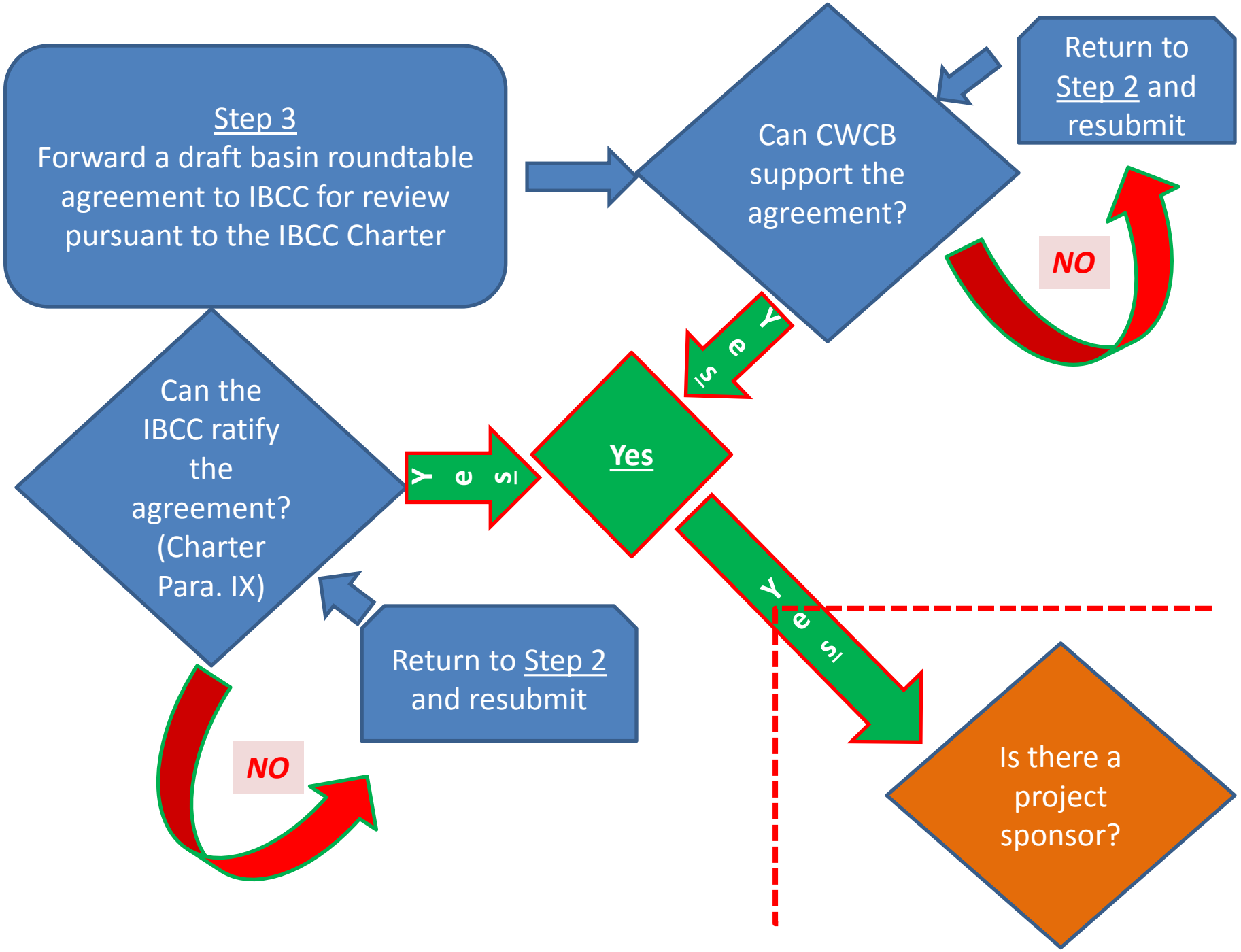
Framework Overview: 30,000-Foot Look at the Process

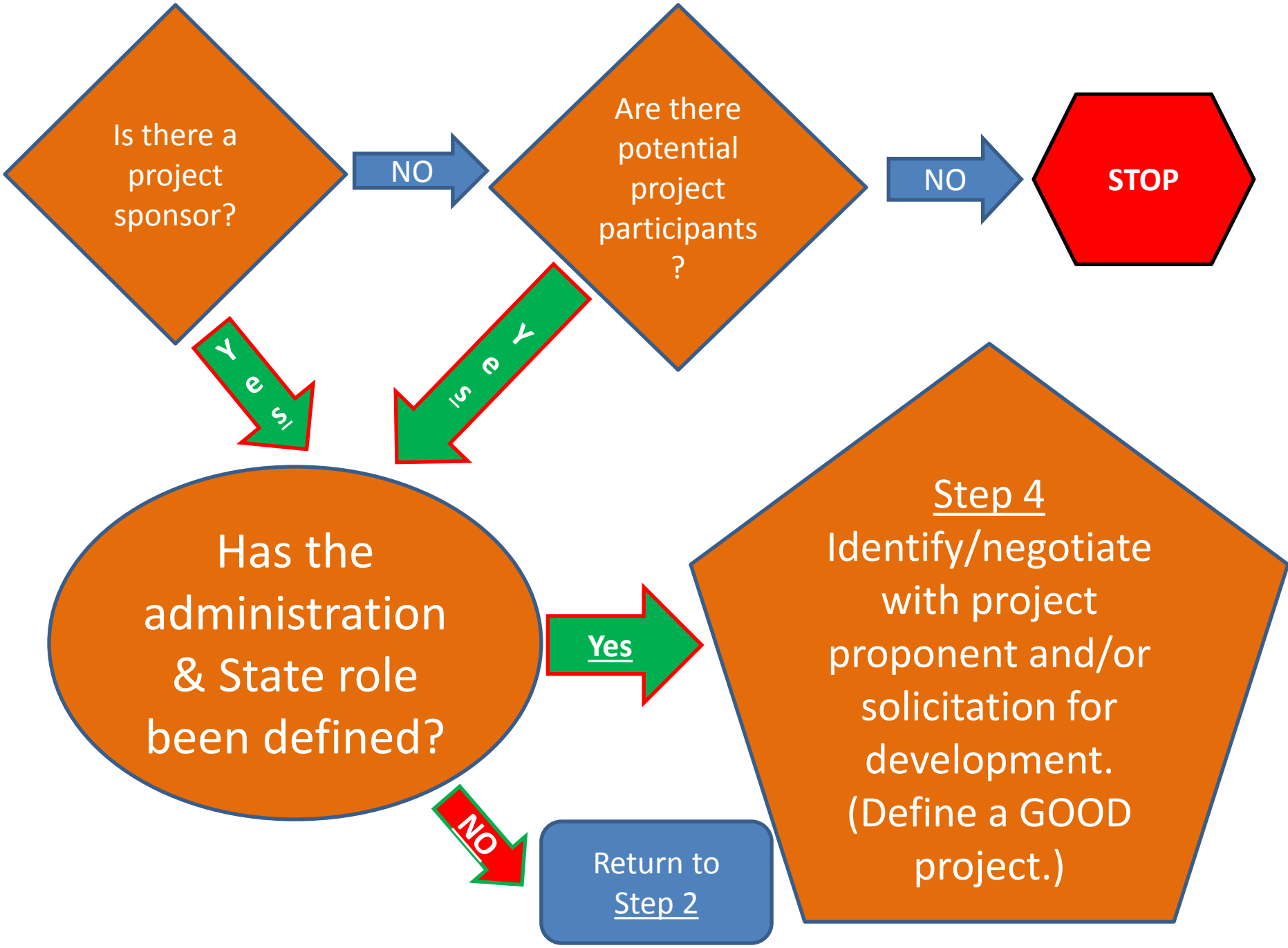


Framework Details

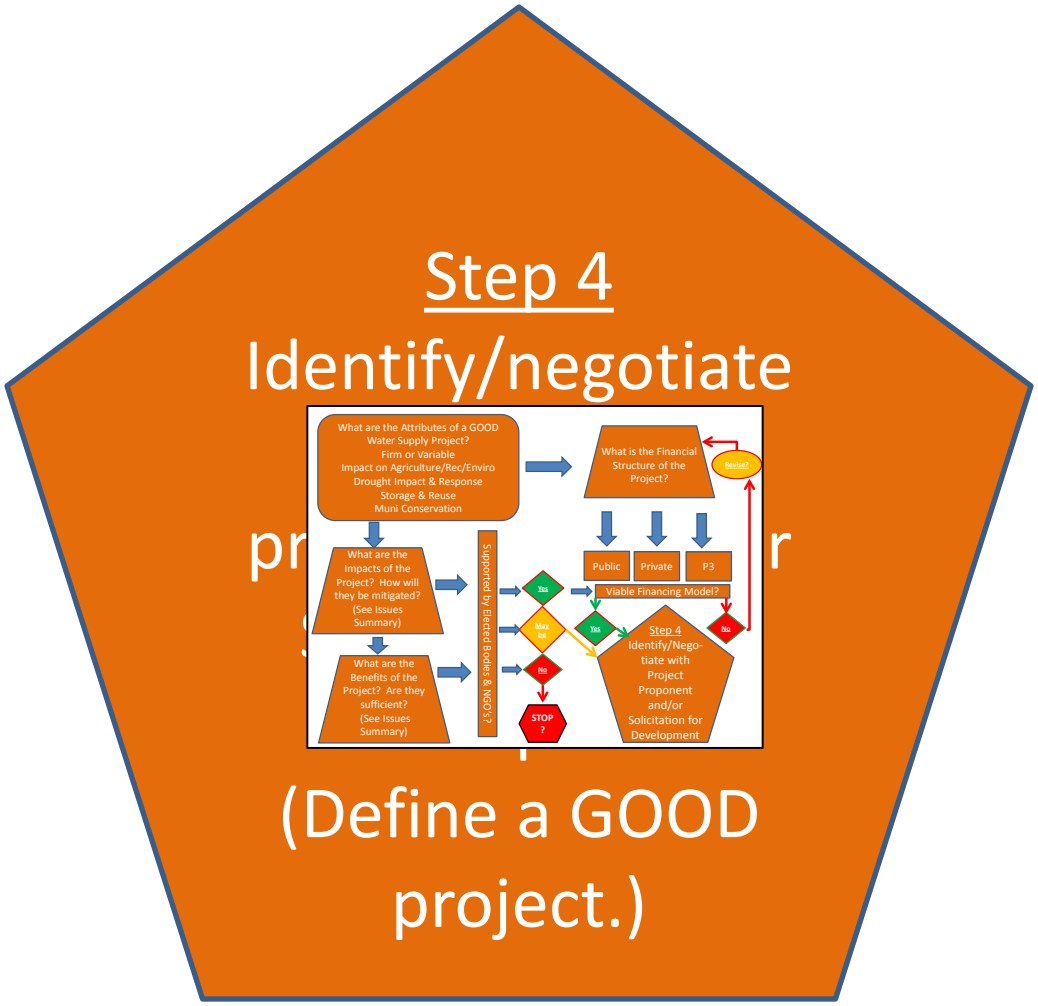

Are there basin roundtables willing to have a conversation pursuant to C.R.S. 37-75-105 (3) (a)?
Define
Yes
Yes
Colorado River Issues
A. Priority and availability (source; consumptive and non-consumptive)
B. Risk management of Compact call
1. Drought protection (zero-availability response)
2. Muni conservation linked to storage levels in Powell/Mead
C. Elements of mitigation (flow)
D. How does this address current and future gaps?
Step One
Is there agreement on range of water that can be safely used to plan for new supply development from the Colorado River basin?
Yes
NO
Can a quantity be identified by further discussion?
No
STOP

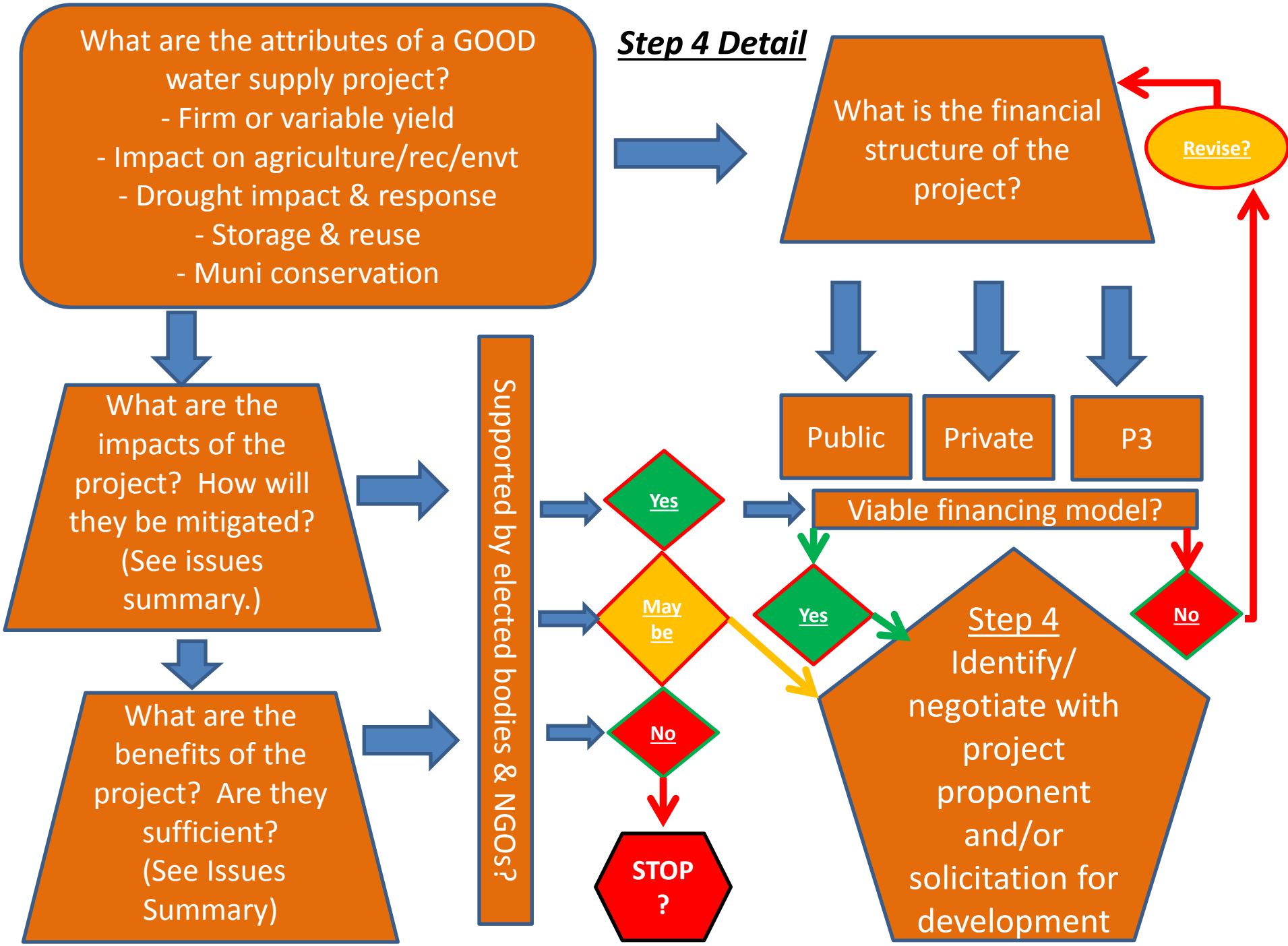

Step Two
How will the estimate of water to plan for new supply development be allocated in Colorado? (East/West/North/South)
Are the roundtables willing to develop a agreement for IBCC review pursuant to C.R.S. 37-75-105 (3) (b)?
Yes
Convene task force/working group of impacted basin roundtables to define terms and conditions (WSRA funding?)
Basin roundtable feedback
Is there a draft agreement for IBCC review?
Yes


Step 3
Forward a draft basin roundtable agreement to IBCC for review pursuant to the IBCC Charter
Can CWCB support the agreement?
Return to Step 2 and resubmit
NO
Yes
Yes
Can the IBCC ratify the agreement? (Charter Para. IX)
Yes
Return to Step 2 and resubmit
NO
Yes
Is there a project sponsor?


Is there a project sponsor?
NO
Are there potential project participants ?
NO
STOP
Yes
Yes
Has the administration & State role been defined?
Yes
Step 4
Identify/negotiate with project proponent and/or solicitation for development. (Define a GOOD project.)
NO
Return to Step 2

The Next Slide is embedded in Step 4




What are the attributes of a GOOD water supply project?
- Firm or variable yield
- Impact on agriculture/rec/envt
- Drought impact & response
- Storage & reuse
- Muni conservation
Step 4 Detail
What is the financial structure of the project?
Revise?
What are the impacts of the project? How will they be mitigated? (See issues summary.)
What are the benefits of the project? Are they sufficient? (See Issues Summary)
Supported by elected bodies & NGOs?
Yes
May be
No
STOP ?
Public
Private
P3
Viable financing model?
Yes
No
Step 4
Identify/ negotiate with project proponent and/or solicitation for development

Appendix B

Basin Roundtable Project Exploration Committee
Example Scope of Work for Phase 2 Dialogue

Task One: Convene the Committee (1 Meeting)

- Reset members at discretion of individuals, roundtables, and stakeholder groups and with advice of the CWCB and the IBCC
- Convene with existing protocols
- Review roundtable feedback/input
- Identify group's desired outcome(s) and develop a tentative scope of work and schedule
- Consider outreach at a major water event such as a statewide summit

Task Two: Roundtable Outreach (6-8 Meetings)

- Engage in roundtable and stakeholder outreach specific to the process framework flow chart
- Obtain roundtable and stakeholder input to inform Step One of the process framework
    - Identify studies, reports, and experts for information to provide to the Committee
    - Organize presentations as appropriate for the Committee's Task Three (below)
    - Outreach could be done by a sub-group of the committee (Committee members only, no facilitation required; Committee members' travel expenses covered)

Task Three: Discuss the New Supply Issue to Plan for Development from the Colorado River Basin (4 -8 Meetings)

- Invite selected presentations from basin roundtables to inform the dialogue
- Identify the opportunities, concerns, and constraints in each major West Slope basin (Yampa, Gunnison, Colorado Mainstem, Southwest) that relate to new supply planning
- Continue to identify the attributes of a "good" project
- Work with CWCB on Phase II of the Water Availability Study to understand the parameters of the Compact and Compact administration; integrate understanding into work of the Committee
- Stay abreast of basin-wide studies and discussions and how those might influence the work of the Committee
- Take public comment at each session of the committee
- Have dialogue with CWCB
- Encourage roundtables to convene regional summits on Colorado River water development issues
- Participate in a statewide roundtable summit on Colorado River water development issues

Task Four: Roundtable Outreach and Feedback (7~9 committee-and-roundtable meetings)

- Meet as a committee with basin roundtables in "impacted" basins (may include joint meetings with multiple roundtables)
- Have workshop with CWCB
- Review the feedback and revise as appropriate
- Take public comment at each session of the committee

Task Five: Presentation of Draft Report (2 Meetings)

- Provide preliminary results to IBCC/CWCB in an open forum for feedback prior to finalizing work
- Revise the draft report to complete the final report

Task Six: Submit Final Report (0 Meetings)

- Submit final report to CWCB
- Complete work of the Committee

Appendix C

Basin Roundtable Project Exploration Committee: Flaming Gorge
Final Committee Protocols – May 3, 2012

1. **Purpose**

The purpose of Basin Roundtable Project Exploration Committee is to 1) explore interests and issues related to a possible Flaming Gorge water supply project, 2) explore the current state of knowledge regarding the potential impact of a Flaming Gorge water supply project on those interests and issues, and 3) explore what additional work or activities would be needed to address the identified interests and issues. Additionally, the Committee is a pilot project that seeks to assess the effectiveness of using a roundtable-based collaborative dialogue to explore water supply projects and issues. The process is focused on a possible Flaming Gorge water supply project, but the Committee will note any issues, ideas, concepts, or concerns that emerge that may apply to or be associated with other potential water supply projects. ***The Committee is engaged in an exploratory and information-gathering process; no decisions or recommendations about whether or how to build a Flaming Gorge water supply project will emerge from this process.***

2. **Guiding Principles**

The Committee's work together is founded upon the following guiding principles:

a. Exploration: asking questions, examining information, and seeking new information
b. Openness: willingly sharing ideas and information
c. Open-mindedness: being open to ideas and information provided by others
d. Transparency: engaging in open, public dialogue
e. Shared education: learning together about the issues and interests at hand
f. Civil discourse: treating everyone in the group with dignity and respect
g. Productive dialogue: working to increase understanding and advance the discussion

3. **Representation**

Each Committee member was chosen to represent a particular roundtable or interest and should bring to the group the concerns, perspectives, and interests of their particular constituents. However, Committee members are committed to considering issues and ideas from a statewide perspective as well.

4. **Membership**

The Committee is comprised of two representatives of each of the nine basin roundtables in Colorado, with the exception of the North Platte and Rio Grande Roundtables, which have one representative each. The State of Colorado has three seats but has elected to be represented by one person with one vote. The environmental, recreation, and agricultural interests each have two seats.

Members of the Committee do not have alternates. Although other roundtable or community members are welcome to attend meetings, only named members of the Committee may participate in decision making. It is the responsibility of each Committee member to attend Committee meetings, engage in the dialogue, and do preparatory work to the best of his or her ability. If a Committee member is unable to attend a meeting, it is his or her responsibility to notify the facilitator and discuss alternate arrangements. If a Committee member is no longer able to serve on the Committee, it is his or her responsibility to ensure that a suitable replacement is identified in a timely fashion.

Committee Membership (5/2/12)

Seat / Interest	Representative 1	Representative 2
Arkansas BRT	Gary Barber	Betty Konarski
Colorado BRT	Dan Birch	Mel Rettig
Gunnison BRT	Rick Brinkman	Ken Spann
Metro BRT	Janet Bell	Tim Murrell
North Platte BRT	Carl Trick	N/A
Rio Grande BRT	Mike Gibson	N/A
South Platte BRT	Eric Wilkinson	Jim Yahn
Southwest BRT	Bruce Whitehead	Ann Oliver
Yampa/White/Green BRT	Kevin McBride	Kai Turner
State of Colorado	Jacob Bornstein	N/A
Environmental	Chuck Wanner (West Slope)	Bob Streeter (Front Range)
Recreation	Ken Neubecker (West Slope)	Reed Dils (Front Range)
Agriculture	T. Wright Dickinson (West Slope)	Gene Manuello (Front Range)

5. **Committee Member Responsibilities**
   a. Abide by the protocols and allow the facilitator to enforce them
   b. Engage in meaningful and productive dialogue
   c. Actively participate in discussions
   d. Speak up if in opposition to a proposal and provide an alternative approach or proposal
   e. Provide an explanation for all objections
   f. Avoid destructive language and personal attacks
   g. Speak only to own motivations and interests; refrain from characterizing others' motivations and interests
   h. Read materials prior to meetings; come prepared
   i. Be or become knowledgeable about the issue at hand
   j. Proactively work to keep constituents, colleagues, and managers informed about the work of the group
   k. Avoid surprises
   l. Disclose conflicts of interest
   m. Respect the time of the group; speak briefly and stay on topic
   n. Review draft documents in a timely fashion
   o. Protect the spirit of exploration and openness by refraining from attributing comments made in meetings to other Committee members

6. **Decision Making**

The Committee will seek to achieve consensus in all decisions. Consensus is defined as "all members of the Committee can live with" the proposal. If consensus is not possible, the Committee will use majoritarian voting to find resolution, and a super-majority (2/3 of the members in attendance) will be required to pass the proposal. In consensus and in majoritarian voting, each Committee member has a single and equal vote. Dissenting or minority opinions will be documented by the facilitation team in meeting summaries; Committee members are responsible for

ensuring that the summaries reflect their views accurately. No freestanding dissensions or minority reports will be produced by Committee members or the facilitation team. The opinions and actions of the Committee do not necessarily represent the opinions of, or bind, the individuals serving on the Committee or their organizations.

7. Agency Roles

The State of Colorado is represented by one individual who will ensure that the Colorado Water Conservation Board, the Colorado Department of Natural Resources, and the Governor's Special Advisor on Water Policy are aware of the Committee's work. The State representative will participate fully in the Committee and provide information and perspectives from the State proactively and as needed.

Although Wyoming, Utah, and several federal agencies do not have seats on the Committee, the Committee acknowledges the importance of these entities in a discussion about a possible Flaming Gorge water supply project. The Committee anticipates inviting individuals from these entities to participate in meetings as needed.

8. Role of the Facilitator

a. Managing all meeting logistics
b. Facilitating meetings to be on point, productive, and on time
c. Enforcing protocols
d. Being issue-neutral
e. Treating all participants fairly and equally
f. Maintaining confidentiality of any discussions with members if requested
g. Documenting all meetings
h. Making best effort to incorporate all suggestions for change to draft documents or providing explanation of why suggestions were not incorporated
i. Providing a next steps summary within 2 days of each meeting and a meeting summary within 2 weeks of each meeting
j. Managing and producing interim and final grant reporting and deliverables
k. Providing updates on the Committee to the Colorado Water Conservation Board as needed or requested
l. Deciding to cancel and/or reschedule a meeting due to weather and notifying the group in a timely fashion (cancellation will be based on whether travel conditions would affect safe travel for over half the group)
m. Making best effort to provide conference call access if needed and where equipment can be provided

9. Travel

The Pikes Peak Regional Water Authority will process all travel reimbursements for Committee members. There is $1,000 in travel funds available for each basin roundtable representative for up to 12 meetings. There is $2,000 in travel funds available for allocation among the six representatives from the environmental, recreation, and agricultural communities for up to 12 meetings. In all cases, travel reimbursements will be applied as requested until funds are gone. Basin roundtable members' reimbursements will be deducted from the appropriate basin roundtable account, while non-roundtable members' travel will be deducted from the project account. The State of Colorado travel rules and regulations apply to all reimbursements and have been provided to all Committee members.

In order to minimize travel costs, meetings will be held in the I-25 and I-70 corridors, unless the Committee agrees otherwise. Additionally, meeting locations will vary and occur around the state to distribute the travel burden among Committee members.

10. Media Interaction

The Committee process is intended to be open and transparent. Committee members may speak to the press at their discretion, but they may only speak about their own perspectives and the overall process. Committee members may not speak about the perspectives or ideas of other members of the group. Additionally, all final meeting summaries are public documents, and members may share these documents with the press at their discretion. Members will use their best judgment in all discussions with the press, working to ensure the ongoing collaborative spirit and integrity of the process. All Committee protocols apply in any interaction with the press.

11. Interaction with Other Entities

The Committee will maintain ongoing and open communications with the Colorado Water Conservation Board, the Interbasin Compact Committee (including its New Supply Subcommittee), and the basin roundtables. Committee members will not work outside the process to influence Committee discussions or outcomes. All concerns or desires about the process will be raised openly with Committee. Any need or desire to coordinate or collaborate with other groups or efforts must be discussed and agreed to by the Committee.

12. Documentation

All documents are draft unless labeled "final." Draft documents should not be construed as final. Only the information contained in final documents represents the opinion and action of the Committee. Circulation of draft documents should be limited; draft documents are intended for use by the Committee until documents are approved as final. Each meeting will result in a list of next steps available to members within two days of the meeting, and a draft meeting summary will be circulated to Committee members for review and revision before being finalized. Committee members will have one week to respond to draft documents. Information expressed in a draft document does not necessarily represent the opinion of the Committee.

13. Public Meetings and Notification

All Committee meetings are public. Anyone who would like to receive notification of meetings and final meeting summaries should contact the facilitator to be added to the email distribution list. The public and the Committee will receive a meeting notification two weeks prior to the meeting and a reminder several days before the meeting.

14. Public Comment

Public comment will be invited at each meeting during the first and last ten minutes of the meeting. Time allocation per person will be based on the number of speakers and will be at the facilitator's discretion.

15. Amending the Protocols

These protocols can be amended by the Committee. The decision-making methods outlined in Item 6, above, apply to any effort to amend the protocols.

Appendix D

Basin Roundtable Project Exploration Committee: Flaming Gorge
Interests and Issues in a Flaming Gorge Water Supply Project
WORKING DOCUMENT – PREPARED FOR ROUNDTABLE, IBCC, AND CWCB FEEDBACK

Note: This document is a brainstormed list. The Committee does not anticipate being able to answer or explore all of the questions identified in this document. Letters and numbers do not reflect prioritization; they are for reference only.

FG or Any[1]	Interests, Issues, and Related Questions
A. Understanding the Big Picture and Tradeoffs	
	1. Scope, Purpose, and Need a. What is the scope of the project? b. What is the purpose of the project? c. What is the need for the project?
	2. Other Options Are there other projects that, while perhaps not meeting the full yield of a Flaming Gorge pumpback, could meet an increment of new demands and that are less costly, more reliable, with greater certainty and with lesser impacts?
	3. Impacts to "the Stool" a. How does building or not building the project impact the "new supply leg of the stool"? b. How does building or not building the project impact the other legs of the stool (conservation, IPPs, and agricultural transfers)?
	4. Tradeoffs and Benefits a. How does building or not building the project impact the tradeoffs considered in the Portfolio Analysis and Tradeoff Tool (i.e., reductions in irrigated acres, nonconsumptive metrics, cost, etc.) and any other tradeoffs that need to be considered? b. How can the project be designed to develop multiple benefits for a variety of interests? c. What are the options for tradeoffs, mitigation, and compensatory projects?
B. Understanding Whether a Project is Technically Feasible	
	1. Water Source, Water Rights, and Seniority a. What are the options for the physical source of the water for a project? b. Does it come from actual new appropriations on the Green River? If so, under what water right? c. Could it be a joint Wyoming or Colorado water right? d. What should the seniority of the project water rights be? e. Will they have priorities governed by Wyoming law? f. Would taking the water under a junior priority remove some of the risk from other users on the stream?

[1] Indicates whether an issue or question applies only to a Flaming Gorge project (FG) or to any transbasin diversion (Any)

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	g. What are the risks to other vested water rights, both in Wyoming and in Colorado? h. What are those risks under "normal" operation and under a Compact-delivery shortage scenario? i. Should they have a priority in the Colorado administration system as a condition of moving forward?
	2. <u>Water Purchase and Cost</u> a. Could the water be purchased? At what cost? In what sort of payment structure? b. Would that cost be the same as that offered to other users on the river? c. Would the purchase price include compensation for downstream injury due to the loss of otherwise available return flows? d. Would the water be purchased, contracted, or adjudicated under Wyoming law?
	3. <u>Water Availability and Impacts at Flaming Gorge Reservoir (FGR)</u> a. What is the designated amount of water to be moved annually? b. What are the options for contracting out of Flaming Gorge Reservoir (FGR)? c. Is the water truly available on a long-term, firm-yield basis? d. If it is contracted from FGR, what are the effects on the obligations of the other Colorado River Storage Project Act (CRSPA) facilities? e. What is the effect on the minimum power pool at FGR? f. How does the contracting party avoid the inherent safety (escape) clauses in a standard contract in the event of a drought?
	4. <u>Water on the Front Range of Colorado</u> a. What are the options for the amount of water brought to the Front Range, the timing of the water, and the variability of water amounts from year-to-year? b. How do these variations offset other issues? c. What are the options for cooperative infrastructure on the Front Range for delivering water from Flaming Gorge?
	5. <u>Federal Permitting and the Role of Federal Agencies</u> a. Can the project be permitted? This question applies to multiple components of a project, including diversion, storage sites, and pipelines. b. What is the role of the Bureau of Reclamation (BoR) in a project? c. What is the role of the US Army Corps of Engineers (USACE)?

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	d. What is the role of the Federal Energy Regulatory Commission (FERC)? e. What is the role of the US Environmental Protection Agency (EPA)? f. What are the options for who should be the lead agency on the federal permitting process? g. What is a realistic timeframe for permitting, financing and constructing a project of this magnitude? Are there recent examples?
	6. <u>State and Local Permitting</u> a. What are the respective permitting requirements in Wyoming and Colorado at the state level? b. What are the respective permitting requirements at the local government level(s) in Colorado and Wyoming?
	7. <u>Building a Project</u> a. What are the options for who would build the project? b. Who or what entity truly has the resources or funding base to undertake the project? c. Are named water providers willing to step forward and take the risk?
	8. <u>Funding a Project</u> a. What are the options for financing a project? b. What are the likely repayment obligations and means to pay for it? c. What are the likely water rates to the end users likely to be to service these payment obligations? d. Could the State of Colorado build a project with project beneficiaries paying the State back over a pre-determined period of time?
	9. <u>Water Allocation and Use</u> a. What are the options for allocating water to/among ultimate end users? b. Who, among various interests likely to receive water, should have priority and in what order? c. How much water should be allocated to filling the projected M&I gap on the Front Range of Colorado? d. How much water should be allocated to filling existing agricultural shortages on the Front Range of Colorado? e. How much water should be allocated to filling existing and new non-consumptive demands along the Front Range in Colorado? f. How much water should be allocated to M&I needs in Wyoming? g. How much water should be allocated to agricultural shortages in Wyoming?

Basin Roundtable Project Exploration Committee: Flaming Gorge
Interests and Issues in a Flaming Gorge Water Supply Project
WORKING DOCUMENT – PREPARED FOR ROUNDTABLE, IBCC, AND CWCB FEEDBACK

Note: This document is a brainstormed list. The Committee does not anticipate being able to answer or explore all of the questions identified in this document. Letters and numbers do not reflect prioritization; they are for reference only.

FG or Any[1]	Interests, Issues, and Related Questions
	10. Diversion Points and Implications a. What are the options for the diversion point? b. Would the project divert directly from FGR? If so, what are the implications of direct diversion? c. Would the project divert upstream of FGR? If so, what are the implications of upstream diversion from the Green River or its tributaries? d. What are the implications of having a large-scale collection system?
	11. Pipeline Specifics a. How long would the pipeline need to be? b. Where would it go? c. Where are the ultimate delivery objectives and who is/are truly the ultimate end user(s)? d. What is the best route from an engineering standpoint? e. What are the likely size, diameter, and strength of the pipeline requirements? f. Could some of the distance be done in existing stream channels or in a concrete-lined ditch? g. What are the pumping requirements?
	12. Storage Options and Requirements a. What kind of firming storage would be required? b. Where could that storage occur? c. Could Flaming Gorge Reservoir be used to provide the necessary firming storage? d. Would firming storage be required on essentially both ends of the pipeline and at every major pumping point in the route? e. What assumptions need to be made in terms of scale regarding the firming storage? f. What are the additional cooperative, legal, administrative, and other issues associated with pursuing storage somewhere other than in the Flaming Gorge Reservoir?
	13. Water Quality and Treatment a. What is the current quality of the anticipated water source? b. What will be the effect of depletions caused by the project on water quality in the Green River and/or FGR? c. Will the effect on existing quality be magnified at points of diversion or in the tributary reaches of a large-scale collection system?

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	d. How will the water be treated to ensure that it is safe to drink? e. What additional treatment might be required to ensure that water is safe to drink? f. What treatment technology will be used? g. What additional costs or infrastructure requirements does the treatment entail? h. Would treatment occur at the point of diversion or point of delivery?
	14. <u>Energy Needs, Cost, and Impacts</u> a. How much energy would be required to operate the project? b. What would the source of that energy be? c. What would the cost of that energy be? d. Would additional transmission capacity be required and at what cost? e. Would additional generation capacity be required and at what cost? f. Would the project's water generate any power via hydroelectric generation in the pipeline? g. What will be the long-term effect on the federal minimum power pools at FGR?
	15. <u>Hydropower Creation and Revenues</u> a. What will be the resulting federal hydropower revenue stream from FGR as a result of the diversions contemplated by the project being fully implemented? b. What are the current hydropower revenues under historical operations at FGR? c. What are the likely hydropower revenues at different scenarios of diversions to the project?
	16. <u>Wyoming Participation and Needs</u> a. What are the options for Wyoming or Wyoming entities to participate in the project? b. What are their needs and delivery requirements?
C. Understanding Legalities of Building and Operating a Project	
	1. <u>Ownership and Operation</u> a. What are the options for ownership of the project? b. What are the options for ownership of the water? c. What are the options for who could/would operate the project once it is built?
	2. <u>Contracting and Administration with BoR</u> a. If water is supplied through a supply contract with the Bureau of Reclamation, what are the options for who would hold

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	the contract? b. What are the Bureau of Reclamation's authority, requirements, and limitations for contracting the water (i.e., amount or duration of contract, operations limitations, and connection facilities to the reservoir)?
	3. <u>Legality of Depletion</u> a. What are the legal options for depletion of Colorado River water in Wyoming or Utah for use in Colorado? b. What are the legal hurdles for such a depletion?
	4. <u>Project Administration</u> a. How would the project be administered within Wyoming and Colorado water law? b. How would interstate cooperation be established and implemented to administer the project? c. Would Wyoming be a participant or beneficiary? d. What legal requirements would be necessary for cooperative efforts between Colorado and Wyoming?
	5. <u>Water Availability and Risk</u> a. Given current levels of depletions, full use of existing systems (such as Denver's Dillon Reservoir system), currently anticipated projects (such as Windy Gap Firming and Moffat Enlargement), and the potential for other West Slope needs for water such as for energy development, is there sufficient remaining water supply to develop? b. Does the physical water exist for this project and what are the options for protecting other users if a project is built? c. How much water is available in FGR? d. How much water is available in e. How much water is expected to come from peak flows on the Green River and how much from base flows? f. How does a Flaming Gorge pumpback increase the risk to other existing uses whether senior or junior to the pumpback? g. What are the options for eliminating, minimizing, or managing risks? h. What are the impacts to the firm yield of the project if the anticipated amount of water is not available from FGR's CRSPA water right? i. What are the impacts to water availability from coalbed methane (CBM) water being returned to the river system after use in Wyoming?
	6. <u>Colorado River Compact Entitlement and Impacts</u> a. What would the impacts of a project be on compliance with the Colorado River Compact and other interstate agreements? b. How much is Colorado's remaining entitlement under the Colorado River Compact?

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	c. What are the effects on Colorado of developing this level of Colorado's remaining entitlement in this manner? d. How would a project affect curtailment under the Colorado River Compact? e. Could this lead to curtailment of other users in Colorado in the event of drought? f. Who should bear the risk of curtailment in the future if this project moves forward? g. What are the implications of the project on the 602(a) storage trigger in the Colorado River Storage Project Act? h. What are the implications of the project on the obligation of the Upper Basin states to deliver water to Mexico under the Mexican Treaty? i. What are the benefits to Utah and New Mexico if Colorado does not develop available Colorado River Compact Entitlements?
	7. <u>Seniority of Water Rights</u> a. What are the options for the seniority and priority date of the water rights? b. Will the project be junior to: 1) any Colorado water rights perfected by use prior to the Colorado River Compact, 2) any Colorado obligation to deliver water to Mexico, 3) any Colorado obligation to not deplete the Colorado River below 75 MAF over 10 years to the Lower Basin States, and 4) any water right perfected in Colorado prior to 2011?
	8. <u>Risk of Triggering a Compact Call</u> a. What ways exist for structuring the project to avoid or minimize the risk of triggering a Compact call? b. Is it sufficient to minimize the risk of a Compact call or should there be a more aggressive goal relative to the Compact? c. Can the project be built with acceptable triggers that would require diversions to cease in the event of certain conditions arising on the Colorado River System? d. Could Colorado create an Intentionally Created Surplus (ICS) in Lake Powell to help address risk management? (This would require Upper Basin negotiations.) e. To what extent would a project like this increase the frequency or duration of a Compact call?
	9. <u>Water Supply Benefits and Impacts</u> a. How would the project benefit or negatively impact Colorado's water supply? b. What are the benefits specifically? c. Who benefits? d. Are those who benefit paying for the impacts? e. How does that fit with a longer-term vision for the state?

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	f. Does the project improve water supplies in the context of global warming? g. Does the project place existing users (and their economic activity) at risk in the context of global warming? h. Are there opportunities for exchange to relieve pressure on Colorado River headwaters? i. Under correct configuration and State cooperation, would the project be able to benefit the South Platte, Arkansas, North Platte, Colorado, and Gunnison Rivers? j. What are the options for benefitting each West Slope basin if a Flaming Gorge project is built?
	10. <u>Conjunctive Use and Reuse</u> a. Are there opportunities for conjunctive use with non-tributary Denver Basin aquifer in dry years? b. What reuse options exist? c. Does reuse present a benefit for agriculture along the South Platte River? d. Are reuse benefits limited to municipal components in the Front Range corridor?
D. Understanding the Economic Costs of a Project	
	1. <u>Project Costs</u> a. What are the capital costs of a project? These costs include (but are not limited to): water rights, firming storage, transmission facilities, diversion structures, pumping facilities, terminal storage, water treatment, reuse facilities, permitting costs, mitigation costs, and any related engineering, legal, and administrative fees. b. What are the operation, maintenance, energy, replacement, and other life-cycle costs of a project? What would the acre-foot charge be for water for M&I use from the Bureau of Reclamation on an annual basis? c. What costs, if any, increase or decrease over time? Will it be likely that the cost of power and water will increase over the lifespan of the project? d. What costs, if any, increase or decrease depending on the diversion location or other project specifics? e. What is the total anticipated cost or cost range of a project? How are the real environmental and recreational costs and benefits of the project quantified and compensated for? f. What would be the required operational reserves? g. What are the annualized capital costs per acre-foot? h. What are the annual operating costs per acre-foot? i. What are the total annualized costs per acre-foot? j. What are the pre-treatment and post-treatment costs per acre-foot compared to other supply alternatives?

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FG or Any[1]	Interests, Issues, and Related Questions
	k. What are the externalized costs of a project (costs that accrue to society or other interests)?
	2. <u>Project Funding and Financing</u> a. What are the options to fund the project? b. Project proponents, the State, the federal government? c. How would the funder pay for it? d. How do the costs compare with other existing or reasonably foreseeable sources of water? e. If financed, what are the likely financing terms? f. Is the project viable from a financing perspective? g. How would bondholders view the project, especially given risks and uncertainties under the Compact? h. What are the options to pay annual operation and maintenance costs? i. What would be the required reserve funds for emergencies? j. How would these costs affect rates for consumers and tap fees?
E. Understanding the Environmental Impacts (Positive and Negative) of a Project	
	1. <u>General Environmental Impacts</u> a. What are the anticipated environmental impacts of a project (e.g., existing and future flow alterations, impacts to existing programs, ecosystem impacts, etc.)? b. What are the environmental impacts to the Yampa, White, and Green River Basins of development of a Flaming Gorge causing other M&I water users to turn to buy-and-dry of agricultural water to continue or expand their own operations? c. What options exist for mitigating potential negative impacts? d. What are the impacts from lower flows and revised dam operations for hydropower generation downstream? e. What are the cumulative impacts downstream to the confluence with the Colorado? f. Is mitigation of these impacts possible or realistic?
	2. <u>Endangered Fish</u> a. What are the effects on, and mitigation for, the Programmatic Biological Opinion (PBO) on the Green River and other Endangered Species Act (ESA) concerns? b. What flexibility does the Green River PBO offer relative to the PBOs on other systems (Yampa, Colorado, and Gunnison)? c. How does the project protect the 54,000AF of water reserved under the Yampa Plan and PBO?

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FG or Any[1]	Interests, Issues, and Related Questions
	3. Impacts to Water Quality a. What are the anticipated impacts to flow regimes on the Green River? b. What are the anticipated impacts to temperature on the Green River? c. What are the anticipated impacts to water quality generally on the Green River?
	4. Environmental Benefits What are the anticipated environmental benefits of a project?
F. Understanding the Recreational Impacts (Positive and Negative) of a Project	
	1. General Recreational Impacts a. What are the anticipated impacts of a project to recreation? (Particularly the world class trout fishery below the dam?) b. What options exist for mitigating potential negative impacts? c. Is mitigation even possible?
	2. Recreational Boating a. What are the potential impacts to stream recreation in the area of diversions? (E.g., side streams or the Green River and the Yampa.) b. What are the potential impacts to flat water recreation at FGR? c. What are the anticipated impacts to white water boating downstream through Dinosaur National Park, Grays Canyon, Desolation Canyon, and Canyonlands National Park through to the confluence with the Colorado?
	3. Recreation Benefits What are the anticipated environmental benefits of a project?
G. Understanding the Impacts to Agriculture across the State from a Project	
	1. General Agriculture Impacts a. What are the anticipated costs and impacts to agriculture in the state (on both the East and West Slopes)? b. What options exist for mitigating negative impacts?
	2. State Goals for Agriculture a. What is the goal for trying to meet the state's identified shortages of water for agricultural use on the East Slope? What are the requirements identified in SWSI 2010? b. What is the goal for trying to meet the state's identified shortages of water for agricultural use on the West Slope? What are the requirements identified in SWSI 2010?

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FG or Any[1]	Interests, Issues, and Related Questions
	3. Agricultural Benefits What are the anticipated benefits to agriculture from a project?
	4. Costs of Converting Agricultural Water to M&I Use a. What are the agricultural impacts to the Yampa, White, and Green River Basins of development of a Flaming Gorge causing other M&I water users to turn to buy-and-dry of agricultural water to continue or expand their own operations? b. What is the effect on Colorado's economy of properly utilizing the available Compact Entitlement vs. conversion of agricultural water to M&I use? c. What is the number of acres of agricultural dry-up for every firm acre-foot of available Compact Entitlement not developed? d. How would a project like this affect the resale value of agricultural water rights?
H. Understanding the Socioeconomic Impacts of a Project	
	1. General Socioeconomic Impacts a. What are the anticipated socioeconomic impacts of a project? b. Where do those impacts occur? (This should include an assessment of impacts above and below FGR.) c. What are the socioeconomic impacts to the Yampa, White, and Green River Basins of development of a Flaming Gorge causing other M&I water users to turn to buy-and-dry of agricultural water to continue or expand their own operations? d. What options exist for mitigation potential negative impacts?
	2. Socioeconomic Cost of Risk a. If the project places all water rights junior to the Colorado River Compact at greater risk of curtailment, what is the socioeconomic cost of that risk? b. Who should bear the cost of that risk?
	3. Socioeconomic Benefits What are the anticipated environmental benefits of a project?
	4. Impacts on Land Use a. What are the anticipated impacts (positive and negative) on land use patterns, density, and landscaping? b. What options exist for mitigating potential negative impacts?

Appendix E

Basin Roundtable Project Exploration Committee: Flaming Gorge
December 13, 2011 – 12pm to 5pm
Hampton Inn; Glendale, CO
FINAL Meeting Summary

Attendees

Gary Barber
Janet Bell
Rick Brinkman
Eric Hecox
Betty Konarski
Kevin McBride
Mel Rettig
Ken Spann
Carl Trick
Kai Turner
Bruce Whitehead
Eric Wilkinson
Jim Yahn

Facilitation Team

Heather Bergman and Mikaela Gregg, Peak Facilitation Group

Welcome and Introductions

Facilitator Heather Bergman opened the meeting by outlining the meeting objectives and agenda. Committee members took a few minutes to introduce themselves and provide a brief outline of their respective backgrounds.

Meeting Objectives

- Get to know the members of the Committee
- Agree on approach for filling remaining seats for environmental, agriculture, and recreation representatives
- Agree on preliminary protocols
- Review preliminary list of issues and interests and agree on approach for getting roundtable, Interbasin Compact Committee (IBCC), and other stakeholder feedback
- Agree on meeting schedule through June

Brief Summary of Background

Heather provided the Committee with a brief summary of the Flaming Gorge Task Force Situation Assessment, the development of the Basin Roundtable Project Exploration Committee, and the approval of the Colorado Water Conservation Board for the final scope of work for this project.

The Arkansas Basin Roundtable initiated a Water Supply Reserve Account grant for an assessment project to look at whether or not there should be a stakeholder dialogue about a possible Flaming Gorge project. The consultants contracted for the assessment interviewed a diverse group of stakeholders and offered an online survey asking a series of questions regarding the pros and cons of having an organized dialogue about a Flaming Gorge project.

One of the critical questions asked was how a possible dialogue would fit in with all the other efforts occurring around the state. While the vast majority of stakeholders said yes, there should be a dialogue, there was substantial variation of opinion regarding what entity should lead/house the dialogue, how it should be organized, who should be engaged, etc. Therefore, the final assessment report made the recommendation for a free-standing dialogue, independent of both the Interbasin Compact Committee (IBCC) and the Colorado Water Conservation Board (CWCB). The final deliverable of the assessment project was to convene a preliminary meeting to further frame the process. This meeting was held in June 2011. At this meeting, the group determined that the Flaming Gorge dialogue should be based in the basin roundtable process and benefit from the local water knowledge and diverse perspectives that process provides. The preliminary meeting also resulted in a decision to engage environmental, recreational, and agricultural stakeholders, but the group did not have the opportunity to determine how

these seats should be filled. That task now lies with the Basin Roundtable Project Exploration Committee (see below).

Project Scope of Work
The scope of work for the Committee has been modified from the original grant application in order to meet the CWCB's request for a reduced project budget. It is important to recognize that this project is a pilot process using the topic of Flaming Gorge to assess whether a roundtable-based dialogue is a productive approach for discussing new supply projects. The following outlines the current scope of work and set of outcomes to be achieved by the Committee.

Task 1: Identification of Interests and Issues
Develop a preliminary list of interests and issues using SWSI 2010 and information gathered for the Flaming Gorge Task Force Situation Assessment as a starting point for IBCC and BRT discussion and additional contribution

Task 2: Exploration of Current State of Knowledge Regarding Interests and Issues
Discuss and prioritize the preliminary list of interest and issues and explore existing resources in order to outline the range of perspectives/conclusions about a Flaming Gorge project and develop a collective statement regarding what is currently known

Task 3: Exploration of What Would Be Needed to Address Interests and Issues
Discuss what would be needed (including additional work) to address interests and issues

Task 4: Process/Dialogue and Assessment
- Evaluate whether or not the process was effective and could/should be used to assess other potential projects
- Form a recommendation regarding next steps for the Committee

Committee Agreement on Process for Today's Meeting
It was recommended that the Committee use consensus as the decision-making process for this meeting. Consensus was defined as reaching agreement that everyone in the group can *live with*; it does not mean that there is unanimous support, but that the group has worked through a process that attempted to address everyone's interests and everyone can live with the agreement and agree not to block it. In the event that the Committee cannot reach consensus, the Committee would then use majoritarian voting. Highlights from the Committee's discussion include:

- There is concern regarding the use of a consensus process as this is not a decision-making style used in most political arenas.
- If consensus is used it will be important to try to seek full support for a decision, to address all critical issues that would prevent the Committee from being in full agreement.
- There is concern that while consensus will serve the purpose of today's meeting, future meetings will have more diverse perspectives, nuances, layers, and players and that consensus may not be the most productive and appropriate decision-making tool.
- It is critical that whatever mode of decision making is used be fully transparent and reflective of this process.
- It is important that if consensus cannot be reached, the dissenting opinion(s)/concerns are documented.
- Recommendation for back-up voting structures include:
    - 50% plus 1
    - Super majority—2/3 vote

Committee Agreement: Decision-Making Process for Today's Meeting
The Committee agreed that for today's meeting, consensus would be used as the method of decision making. If consensus cannot be reached, dissenting opinions will be documented and a super-majority vote (2/3 or 9/13 members present) will be required to pass any proposal. All Committee members have an equal, single vote.

Membership
Based on the recommendation from the preliminary meeting in June 2011, the Committee includes up to two seats each for the agricultural, environmental, and recreational communities. The Committee was asked to discuss and agree on whether and how to fill these seats.

General
- There seems to be adequate representation with the current Committee members and therefore there is no need to add specific seats for specific interests.
- There may be a need to reach out to engage representatives from Wyoming and Utah. Additional comments on this topic include:
    - In the original assessment report it was recommended that Wyoming and Utah stakeholders be involved in the dialogue but not as seated members of the group. This approach was retained in the final grant approved by the Colorado Water Conservation Board. However, representatives from Wyoming and Utah can be included in the process in a different capacity (e.g., on a panel, as a resources, etc.).
    - There may be a need to engage these stakeholders after the initial project is completed; it may be something that could be recommended to the CWCB as a next phase.
    - There is concern regarding having seats for/voting rights for other states, but it would be valuable to engage them in the conversation to help the Committee understand the full scope of issues and interests, specifically relating to Wyoming and Utah perspectives.
- There seems to be a need to respond to the concerns and criticism expressed by the environmental community; therefore it may be valuable to have environmental stakeholders represented in order to validate the process, findings, and final work product(s).
- Some BRTs selected their representatives based on the need to ensure balanced representation; other BRTs took a different approach. Some considered geographic representation, while others simply elected those individuals who volunteered.
- It is important to have people at the table who can ask questions and advance the conversation, but not necessarily be the expert for a specific interest and provide the answers. The Committee can invite experts and create panels for presentations and discussions to get expert information or opinion.
- There seems to be a need for representation from water providers.

Agricultural Representation
- Agricultural interests seem to be adequately represented (overall as well as East Slope and West Slope perspectives in particular) with the current Committee membership.
- There seems to be an adequate diversity of people on the Committee who can represent agriculture issues; there does not seem to be a need to identify a representative to specifically and solely serve agriculture interests.
- There are many layers to agricultural interests and, therefore, there may be a need for a little more diversity in the current representation.
- There may be a need to reach out to the primary farm and agriculture groups to invite them to decide if they feel agriculture has balanced representation. If they think not, then they can nominate up to two additional representatives.

Committee Agreement: Agriculture Membership
The Committee will reach out to the Colorado Agricultural Water Alliance (CAWA) (as an overarching organization with representation from the primary farm and agricultural groups in the state) and ask if there is a need for additional agricultural representation on the Committee and if so, for CAWA to provide nominations to fill up to two allotted seats.

Environmental and Recreational Representation

- There is concern that if an invitation is not specifically extended to the environmental community, it could have serious repercussions on this process, the outcomes, and similar processes in the future.
- It has been rumored that even if the Committee was to provide seats to the environmental community, they will not accept. However, this Committee has an obligation to extend a welcoming invitation and allow for environmental stakeholders to determine how they want to respond.
- There would be value in having the two environmental and two recreational seats filled.
- During the BRT representative nomination process, Reed Dils from the Arkansas RT and Ken Neubecker (from the Colorado RT) have both volunteered to serve as environmental representatives.
- There is concern that if all stakeholders are not included in the process, there is a great risk that the process and outcomes could be undone or diminished in the end. This seems to be a conversation that will be valuable for all stakeholders to engage in and for everyone to have the opportunity to learn and discuss the topic with a common purpose.
- There seems to be a need to have all interests represented at the table in order to fulfill the project scope. There may be a need for the Committee to offer invitations and, if the invitations are declined, to ensure all seats are filled through other means.
- It may be most valuable to approach each stakeholder group and ask them if they would like to be engaged and if so, have the group identify/select a representative(s).
- It may be most efficient to work with the list of stakeholders that have volunteered in order to not delay the project timeline.
- There may not be a need to distinguish the recreational stakeholders from the environmental stakeholders.
- There is concern that by engaging non-BRT members to represent the environmental and recreational communities, this conversation may become a BRT versus non-BRT dialogue.
- There seems to be a need to ensure that the recreational community is able to address recreational issues related to water.
- It is most important to ensure that the process, dialogue, and project outcomes have credibility.
- It is important to have diverse representation from all groups.
- It is important to try to ensure that there is balanced East Slope and West Slope representation from the environmental and recreational communities. If this does not seem to be the case, the Committee may need to somehow address this later in the process.

Stakeholder Groups
The committee outlined the following groups as potential resources to contact to help fill the remaining stakeholder seats:

Environmental:

- Southern Rockies Conservation Alliance
- Western Resource Advocates
- The Nature Conservancy
- Colorado Environmental Coalition

- Sierra Club
- Western Colorado Congress

Recreation:

- Trout Unlimited (state and local chapters)
- Ducks Unlimited (state and local chapters)
- The Audubon Society
- American Whitewater
- State or Chamber Tourism Office (as a resource for additional groups)
- Colorado River Outfitters Association

Invitation Process

The Committee discussed how to get nominations from the environmental and recreational communities and invite these stakeholders to the table.

- The process needs to be managed to some degree in order to prevent an overabundance of nominations and unnecessary delays to the project.
- It may be valuable to extend invitations to the key groups and see whether they are interested in participating and then allow those groups to choose their representatives.
- It may be more efficient to ask the environmental and recreational communities each to work together to provide up to two representatives.
- It may be valuable to reach out to a central stakeholder organization and use that entity to help identify representatives whom the Committee could contact and choose from.
- Whatever process is used, in the invitation to participate it needs to be made clear that this is a dialogue-focused process and that no project specific determination or commitment will be made; the focus of this project is the conversation, learning, process, and framework. It is important for this message to be clear so that representatives can be selected accordingly.
- It will also be important to request representatives who are familiar with and ideally have been engaged in dialogues and processes specifically related to water; it is important that all members of the Committee have a similar foundational understanding and level of experience.
- The nomination and selection process, whatever it may be, needs to be open and transparent.

Committee Agreement: Environmental and Recreational Membership

The Committee will send a letter to the environmental and recreational groups identified above inviting them to each nominate up to two representatives to serve on the Committee. Each group of stakeholders (environmental and recreational) will be asked to join a conference call to discuss and develop their representative nominations. Heather will send the invitations and host the conference calls in order to ensure timely nominations and provide a venue for these discussions.

Protocols

The Committee was provided with a list of potential items that could be included in the Committee protocol document (appended to this meeting summary for reference). The Committee was asked to review this list and discuss what elements should be incorporated into a final set of Committee protocols.

Purpose or Goal

The following recommendations were provided on the topic of defining the Committee's purpose and goal:

- Use the heading from the scope of work as a summary of purpose
- Reiterate that this is an information-gathering and exploration process and is in no way a decision-making or commitment-making process
- Outline that if issues come up associated with other projects, they will be addressed to the extent possible and reasonable within the project scope

- Keep the statement of purpose simple and clear

Principles

Agreement: Principles
The Committee agreed to the protocols outlined in the protocol document with the addition of the following suggested items:

- Clarify what "shared education" means, i.e., sharing in the educational process of the group
- Add Committee "exploration" of interests and issues
- Add a focus on "productive discussions"

Membership

The Committee offered the following comments regarding whether or not alternates should be used as backups for Committee members:

- There is concern that alternates may create too big a group and complicate the process.
- If there is a need for alternates, it should be each representative's responsibility to keep them abreast of all issues and the Committee's progress.
- For those interest groups only represented by one person, an alternate should be allowed.

Agreement: Membership and Alternates
The Committee agreed that membership will consist of the current list of Committee representatives with the potential for up to two additional representatives to fill the agricultural, environmental, and recreational seats as outlined in the grant application. The Committee also agreed that there will be no alternates for any Committee member and that it will be the responsibility of each representative to attend meetings and engage in this process to the best of his or her ability. If a Committee member is unable to attend a meeting, he or she should communicate this to the facilitator as soon as possible and make appropriate arrangements. Should a Committee member no longer be able to serve on the Committee, it is his or her responsibility to communicate with his/her BRT and for the BRT to appoint a new representative in a timely fashion.

Representation
The Committee discussed whether or not Committee members should wear a specific "hat" and represent a specific affiliation (e.g., BRT, professional title, etc.).

- Each Committee member is here to represent the interests of his/her BRT. Should there be a need to provide a different perspective (e.g., personal, professional, etc.), that should be made clear to the group.
- There is a need to include language in the protocols to highlight that members will also consider a statewide perspective.
- It seems inaccurate to assume that representatives were assigned to specifically represent a particular perspective and/or set of interests. The purpose of this project is to look at a specific topic from statewide perspective.
- It would be valuable to add a statement regarding the Committee's intent to be open-minded (use "yes if" language) and represent interests in a professional manner.

Agreement: Representation
The Committee agreed that the statement of representation should address the suggestions outlined: Committee members shall represent the ideas, concerns, and perspectives of their BRTs while also exploring issues from a statewide perspective.

Member Responsibilities

Agreement: Member Responsibilities
Committee members agreed with the responsibilities outlined in the protocol handout with the addition of the following suggestions:

- *Add to "speak up if in opposition to a proposal" that alternative proposals should be provided*
- *Add that documents should be reviewed by Committee members in a timely fashion*
- *Add a statement regarding non-attribution of comments or ideas made during meetings*

Subcommittees

Agreement: Subcommittees
The Committee agreed that there will not be a need for development of subcommittees and therefore the topic does not need to be addressed in the protocols.

Decision Making
The Committee discussed the approach to decision making that should be applied throughout the entire project. This discussion built on the previous conversation regarding decision making for the day's meeting as the Committee was in agreement that a similar structure should be used.

- It may be valuable to include an opportunity for a dissenting party who is not in agreement with the rest of the group to provide a written explanation/rationale to supplement the meeting summary.
- There is concern that if there is an option for a written dissent to be added to the meeting summary it may expand the issue and not provide an opportunity for full discussion of all the issues outlined.
- It would be valuable to allow voting proxy for members unable to attend a meeting or to have the facilitator or another BRT representative allowed to communicate relevant issues and thoughts prior to a decision.

Agreement: Decision Making
As established for this meeting, consensus will be used as the central method of decision making for the entire process. If consensus cannot be reached, dissenting opinions will be documented and a super-majority vote (2/3) will be used. All Committee members have an equal, single vote. Committee members will review meeting summaries for accuracy, specifically regarding dissenting opinions. If additional Committee members have suggested changes to the decision-making structure, they can be discussed and considered at the January meeting.

Agency Roles
The Committee suggested the following be incorporated into the statement of roles:

- The State representative will participate fully on the Committee and provide State information and perspectives where appropriate.
- The State representative, while technically filling three seats provided for State interests, will have only one vote.
- Other states and state agencies are acknowledged as valuable stakeholders to the process. If this 'outside' expertise is needed, the Committee will extend invitations as needed and appropriate with the dialogue and scope of work.

Role of Facilitator
The Committee agreed to the recommended list of facilitator roles with the following additional suggestions:

- Provide a meeting summary and deliverables within a reasonable amount of time (2 weeks)

- Manage interim and final grant reporting/logistics
- Provide the Colorado Water Conservation Board and State with a brief summary of Committee work as appropriate/requested
- Provide the State's travel reimbursement information to all Committee members
- Determine if a meeting will be canceled or rescheduled due to weather and notify Committee members in a timely fashion; the decision regarding whether to cancel a meeting or not should be based on whether weather or travel conditions negatively impact more than half the group
- Make a best effort in providing conference call access if needed and where equipment can be provided

Travel

- The Pikes Peak Regional Water Authority (the grant applicant) will process travel reimbursements in accordance with the grant specifications.
- CWCB will allocate travel funds accordingly from the BRT accounts. Up to $2000 per person for up to 12 meetings is available for BRT representatives. Travel reimbursements for non-BRT members will be drawn from the general project account, with up to $2000 available for distribution among all 6 non-BRT members for up to 12 meetings. State travel rules and regulations apply.
- While the grant application outlines that meetings will be held along the I-25 and I-70 corridors, if Committee members agree and can find appropriate meeting accommodations, meetings can be held in other areas.

Media Interaction

The Committee discussed whether or not Committee members should communicate with the media and if so, in what capacity.

- There is concern that this is a controversial issue and it will not be productive for the process if the Committee communicates with the media. The final meeting summaries should serve as the acting voice for the proceedings.
- This is a process that is open to the public, therefore there may be value in having Committee members communicate with the media in a direct and professional manner; this may help demonstrate the transparency of the dialogue and mitigate potential misrepresentations and miscommunication by the media and public.
- There is concern that since BRTs will receive updates from their Committee representative(s) at their BRT meetings (which are open to the public), information regarding the dialogue will be public; the focus should therefore be on ensuring common and accurate messaging.
- There is concern that it will be too great a task to attempt to control all media communication.
- It seems to be a reasonable commitment to allow the meeting summaries to 'speak' for the group and allow Committee members to offer individual/personal comments to the media.
- It is important for the Committee to know that the facilitator will speak to the media regarding process but not substance.
- It seems important for the Committee members to make the commitment to share with the group their opinions and thoughts before sharing them with the media; there should be no surprises or information revealed to the press before being addressed with the Committee.
- It may be valuable for Committee members to make an effort not to speak to the press but if they do, to encourage the press to attend the meetings and gather the information first-hand.

Agreement: Media Interaction

Members are free to talk to the press about their own perspectives and the process. Only final meeting summaries "speak" to the perspective of the group. Members will use good judgment regarding what is

communicated and how. Members will also adhere to the Committee protocols (e.g., no attribution of comments to individual, etc.) in all interactions with the press.

Interaction with Other Entities

Agreement: Interaction with Other Entities
Committee members agreed they would not work outside the process to influence outcomes and that any desire/need to coordinate or collaborate with other groups or efforts related to the topic but outside the process would be discussed with the Committee prior to engagement. In addition, the Committee requested that the protocols emphasize the need to coordinate with the IBCC, BRTs, the IBCC New Supply Subcommittee, and CWCB.

Documentation

Agreement: Documentation
The Committee agreed to the protocols outlined with the addition that the facilitator will prepare a summary of next steps and major agreements and provide it to the Committee within two days of the meeting for Committee members to review (within two days) and finalize in order to help guide reports to BRTs and ensure consistent messaging at the BRT meetings.

Public Meetings
The Committee discussed how to ensure that the Committee and the public receive adequate notice of meetings and final documents.

- It would be valuable for the Committee to receive notice/reminders of meetings two weeks prior to the meeting with inclusion of a meeting agenda.
- There may be a need to create a listserv to inform the public of meeting and final documents.

Public Comment:

- It may be valuable to create a system in which public comment is incorporated at the beginning of each meeting; total public comment time should be limited to 15 minutes and allotted to each individual in accordance with the number of participants.
- There may be a need to allow for public comment after each topic/agenda item so that there is an opportunity for the Committee to respond or address the topic if necessary.
- As this process is running on a limited timeline, it will be important for public comment not to interrupt the Committee's progress and learning environment.
- Expert panels incorporated into the meetings should not be expected to respond to questions from the public. The public should reach out to their representative prior to the meeting if they have questions or issues they would like addressed and/or personally reach out to the panel on their own time.

Agreement: Public Meeting and Public Comment
Committee members will receive a meeting reminder and agenda two weeks prior to the meeting. A listserv will be created to provide the public with meeting notices and final documents. Heather will work with Eric Hecox to ensure that roundtable members and other stakeholders are aware of how to get on the email distribution list. Public comment will be allotted during the first and last 10 minutes of each meeting and time allotments per speaker will be at the facilitator's discretion based on the number of individuals present.

Preliminary List of Interests and Issues

The Committee was provided with a draft preliminary list of interests and issues. Because identification and discussion of interest and issues is the central component of the project scope, it is critical that the Committee work to develop a list that is as comprehensive as possible; this process will include gathering input from the IBCC, BRTs, and other stakeholder groups. It was suggested that the Basin Roundtable Statewide Summit planned for March 1, 2012, could serve as a key opportunity for the Committee to gather broad-range feedback and input regarding the preliminary list of interests and issues. The Committee discussed additional options for gathering feedback and developing a comprehensive document.

- There is a need for the Committee to discuss and add to this document prior to having a full discussion about the document at the January meeting. It would be valuable if Committee members could send the facilitator their additions via email prior to the January meeting.
- There is concern that there may not be enough time for the Committee to have the necessary conversation regarding issues and interests prior to the Mach Summit.
- There is concern that the range of issues and interests is directly affected by the deliverables/structure of the project as the demands on a system will vary accordingly. There may be a need to know more about the project specifics—how it will be used to meet the municipal and industrial gap and the agricultural gap—before the full breadth of interests and issues can be outlined.

Schedule

The Committee was provided with a draft project schedule and was in agreement that it provided a reasonable timeline for the process. Committee members agreed to work with the facilitator via email to identify specific meeting dates through June 2012.

Next Steps

Membership

- Heather will draft emails to invite the environmental, agricultural, and recreation communities to identify up to 2 representatives to sit on the Committee. The Committee will review these via email. These emails will go out the week of December 19, 2011.
- All letters will include a summary of what the Committee is doing and a list of existing members. Each group can either nominate additional members or choose not to do so.
- The agriculture letter will go directly to the Colorado Agricultural Water Alliance.
- Heather will host conference calls for the environmental and recreation communities to use to identify volunteers and select Committee members from among the volunteers. These calls will be held the first week in January and will include those entities identified during the meeting as well as any others that are identified by Committee members before Tuesday, December 20.
- New members will be encouraged to attend the next Committee meeting on January 12.

Protocols

- Heather will draft protocols based on the Committee's discussion at the December 13 meeting. The Committee will review the draft protocols via email. The protocols will become final via email.
- New members may suggest changes to the protocols at the January meeting. If the Committee agrees, the protocols can be amended at that time.
- Heather will draft a letter for CWCB to send to all basin roundtable members informing them that the Committee has begun its work and inviting them to join the email distribution list if they want

to receive agendas and final meeting summaries. Eric Hecox will work with CWCB staff to ensure that the letter is sent.

Preliminary List of Interests and Issues

- Committee members will send Heather any additions they would like to see to the preliminary list of interests and issues by 5 pm on December 21.
- Heather will integrate these changes into the document and redistribute a revised version for the Committee to review two weeks prior to the January meeting (December 29).
- The Committee will finalize the preliminary list at the January meeting and prepare a brief feedback form to provide to roundtable members at upcoming meetings and at the March 1 Statewide Roundtable Summit in Denver.

Schedule

- Heather will send an email to the Committee asking for "black-out" dates in March, April, May, and June in order to get meetings in these months scheduled as soon as possible. There is no meeting in February.
- Committee members will also identify preferences for locations of meetings and provide assistance with identifying venues that are cost-effective, can accommodate a group of 25 with up to 15 observers, and have conference call capacity if needed.
- Heather will work with Eric Hecox to identify the key parameters and variables in the design and intent of a Flaming Gorge project to share with the Committee at the January meeting.

ATTACHMENT
Key Issues for Consideration in Collaborative Group Protocols
Prepared by Peak Facilitation Group

1. Purpose or Goal, Authority of Group

2. Guiding Principles
    a. Openness
    b. Open-mindedness
    c. Transparency
    d. Shared education
    e. Civil discourse

3. Membership
    a. Who are the members?
    b. Are there alternates?

4. Representation
    a. Hats on
    b. Hats off

5. Member Responsibilities
    a. Abide by the protocols and allow facilitator to enforce them
    b. Engage in meaningful and productive dialogue
    c. Actively participate
    d. Speak up if in opposition to a proposal
    e. Provide an explanation for all objections
    f. Avoid destructive language and personal attacks
    g. Read materials prior to meetings; come prepared
    h. Be or become knowledgeable about the issue at hand
    i. Proactively work to keep constituents, colleagues, and managers informed about the work of the group
    j. Avoid surprises
    k. Disclose conflicts of interest
    l. Respect the time of the group; speak briefly and on topic

6. Subcommittees
    a. Whether or not they can be formed
    b. Who can join them (members only or others as well)
    c. Decision making

7. Decision Making
    a. Impact of group decisions
    b. How many members must be present for decision making
    c. If using consensus, a definition, such as “all members can ‘live with’ a proposal
    d. If using majoritarian voting, specification of what constitutes a majority (50%+1, 2/3, 75%)
    e. Approach for registering dissent

   f. Approach if consensus cannot be reached and conditions for using this approach
   g. Whether or not members must be present to participate in decisions (proxies)
   h. What is required to reopen past decisions

8. Agency Roles
   a. If government entities or staff are participating, what is their role and commitment?
   b. How does the group's agreement impact agency decisions?

9. Role of the Facilitator
   a. Logistics
   b. Facilitating meetings to be on point, productive, and on time
   c. Enforce protocols
   d. Issue neutrality
   e. Fair and equal treatment of all participants
   f. Maintain confidentiality of any discussions with members that are requested to be confidential
   g. Documentation
   h. Best effort to incorporate all suggestions for change to draft documents or explanation of why suggestions were not incorporated

10. Travel
   a. Expectations/approach for scheduling meetings (times, locations)
   b. Protocols for reimbursing participant travel

11. Media Interaction
   a. Whether members can speak to the media
   b. What members can speak to the media about

12. Interaction with Other Entities
   a. Working outside the group to influence outcomes
   b. Coordinating or collaborating with other groups or efforts on related topics

13. Documentation
   a. All documents are draft unless labeled "final"
   b. Draft documents should not be construed as final or distributed outside the Committee unless expressly agreed upon by the group
   c. All meetings will result in draft summaries circulated to Committee members for review and revision before being finalized
   d. Time needed for review by Committee members (one week?)

14. Public Meetings
   a. All meetings are public
   b. What is sufficient notice of time and place of meeting and of agenda?
   c. What is sufficient format for distribution of this information?

Basin Roundtable Project Exploration Committee: Flaming Gorge
January 12, 2012 – 10am to 3pm
Silverthorne, CO
Meeting Summary

Attendees

Gary Barber	Eric Hecox	Ken Spann
Janet Bell	Betty Konarski	Kai Turner
Dan Birch	Kevin McBride	Chuck Wanner
Rick Brinkman	Tim Murrell	Bruce Whitehead
Reed Dils	Ken Neubecker	Eric Wilkinson
Mike Gibson	Mel Rettig	Jim Yahn

Facilitation Team

Heather Bergman and Mikaela Gregg, Peak Facilitation

Members of the public were also in attendance.

Meeting Objectives

- Welcome new members and get to know one another
- Review protocols from December meeting
- Discuss revised preliminary interests and issues list and finalize for stakeholder feedback
- Agree on when and how the list of interests and issues will be prioritized
- Begin to identify documents, reports, and studies that address interests and issues
- Agree on approach for stakeholder feedback on preliminary list of interests and issues prioritization and document list
- Agree on agenda items for March meeting
- Finalize meeting schedule through June 2012

Introductions and Agenda Review

Facilitator Heather Bergman briefly outlined the meeting agenda and objectives. There were several new Committee members in attendance; the Committee took some time to introduce themselves and get to know each other.

Summary: Environmental, Recreational, and Agricultural Seats

During the December Committee meeting, the Committee agreed to reach out to various stakeholder organizations in an effort to fill the open seats for agriculture, environmental, and recreational representatives. As directed by the Committee, Heather contacted the Colorado Agricultural Water Alliance (CAWA) and invited them a) to determine if there is a need for additional agricultural representation on the Committee and, if so, b) to nominate individuals to fill up to two allotted seats. In response, CAWA identified Gene Manuello to fill one seat and is working to find another available representative to fill the second.

On behalf of the Committee, Heather sent out letters to the environmental and recreational groups identified in the December meeting inviting each group to nominate up to two representatives to serve on the Committee. A conference call was held on January 6th for each stakeholder group to discuss and develop their representative nominations. The environmental conference call was attended by seven people. Several environmental stakeholder groups invited to participate in the nomination conversation declined for various reasons. The recreation conversation also had limited participation. However, from these conversations, it was determined that Chuck Wanner will fill the West Slope environmental seats

with the hope that (if still willing and available) Bob Streeter will fill the Front Range environmental seat. Reed Dils and Ken Neubecker will fill the Front Range and West Slope recreational seats respectively. These representatives (as well as others engaged in the nomination conversations) wanted to stress that while they are filling specifically identified seats as Committee members, they do not represent the views of the environmental or recreational "communities" at large; they are serving as individuals on the Committee in order to represent overarching environmental and recreational interests.

Public Comment
Members of the public did not have comments at this time.

Protocols and Proposed Changes
The Committee reviewed the protocols developed at the December meeting. Several issues were addressed as the Committee worked to finalize the protocols.

- It was suggested the voting structure change from 2/3 to 3/4.
- There were questions about the lack of specific seats for representation by municipal water providers on the Committee.
- There were concerns regarding the protocol language for sharing Committee information and documents.
- There was a desire to see the decision-making protocols distinguish the opinion of the Committee from that of the individuals serving on the Committee and their respective affiliations.
- There was a need to clarify the available funding for travel reimbursement.

Agreement: Protocols
The Committee agreed to the protocols as revised in the final Committee protocols document, January 12, 2012 (appended to this meeting summary for reference).

Preliminary List of Interests and Issues
Following the December meeting, several members of the Committee provided written additions and revisions to the list of interests and issues. The Committee reviewed the revised document, discussed when and how the document should be finalized for stakeholder feedback, and recommended an approach and timing for prioritizing the list.

- It may be more realistic and valuable for the Committee to focus on outlining (and then addressing) high-level issues rather than work to identify all the interests and issues surrounding a project.
- It is important to acknowledge that not all of the issues and interests listed will be addressed. It is also important, however, to engage the basin roundtables (BRTs) (and other stakeholders) in the brainstorming process and ensure they understand the purpose of the exercise and how the Committee will use the list in the next phase of the process.
- It may be valuable to accept the interests and issues list as is and use it as a working document so the Committee can begin to engage in the important conversations.
- There is a need for the environmental and recreational representatives to have an opportunity to add to the list before the Committee proceeds.
- It may be valuable to gain feedback from the BRTs on the content and prioritization of the interest and issues document.
- It was suggested that list should be considered a working document (rather than work to finalize it) so that topics can be added as the process and conversations advance. The list of interests and issues should not be finalized until the end of the process.
- It is important to keep this document and the conversation as broad as possible.

- It was suggested the prioritization of interests and issues should be a separate process from developing the list itself to ensure that the complete list of interests and issues remains intact and part of the record of the Committee's work.
- There is a need for the Committee to gain access to (or have a presentation on) the most up-to-date information regarding Compact compliance. (This may be a topic for the March meeting.)
- It may be helpful to develop a categorization system for the list of interests and issues to identify which issues and interests apply to any consumptive use of Colorado River water, any new transbasin diversion project, or are specific to a Flaming Gorge project.
- Based on the purpose and design of this process it seems most valuable to address interests and issues from an option-based perspective rather than a binary perspective. More open-ended questioning will provide for a more robust, informative dialogue rather than direct the conversation to an unanswerable standoff regarding what the specific and unique answer to a given question may be. The following additions to the interests and issues list were suggested:
    - Address the topic of externalized costs under the economics section.
    - Broaden the environmental and recreational category to also include social impacts.
    - Address the impacts of building or not building a project on issues of storage (i.e., how does building or not building a project impact statewide storage needs?).
    - List mitigation under the "big picture" category.
    - Include issues of compensatory projects (storage) on the West Slope.
    - Add the list of issues and concerns drafted by the Yampa/White BRT in 2009.

Documents, Reports, and Studies

The Committee began to identify documents, reports, studies, and organizations that might help provide the information needed to begin addressing the identified interests and issues regarding a Flaming Gorge water supply project. The Committee also discussed how they might want to learn about this information (e.g., reading assignments, presentations from experts, etc.) and how it should be incorporated into Committee meetings. From this discussion and the subsequent recommendations, a working list of informational documents and resources was developed (appended to the meeting summary for reference). Additional highlights from the discussion include:

- It is important not to overload the Committee with information. There is a great deal of information available (from an array or sources) but most Committee members will not have the time to sift through it all. It would be helpful if the high-level and most critical information can be identified and made easily accessible to the Committee.
- It may be valuable to find engineering information and/or studies or have a presentation to help the Committee gain an understanding of technical elements of a Flaming Gorge project or similar transbasin water supply project.
- It would be valuable for the Committee to hear from the two project proponents; however, there seems to be a need to structure these presentations so that the Committee receives specific, factual information about each proposed project and to minimize the potential for conflict and/or misdirected presentations. It may be valuable to hear from the project proponents early in the process as they might have information needed, additional informational resources, and issues and interests that should be considered.
- It may be valuable to look into proposed and potential oil and gas activity in the areas affected by a Flaming Gorge project.
- It is important for the Committee to reference a variety of sources as there is a range of data, information, and perspectives available.
- The Committee should consider if they want expert presentations to provide information specific to a Flaming Gorge project and the hydrology of the Green River or if presentations should provide more broad/overarching information applicable to any consumptive use of Colorado River water.

- It will be important for the Committee to gain a statewide perspective regarding Colorado's water future (e.g., how all efforts throughout the state fit together (water, agriculture, conservation, etc.)).
- There seem to be three critical areas the exploration process should focus on: 1) asking all the right questions, even if they are not going to be answered; 2) avoiding abstract questions and conversations; and 3) keeping in mind there is the potential for a second stage of this process that could provide the opportunity to specifically address the questions outlined in the first stage.
- It may be valuable to put together several schematic maps to help the Committee visualize the projects and potential project impact areas.
- It may be valuable to look at the portfolios being developed by the basin roundtables in order to gain an understanding of basin-specific water demands and needs.
- There may be value in hearing presentations from some of the organizations and groups in opposition of the project. As with the project proponents, it may be wise for the Committee to identify a series of specific questions for opponents to address to ensure that such presentations add information and value to the Committee's deliberations.

Getting Feedback

The Committee discussed options for gathering feedback from the BRTs on the preliminary list of interests and issues and on the preliminary list of documents, reports, and studies.

- It may be helpful to provide online (website) access to the documents as well as circulating the documents in written form via email, to the BRT meetings, and at the March Summit.
- There may be a way to incorporate the documents and the request for feedback into the Water 2012 campaign in order to gain BRT and public feedback.
- It is important to clarify what type of feedback is needed at this time. At this stage the Committee is requesting feedback in the form of additions to the documents, not answers or suggestions to remove topics, etc. It will also be important to highlight that these are working documents and additions can be made as needed throughout the process.
- There may be a need to wait to gather input regarding the prioritization of the interests and issues until the list is more "complete."
- There may be a need to provide the BRTs, the Interbasin Compact Committee (IBCC), and the Colorado Water Conservation Board (CWCB) with an opportunity to provide feedback on the list of interests and issues prior to releasing the document for public feedback; it may be more productive to release a more complete and prioritized list to the public at a later time. There seems to be a need to provide the public with clarification and more accurate information regarding the process before asking for feedback.
- In order for the Committee to keep to its timeline, it may be helpful to provide all BRTs with a request for feedback and a hard deadline for submissions.
- During the public feedback phase, it would be helpful to gather contact information in order to provide accountability and transparency for the feedback provided.

Agreement: Getting Feedback

The Committee agreed that the interests and issues document and the list of informational documents and resources will be revised as per the meeting discussion, circulated via email to Committee members for one last round of additions, and then made available as working documents for feedback from the BRTs, the IBCC, and CWCB on Wednesday, January 18. Committee members, roundtable chairs, and the facilitation team will ensure the documents are circulated and any feedback is submitted to Heather by 5 pm on March 13.

Next Steps

Materials for Roundtable, IBCC, and CWCB Feedback

- Heather and Mikaela will:
  - Revise the preliminary list of interests and issues to reflect today's discussion
  - Prepare a typed list of the informational documents and presentations identified at today's meeting
  - Send the above documents to the Committee for additions and revisions on Friday (1/13)
  - Integrate any feedback received on the above documents by Tuesday (1/17) at 2 pm and then send revised documents to Committee members by noon on Wednesday (1/18)
  - Work with Committee members and roundtable chairs to ensure roundtable review of above documents prior to the March 27 Committee meeting
  - Circulate the above documents to the Colorado Water Conservation Board and the Interbasin Compact Committee for review and comment
- Committee members will:
  - Review and send any desired revisions to the preliminary list of interests and issues and the list of documents to Heather by 2 pm on Tuesday, January 17
  - Ensure that their respective roundtables have an opportunity to review and provide feedback on the above documents and ensure that their comments are submitted to Heather by 5 pm on March 13
- Eric Hecox will check with the US Army Corps of Engineers to determine what, if any, NEPA (National Environmental Policy Act) documents are available regarding a Flaming Gorge project. Eric will also check for public information available regarding the Compact Compliance Study. Heather and Mikaela will include any such documents in the above list.

Planning for the March 27 Committee Meeting

- The goal for the meeting is to invite speakers to address:
  - State of Colorado efforts to answer key questions related to water supply availability, risk, portfolios, etc. and how they all "fit together" (Eric Hecox will coordinate with the State and prepare presentation)
  - Compact Entitlement, Compact compliance, and associated risks and issues (Eric Hecox will coordinate with the State)
  - State of Wyoming perspectives on a Flaming Gorge project, specifically from the Wyoming Water Development Authority, State Engineer, and possibly the Attorney General (Heather will contact these entities and invite them to participate)
  - The two project concepts (Heather will contact both project proponents and invite them to participate)
- Heather will draft an agenda based on responses from invited speakers and circulate it to the Committee for review as soon as it is available.
- Mike Gibson, Gary Barber, Dan Birch, and Ken Neubecker or Reed Dils will work with Heather to identify key questions to pose to the project proponents to help frame their presentations and to determine the appropriate length of these presentations.

Public Comment

- A member of the public from Wyoming expressed his opposition regarding the development of a Flaming Gorge project and offered to serve as a resource for the Committee as it begins addressing the interests and issues outlined.

Colorado Water Conservation Board Water Availability Information

At the request of the Committee, Eric Hecox, CWCB staff, provided a brief overview of state studies related to water availability.

Water availability has two parts, 1) local physical and legal availability and 2) availability under any applicable compacts.

Local Availability

- This is the area for which the Colorado River Water Availability Study (CRWAS) contains significant information. It looked at local physical and legal availability at a significant number of sites throughout Colorado under historical, paleo-hydrology (based on tree ring analysis), and different climate change assumptions. An interesting conclusion from this is that the range of water availability based on historic hydrology falls within the range under different climate change scenarios. This was unknown going into the study as many thought it was certain that the future will not look anything like the past. However, CRWAS was conducted in the Colorado River System within Colorado and did not include the Green River at Flaming Gorge.
- Information on local availability at Flaming Gorge is available from the Bureau of Reclamation (BoR). Several years ago, the BoR produced a letter regarding the Million project, outlining their ability to contract such a project with about 160,000 acre-feet for water development on an annual-average basis.

Availability under Compacts

- The draft Phase I of CRWAS addressed water availability based on the terms of applicable compacts in order to define the quantity of water that might be available for development under the same hydrologic assumptions (historical, paleo-hydrology, and climate change). This is where the range of 0 to 800, 000 acre-feet of available water from the Colorado River system for future development came from.
- The Colorado Water Conservation Board is currently addressing how to proceed with Phase 2 of CRWAS. The Board is looking into appropriating funds for a risk management study with the potential for a second stage of research.
- The Statewide Water Supply Initiative (SWSI) also included an analysis of water available for development in the Colorado River system. It did not attempt to comprehensively analyze how much water Colorado has left to develop; rather, it analyzed whether the ranges being considered for new water supply development were reasonable. SWSI analyzed several west slope projects at 100,000 acre-feet and at 250,000 acre-feet. SWSI looked at whether these were reasonable quantities under applicable compacts and the Bureau of Reclamation's hydrologic determination (the level of development BoR is comfortable committing to). Under conservative assumptions by BoR, but not taking into account climate change, there is likely 450,000 acre-feet of water from the Colorado River Basin that could be developed. SWSI did not conclude that this was available, but rather that looking at 100,000 acre-feet and 250,000 acre-feet projects are reasonable.

Discussion

- It is important to recognize the uncertainty regarding the availability of water, as represented in the wide range outlined in the CRWAS and the varying numbers from SWSI and BoR. These studies do not provide a safety net for water development and they do not address what could happen if these numbers are wrong and there is overdevelopment in the Colorado River.
- The uncertainty of water availability should serve as a guide for the Committee to look at risk and variability rather than trying to determine where the numbers came from, how they were

calculated, and which ones are "right." It is more significant to discuss what the range of availability quantities means, specifically regarding a Flaming Gorge project.

- This information should be used by the Committee to look at whether risk management conversations should focus on methods for avoiding a Compact call or methods for minimizing the risks of a Compact call.
- Water availability is an irrelevant issue for this discussion; the purpose of this project is not to determine if there should be a project. The Committee needs to focus on outlining the issues and risks, not assessing the feasibility of a project.
- The Committee should also discuss the possible benefits/enhancements that could result from a project.
- The key issue is not if the state is willing to take risks regarding its water future--the state has been taking risks since the development of the Compact). The issue is how much risk the state is willing and able to take.

Basin Roundtable Project Exploration Committee: Flaming Gorge
March 27, 2012 – The Hotel Denver in Glenwood Springs
Meeting Summary

Attendees

Gary Barber
Janet Bell
Dan Birch
Rick Brinkman
T. Wright Dickinson
Reed Dils
Eric Hecox
Betty Konarski
Gene Manuello
Kevin McBride
Tim Murrell
Ken Neubecker
Ann Oliver
Mel Rettig
Ken Spann
Bob Streeter
Kai Turner
Carl Trick
Chuck Wanner
Bruce Whitehead
Eric Wilkinson
Jim Yahn

Facilitation Team

Heather Bergman and Mikaela Gregg, Peak Facilitation

Members of the public were also in attendance.

Meeting Objectives

- Gain better understanding of State efforts related to water availability and risk
- Gain better understanding of Compact entitlement, compliance, and associated issues
- Learn about two proposed Flaming Gorge projects
- Review roundtable suggestions and revise the preliminary list of interests and issues
- Agree on informational needs for next meeting

Introductions and Agenda Review

Facilitator Heather Bergman briefly outlined the meeting agenda and objectives. There were several new Committee members in attendance; the Committee took some time to introduce themselves and get to know each other.

Public Comment

Members of the public did not have comments at this time.

State of Colorado Efforts (Eric Hecox, Colorado Water Conservation Board (CWCB))

Eric Hecox provided an overview of State efforts related to water supply availability and how these efforts, including that of the Basin Roundtable Project Exploration Committee, "fit together" in support of an overarching statewide water planning initiative. Highlights from this presentation are outlined below.

Relevant State efforts include:

- Basin roundtable (BRT) scenario planning and portfolio development to analyze future (2050) water demands, needs, and supply in connection with the development of a state water plan; scenario planning and the portfolios incorporate various methods and projects to address all aspects of water planning (i.e., agriculture, conservation, new supply, nonconsumptive needs, and identified projects and processes (IPPs)
- New supply development strategies in State Water Supply Initiative (SWSI) 2010
    - SWSI focused on evaluating incremental, legal entitlements for the Colorado River in terms of water availability and life-cycle unit costs. In addition, the study looked at

various concepts for projects and methods that could be applied as a possible new supply development strategy.
    - A Flaming Gorge project could serve as one of the possible projects applied within the broader framework of portfolio development. Further analysis of the issues and interests by the Committee directly connects with future scenario planning efforts.
- Scenario planning and portfolio development next steps
    - Following the Basin Roundtable Summit, roundtables will work to complete their portfolios by the end of April. CWCB staff will then summarize the BRTs' portfolio work and provide the IBCC with a summary of scenario information to review and discuss at the May IBCC meeting.
    - The IBCC will work to identify commonalities across the portfolios and build several scenarios in order to begin to work through an adaptive management framework for addressing the scenarios.
    - A Flaming Gorge project fits in as a possible East Slope project in the Colorado River system as a mode for developing a scenario with a mix of West Slope and East Slope new supply.

Discussion

How is "appropriate" defined in terms of the SWSI analysis of appropriate increments?
SWSI 2010 did not attempt to comprehensively analyze how much water Colorado has left to develop; rather it analyzed whether the ranges being considered (100,000 acre-feet and 250,000 acre-feet) for new water supply development were reasonable. SWSI 2010 looked at the legal entitlement under the Colorado River Compact, water availability in Colorado, what other states were considering available, and current uses in order to determine whether these were reasonable ranges and concluded that they are.

How was the cost effectiveness of the possible new supply projects addressed in the SWSI study?
SWSI used information available for new supply projects (including Flaming Gorge) and compared these projects using similar assumptions through a comparative analysis. The study also looked at the feasibility of development of a series of smaller projects to compare with the larger new supply projects (for the most part, this option was determined not to be realistically feasible).

Who led the SWSI project?
CWCB led the effort but also sought feedback from stakeholders and the public, which was incorporated into the study. It was this feedback that led to the analysis of a series of small new supply projects.

There is concern that the basin roundtable and IBCC portfolio process will select a portfolio that does not address the full mix of possibilities and scenarios demonstrated throughout all the portfolios, and it will therefore not facilitate analysis of the specific details surrounding the various project options.
There are a fair number of similarities between portfolios that address the same supply/demand scenario. It seems likely that the IBCC will be able to identify or develop a portfolio in each supply/demand scenario. Each part of the portfolio will need the identification of a specific project or element (such as Flaming Gorge or some other project for new supply, conservation BMPs for conservation, etc.) in order to implement it.

There is concern that none of the portfolios developed by the BRTs have gained full consensus from roundtable members. Will the IBCC or BRTs reach consensus regarding the portfolios? How can the portfolios be used to facilitate a proponent wanting to move a project (like Flaming Gorge) forward?
There are a fair number of similarities between portfolios that address the same supply/demand scenario. It seems likely that the IBCC will be able to identify or develop a portfolio in each supply/demand scenario that represents all the commonalities. There may be various pieces within those scenarios that

would need the identification of a specific project or element (such as Flaming Gorge) even if it is not a common element.

Additional Comments

- There is concern that the information from SWSI provides a conceptual foundation to discuss possible projects but it does not provide a realistic yield from which to specifically and effectively analyze projects.
- There is a need for elements that cannot be analyzed with the Portfolio Tool--such as nonconsumptive needs--to be included in the analysis of commonalities and in the scenario planning process.

Perspectives on Compact Entitlement, Compact Compliance, and Associated Risks and Issues

CWCB Director Jennifer Gimbel provided the Committee with a presentation that addressed the State's perspective on Colorado Compact entitlements, Compact compliance, and associated risks and issues. Highlights from this presentation are outlined below.

Colorado River Allocations

- It is not just Colorado that is affected by the Compact. The Compact speaks about the Upper Basin (not the individual states). Consequently, any conversation about managing risks must include New Mexico, Utah, and Wyoming.
- The states of the Upper Basin (including Colorado) may not cause the flow of the river at Lee Ferry (at Lake Powell in Utah) to be depleted below an aggregate of 75,000,000 acre-feet for any period of ten consecutive years.
- Mexico's water rights must be supplied first from the waters that are at a surplus and "if such surplus shall prove insufficient for this purpose, then the burden of such deficiency shall be equally borne by the Upper Basin and the Lower Basin, and whenever necessary the States of the Upper Basin shall deliver at Lee Ferry water to supply one-half of the deficiency…"

2007 Interim Guidelines

- One of the ways the seven basin states decided to manage risk was with the development of the 2007 Guidelines from which to operate the Colorado River until 2026. While these guidelines are in place, there is no need for a Compact call. However, while the state is protected from a Compact call, it is possible for water supply shortages to occur. The water level in Lake Powell determines whether or not there is enough water to release into Lake Mead for use by the Lower Basin states. If Lake Mead is in a shortage, the Lower Basin states have a criterion for sharing the decreased water supply.
- The Upper Basin obligation is to not deplete flows of the Colorado River to less than 75 million acre-feet over 10 years (rolling average). Currently, the Upper Basin is easily meeting this requirement with an average of 15 million acre-feet in excess. This ten-year provision provides the Upper Basin states with time to determine whether or not a crisis is imminent. This provision provides a buffer that allows the state to see trouble years before there may be problems. There are also storage facilities in place in the Upper Basin states and reservoirs throughout Colorado that help with supply management and protect against a Compact call.

Storage

More/better risk management equates to the need for storage. Above Lee Ferry, in the Colorado mainstem reservoirs including Lake Powell, we presently have more than 20.9 million acre-feet of water in storage with a total capacity of 31.0 million acre-feet. This storage volume does not include: Green Mountain Reservoir, Animas-La Plata Reservoir, Taylor Park Reservoir, Vallecito Reservoir, and many other smaller federal and non-federal reservoirs.

State Risk Management Strategies

Studies

- Colorado River Basin Study (basin-wide strategies)
  Colorado River Compact Compliance Study (Colorado-only legal and technical analysis)
- Colorado River Water Availability Study (technical work)

Strategies

- Discussions with other Upper Basin states
- Portfolio and scenario development
- Alternatives to agricultural transfers
- Water Banking Work Group
- Aspinall Unit - Arkansas and Gunnison Roundtable work
- State acquisition of water for Compact purposes

Discussion

Is it possible to develop/provide storage to capture greater flows? Shouldn't the next step for the State be to determine the most realistic sites for additional storage?

If there had been greater storage capacity over the last few years, there would have been greater capacity for the state to store water during times of excess.

Does the State have the ability to bond/fund a storage facility?

The State does not have bonding authority. An agency such as the Water and Power Authority would have the authority to bond.

Additional Comments

- It is important to recognize that the state has a number of defense mechanisms should the Lower Basin make a call.
- The water banking program and the Compact compliance studies are currently addressing issues surrounding tabulation of the yield of the river and manmade depletion.
- Pre-Compact water rights are sacred under the Compact and will not be affected by a Compact call.
- There is a need to address issues such as the effects of potential increases in weather temperature (climate change) on water demands and future supply/demand scenarios based on varying climate factors.
- There is a need to consider tipping points, i.e., what will make us more vulnerable to a call. While Colorado has a majority of the water in the state, it also has a high level of obligation to provide to others.
- It is important to look at long-term risk management in order to ensure there is never a Compact call. Delivery obligations must always be met. There is a need to look at how much storage is necessary to ensure that shortages and a Compact all are never an issue.

Project Proponent Presentation: Colorado Wyoming Coalition (Frank Jaeger and Bruce Lytle)

Flaming Gorge project proponent Frank Jaeger, with assistance from Bruce Lytle, provided the Committee with a presentation outlining the concepts specific to their project proposal. In preparation for the presentations, the Committee developed a list of specific questions that they wanted addressed during the project proponent presentation. The following section outlines the Committee questions and the answers provided by the Colorado Wyoming Coalition.

1. ***What is the diversion point?***
    - East side of the Flaming Gorge Reservoir
    - Flow recommendations will divide the Green River below Flaming Gorge Dam into three distinct reaches: 1) Flaming Gorge Dam to Yampa River confluence, 2) Yampa River Confluence to White River confluence, 3) White River confluence to confluence of the Green River and Colorado River
    - Five hydrologic classifications (wet, moderately wet, average, moderately dry, and dry) were included in the analysis

2. ***How much water will be diverted?***
    Based on predicted needs of Coalition participants, the total demand is currently estimated at 107,139 acre-feet per year.

3. ***What storage will be necessary? Where will storage occur?***
    - Wyoming: Seminoe Reservoir (15,700 acre-feet), Cheyenne Mountain Reservoirs (69,340 acre-feet)
    - Colorado: Rueter-Hess Reservoir (72,000 acre-feet)
    - Total storage is 157,000 acre-feet

4. ***To whom will the water be delivered?***
    - Total population served is 569,000

    <u>Colorado</u>
    - Pikes Peak Regional Water Authority
    - Douglas County Colorado (rural)
    - Parker Water and Sanitation District
    - South Metro Water Supply Authority
    - Town of Castle Rock

    <u>Wyoming</u>
    - City of Cheyenne
    - City of Torrington
    - Laramie County

5. ***What is the path of the pipeline?***
    From the Flaming Gorge Reservoir along the I-80 corridor to Laramie, Wyoming, then into Colorado along the 287 corridor, feeding into the Rueter-Hess Reservoir (with alternate alignment options in the Denver Metro area)

6. ***What are the anticipated energy requirements to operate the project? How much energy is anticipated to be generated?***
    Preliminary models estimate an energy requirement of 534 million kilowatts per year with a hydropower offset production of 179 million kilowatts per year (33%).

7. ***How will the project be financed***
    Coalition members

8. ***What are the anticipated impacts to ratepayers***
    Coalition members will determine their respective distributions of their costs to ratepayers.

9. ***What technical, financial, and environmental analyses have been done to date? What analyses are anticipated in the future?***

- The project is currently waiting for the results of the feasibility investigation with the U.S Bureau of Reclamation (BOR) Upper Colorado Regional Office and BOR's Colorado River System model.
- Assuming a favorable outcome from the feasibility study and State support for project use of Compact water supplies, future studies would include the analysis required by the National Environmental Policy Act (NEPA) and permitting under Section 404 of the Clean Water Act.
- Project costs and financing will be assessed by the Coalition.

10. ***Where is the project in the federal permitting process? Which federal agencies are involved and how?***
    The project is not in a federal permitting process. The decision to proceed with permitting will be based on the outcome of the feasibility study.

11. ***How do the project proponents intend to address the issue of risk of Compact curtailment?***
    - The project seeks to gain the State's support to use Wyoming and Colorado Compact water and work within rightful and legal allocations.
    - The project will apply modeled firm and variable yields that consider Compact entitlements.
    - The project will simulate water needs in time and amount.

12. ***How will the project operate in the context of other vested water rights and uses in the Colorado Basin in Colorado? In the case of a curtailment, will the project be junior or senior to other perfected uses?***
    - The project will have a junior water right.
    - The project will have the ability to leverage current carryover storage in Coalition storage space to protect against potential curtailment.

13. ***What environmental/recreational concerns are you currently aware of and how do you plan to mitigate such concerns?***
    - Environmental issues downstream on the Green River are a concern. These issues were addressed with the 2006 EIS and the BOR coordination of environmental and power releases from Flaming Gorge. The project will fully comply with the flow requirements in the Record of Decision.
    - Recreational and aquatic concerns include impacts/changes to reservoir levels. The project plans to use variable yields to minimize impacts to the reservoir (a previous study indicated water level changes of a maximum of 3-6 feet with a firm diversion of 140,000 acre-feet).
    - Pipeline crossing points are another environmental concern; however, this will be evaluated in the NEPA process and is not expected to be a significant issue.

14. ***How are you dealing with potential changes in flows/storage due to climate change – some of which has already been observed (melting glaciers as an example)?***
    - Use Reclamation Colorado River System model
    - Model firm and variable yields considering environmental and power flows and climate change
    - Develop need for storage based on differences in supply and demand

<u>Discussion</u>

Will maximum reuse be required of all participants?
Maximum reuse will be required down the line. All the Colorado participants are currently reusing water.

There seems to be a need for additional storage. Has this been discussed with the participants in order to leverage current systems?
The amount of storage required will depend on the variability determined in the BOR study. Cheyenne has a series of storage facilities that could be leveraged by the project. There has been discussion with the participants about using the storage system within the various receiving areas.

There is a need to recognize water in wet and dry cycles. What types of elements will the feasibility study look at in terms of variability?
The project will use the BOR model to look at the predicted withdrawal, if the determination can be satisfied, and if not, what is needed in carry-over storage, how long it will need to be carried over, and what the storage needs will be. It is the hope that various simulations will be used to determine the variability as well as to address the environmental and recreational sensitivities. The project will also factor in conjunctive use of the Denver Basin aquifer as a fallback mechanism. The overall attitude of the Coalition is to be as conservative as possible with how water is used.

Will the project work with current storage capacities or is there a need for reservoir enlargements?
Currently, the reservoirs that would be used for this project are being used for other projects; there will be a need for analysis of these facilities in order to determine the quantity of storage available for this project.

Will there be need for an additional environmental assessment and or EIS?
The 2006 NEPA assessment is serving as the foundation for addressing environmental concerns and will be a part of the model, but there may be other assessments needed as the project advances and additional issues arise.

Are there plans for an economic analysis of the downstream fishery?
Such an analysis is not part of the feasibility study but it will likely be addressed later in the process. Water availability and the project cost are the current key concerns before moving forward. The fishery analysis is an EIS issue.

It was stated that the project will have a junior water right. Does this mean that all use of Colorado River water by the project would be shut off in the event of a Compact call or curtailment? What does a junior water right mean for project operations?
The Coalition has discussed that it would be willing to be curtailed as a junior priority in the event of a Compact curtailment. While there has not been a final determination, there seems to be a willingness to discuss this issue and come to an understanding between both states. If there is a Compact curtailment, the project has the ability to use Denver Basin supplies and carry-over storage. These issues will be addressed in the feasibility study. Contingency policies will be built into the BOR's yield.

If the BOR says there is more water available, would the project consider taking the maximum amount available rather than just what is needed?
The quantity of water diverted is based on meeting the needs of the Coalition. If other stakeholders were to join the Coalition, this would increase the need.

Will the project have its own water rights or would it operate within a water supply contract?
There is a need to create an agreement to work together under the laws of both states. BOR will serve as the lead agent. If there is legislation that needs to be passed that will be addressed. Water right issues for the state of Wyoming are unknown at this time.

Will there be an application for a BOR contract?
Yes.

How will you address the details of a Colorado River Storage Project (CRSP) contract?
The project is not at a point to be able to address this issue at this time.

What price for water is being used for the cost estimates?
The amount is uncertain at this time but there seems to be a general estimate of $40-$80 per acre-foot.

Are you going to abide by Colorado water law?
The project will work with the State of Colorado to build a project that will meet Colorado's needs and fit this project into the state's obligations.

Has BOR said you need a water supply contract or could you use a water right in Wyoming and get a license to divert at Flaming Gorge?
This information has not yet been received.

Is there the possibility that this project may not operate within Colorado water rights?
It is a possibility. The project will need to be able to operate under water laws for both Wyoming and Colorado. The project is not looking to circumvent either state's processes or rights.

How much additional water would be needed to avoid the need to use carry-over supplies and Denver Basin water?
The BOR assessment will determine this. Regional renewable capability will reduce the demand.

Will water be available for meeting environmental needs?
This information is not included in the feasibility study.

What is the predicted timeline for the feasibility study?
The feasibility study should be completed within a couple months after receiving the BOR study.

Wyco Power and Water—Regional Watershed Supply Project

Flaming Gorge project proponent Aaron Million provided the Committee with a presentation outlining the concepts specific to their project proposal. In preparation for the presentations, the Committee developed a list of specific questions that they wanted addressed during the project proponent presentation. The following section outlines the Committee questions and the answers provided by Wyco Power and Water.

1. ***What is the diversion point?***
    - There are two surveyed diversion points, both of which have been filed with the Wyoming State Engineer with a December 2007 priority date:
        - On the Green River below the town of Green River, WY and the legal boundary of the reservoir (West side)
        - In Flaming Gorge Reservoir below the Black's Fork (West side)
    - The two diversion points allow for withdrawals to be tailored for flow regimes and storage requirements in the Green River and Flaming Gorge.

2. ***How much water will be diverted?***
   Total filing is for 250,000 acre-feet. The project size will not likely exceed 200,000 acre-feet for both Wyoming and Colorado interests.

3. ***What storage will be necessary? Where will storage occur?***
   - Flaming Gorge at 3.8 million acre-feet
   - Lake Hattie at 65,000 acre-feet
   - Cactus Hill proposed reservoir at 178,000 acre-feet
   - T-Cross Ranch proposed reservoir at 30,000 acre-feet

4. ***To whom will the water be delivered?***
   The project has letters of interest from municipal, industrial, and agricultural interests in Wyoming and Colorado for 358,500 acre-feet.

Potential Recipient	Quantity (acre-feet)
Douglas County	40,000
Fort Collins-Loveland Water District	5,000
City of Brighton	12,000
North Sterling Irrigation District	25,000
Prewitt Operating Committee-Logan Irrigation District, Iliff Irrigation District and Morgan Prewitt Reservoir Company	10,000
Larimer and Weld Irrigation Company	20,000
Windsor Reservoir and Canal Company	10,000
Woodmoor Water & Sanitation District	3,000
T-Cross Ranches/Norris Cattle, Inc.	20,000
East Larimer County Water District	5,000
Penly Water Company, LLC	10,000
Lower South Platte Water Conservancy District	35,000
Central Colorado Water Conservancy District -Well Augmentation Subdistrict	50,000
Central Colorado Water Conservancy District - Groundwater Management Subdistrict	50,000
Central Colorado Water Conservancy District	50,000
Lake Hattie	8,000
Cheyenne	5,500
Torrington	13,500

5. ***What is the path of the pipeline?***
   The project anticipates a 578-mile pipeline from the Green River at Flaming Gorge along the I-80 Federal energy corridor to Pueblo, Colorado and will follow existing pipeline and transmission corridors.

6. ***What are the anticipated energy requirements to operate the project? How much energy is anticipated to be generated?***
   - Energy required for delivery is approximately 125,000 kilowatts annually and $70 million/year in operational costs.
   - Energy generated by the project is estimated at 70,000 kilowatts and a proposed 500,000 – 1,000,000 kilowatts of proposed pumped storage (9 facilities).
   - The project will use natural gas powered pump stations. Both solar and wind opportunities will continue to be evaluated.

7. ***How will the project be financed?***
   The project plans to follow a private finance initiative (PFI) model and a public-private build-out model, similar to E-470. A request for proposals has been issued for a design/build/finance/operate construction consortium.

8. ***What are the anticipated impacts to ratepayers?***
   - Approximately $5 million has been invested in the project. No taxpayer dollars have been used.
   - The anticipated capital cost to ratepayers is $42 to $51 per 1,000 gallons, based on a $3 billion project cost.
   - Delivery costs, exclusive of any hydropower off-set, are in line with current raw water delivery rates at approximately $.90 to $1.10 per thousand gallons.

9. ***What technical, financial, and environmental analyses have been done to date? What analyses are anticipated in the future?***
   - Over 6 years' of due diligence documents from respected engineering, water policy, and legal consultants
   - Over 100 technical financial and environmental research documents
   - The Boyle Report (an initial feasibility assessment of the project that focused on water availability, water demands, preliminary layouts of infrastructure, general environmental considerations, and project scheduling)
   - Flaming Gorge EIS, environmental protection record of decision in February 2006
   - BOR water availability estimate

10. ***Where is the project in the federal permitting process? Which federal agencies are involved and how?***
    - The project initiated federal permitting with the US Army Corp of Engineers. Based on the Utah Lake Powell project, Wyco anticipates the Federal Energy Regulatory Commission (FERC) will eventually accept the role of lead agency in the permitting process.
    - The preliminary FERC permit application was denied as premature. A re-hearing and clarification request has been submitted to FERC.

11. ***How do the project proponents intend to address the issue of risk of Compact curtailment?***
    Colorado law will determine which water rights will be curtailed in the event of a Compact call based on the priority system. The water right out of the Green River/ Flaming Gorge system should be treated in the same priority system and administered accordingly (December 2007).

12. ***How will the project operate in the context of other vested water rights and uses in the Colorado Basin in Colorado? In the case of a curtailment, will the project be junior or senior to other perfected uses?***
    - Water put to beneficial use from this project is protected under the Upper Colorado River Compact.
    - In the case of curtailment, the project will be junior to other water rights filed prior to December 2007.

13. ***What environmental/recreational concerns are you currently aware of and how do you plan to mitigate such concerns?***
    Environmental, recreational, and socio-economic concerns have been identified from the public scoping performed by the Army Corp of Engineers and numerous meetings and discussions.

Moderate fluctuations in Flaming Gorge Reservoir may be a primary concern as the baseline and peak flows below Flaming Gorge have legal protections from a previous EIS process.

14. ***How are you dealing with potential changes in flows/storage due to climate change – some of which has already been observed (melting glaciers as an example)?***
    - The project was developed with changes in flow and storage and the need to alleviate risk in the Colorado River Basin. Studies show 17 out of 33 years, the Green River had above-average flows when the Colorado River main-stem was below average.
    - Global warming models indicate that the more northerly Green River Basin will be wetter than average in the future compared to the Colorado River main-stem.

Discussion

How will Wyco address concerns regarding private funding of the project and the potential for a private entity to make money off a public resource?
Water is a private right in the State of Colorado. A public resource would indicate public ownership. The project must be financially sound in order to be constructed. Agricultural and other water rights are bought and sold daily as a matter of course in Colorado and the western United States. Historically, water was and has been developed by private entities, not government. The project has worked to engage the public, the State, and the user base. This is a private-public model which is no different than the historical water development efforts of the agricultural or mining industry.

What water right(s) are you going to use and how? How much water will be used under Wyoming allocation and how much from a contract?
The project will have a water right based on a December 2007 filing. Project water rights will be administered under the Compact. The project must be administered within the priorities that have been established, junior to those rights that exist prior to December 2007 and always junior to the Wyoming water right system. The allocation of waters delivered to Wyoming and Colorado will be determined by the users in both states.

It seems there is a gap between the proposed projects and their ability to meet various interests and demands. How does this project plan to meet the full spectrum of state interests and demands?
- This project will develop for municipal, agricultural, and environmental interests in both Wyoming and Colorado.
- There are a variety of interests that are currently in the project scope; however, many stakeholders are waiting until the project advances through permitting before joining.

BOR modeling sets the project's water rights priority behind Wyoming demands. What does this mean?
The modeling looked at baseline and peak-flow requirements on the Green River from Flaming Gorge thru reach 2 below the Yampa River. The modeling reflects a reasonable project size after accounting for all environmental, recreational, and hydropower needs in the system, including full protection of Wyoming's future depletions. The modeling is correct in assuming the project will always be junior to Wyoming users. Therefore, even after Wyoming develops its full compact allocation, there are surpluses above the legally protected flows that allow for this project to proceed.

What is the structure of the project and how does it benefit the users?
- The project will use a regional water authority or irrigation/municipal district structure to manage water right ownership and delivery. Water rights will be owned by the respective users.
- The project will use a cost-plus model.

- Water will be sold to the users as part of the project structure very similar to irrigation ditch rights.

Is it possible that both projects could be developed?
No. It is not feasible to develop two separate projects. There should be collaboration. A project should be developed that addresses all needs and interests. There is an opportunity for the Committee to provide recommendations regarding how a project could collaborate to meet state needs.

Committee Next Steps
The Committee discussed what issues and topics should be addressed next in the process. Notable suggestions include:

- There is a desire to look at some of the information available from the Wyco Power and Water project, specifically the Boyle report.
- It may be valuable to assess the scope of service and demand of the projects and how it relates to the gap (e.g., who is signing up for the water and whether there is double-counting between the projects).
- There is a need to gain a better understanding of the work being conducted by the Yampa/White/Green BRT regarding junior water rights issues, Decision Support System modeling, and how a curtailment might be administered and addressed.
- It would be valuable to continue to tie all efforts occurring throughout the state together:
    - Basin Roundtable efforts relating to the 1177 process and basin-specific initiatives
    - State water plan development and work with the Portfolio Analysis and Trade-Off Tool
    - Compact issues statewide
    - Needs assessments
    - Arkansas/Gunnison/Aspinall project
- It may be helpful to develop a matrix that outlines all efforts and the interconnection/overlaps between issues and locations.
- It would be valuable to have a white paper/ legal outline of all the Compact issues and where decisions regarding those issues could be made and what those decisions might be (Compact administration, administration between basins, basic legal facts, etc.).
- There is a desire to hear the opinions of Wyoming and Utah agencies regarding the projects. (Since Wyoming State representatives have declined to engage in this process, this information could be gained from a literature review of newspaper articles.)
- There is concern regarding the general focus on moving water rather than a focus on the need for storage to create long-term security and benefits, specifically to address issues regarding agricultural dry-up.
- It may be valuable to look into what the ideal amount of water is in order to preserve and maximize agricultural activity in the long term. (The Arkansas BRT is addressing this topic with Colorado State University.)
- There is a desire to gain more specific information regarding the projects:
    - Who would have standing to object and demonstrate injury from a project?
    - What are the unintended consequences?
    - What does a public-private model as proposed by the Wyco project involve? What are the risks and what are the projection options?
    - How would the project influence growth scenarios?
    - What are the pros and cons of the projects as they relate to specific issues, such as meeting West Slope and East Slope demands, environmental impacts, recreational impacts, management of endangered fish, streamflows, hydrology, longevity (beyond 2050), etc.?

    - What are the risks of Compact curtailment associated with how water is taken and provided? (This information could come from the State Engineer's Office.)
    - What information or direction is contained in the Programmatic Biological Opinion (PBO) regarding the endangered fish on the Green River?
    - What is the status of the FERC permitting process, the BOR assessments, and federal hydrological data?
- The Committee should address the issue of how the two projects could collaborate.
- There seems to be a need for the Committee to begin to fill in information in the interest and issues document—to see which of the questions in the document can be answered already.

Next Steps

Materials for Review

- Heather and Mikaela will:
    - Request that Wyco Power and Water share the Boyle Report with the Committee.
    - Work with Eric Hecox and Gary Barber to ensure presentations on the topics identified below.

- Committee members will:
    - Ensure that their respective roundtables have had an opportunity to review and provide feedback on the preliminary list of interests and issues.

Planning for the April 25 Committee Meeting

- The Committee would like to learn more about the ability of a Flaming Gorge project to meet some identified portion of the statewide water supply gap. Eric Hecox with prepare a summary of what is known about this, based on: 1) information provided to the IBCC about the timing, location, and size of the gap, and 2) each project proponent's list of potential water recipients and their identified need. This is all currently available information; no additional analysis will be done.
- The Committee is interested in learning about the legal issues regarding how project proponents would acquire water from Flaming Gorge (i.e., through a contract with the Bureau of Reclamation, by acquiring a Colorado water right, by acquiring a Wyoming right). The Committee is particularly interested in how these different approaches might impact water rights in Colorado in the event of a Compact call and the priority of curtailment. Eric Hecox will check in with others at the State to determine if someone is willing and available to give such a presentation at the next meeting.
- The Committee would like to learn more about the role of several agencies in reviewing one or more Flaming Gorge projects. Questions include the status and content data that has been or is expected to be provided to proponents about water availability and price by the Bureau of Reclamation (BoR), permitting processes and decisions (BoR and the Federal Energy Regulatory Commission (FERC)), and legal issues, benefits, and impacts to the Colorado River Storage Project (CRSP). Heather, Eric Hecox, and Gary Barber will work together to identify and contact representatives to present or provide the Committee with the information requested.
- Heather will draft an agenda based on responses from invited speakers and circulate it to the Committee for review as soon as it is available.

Basin Roundtable Project Exploration Committee: Flaming Gorge
April 25, 2012
Meeting Summary

Attendees

Gary Barber	Eric Hecox	Ken Spann
Janet Bell	Betty Konarski	Bob Streeter
Dan Birch	Mike Gibson	Kai Turner
Jacob Bornstein	Kevin McBride	Carl Trick
Rick Brinkman	Tim Murrell	Chuck Wanner
T. Wright Dickinson	Ken Neubecker	Bruce Whitehead
Reed Dils	Mel Rettig	Eric Wilkinson

Facilitation Team

Heather Bergman and Mikaela Gregg, Peak Facilitation

Members of the public were also in attendance.

Objectives

- Learn about the legal issues stemming from how project proponents would acquire water from Flaming Gorge (i.e., contract with the Bureau of Reclamation, Colorado water right, Wyoming water right)
- Learn about how a Flaming Gorge project could meet some portion of the statewide water gap
- Learn about Bureau of Reclamation studies, permitting, and other issues related to a Flaming Gorge project
- Begin Committee work to answer the identified questions in the preliminary interests and issues list

Introductions and Agenda Review

Facilitator Heather Bergman opened the meeting with introductions and an outline of the meeting agenda and objectives.

Public Comment

Members of the public did not provide comments at this time.

Legal Issues – How Water Is Acquired for a Flaming Gorge Project

Based on Committee questions and comments following the project proponent presentations at the March Committee meeting, State Engineer Dick Wolfe provided the Committee with general information regarding the acquisition of water for a potential Flaming Gorge project. The Committee then discussed with Dick additional questions and concerns. Highlights from Dick's presentation and the subsequent discussion include:

- Currently, the State does not have policies or statutes that specifically address the administration of imported water. Statutes addressing the exportation of water can be considered for potential issues and mechanisms that could be applied to the import of water. In addition, interstate compacts, United States decrees, and State memorandums of agreement regarding Colorado River water use also provide reference points and comparisons for how a potential import project could/should be addressed.
- With regard to a potential Flaming Gorge project importing water from Wyoming to Colorado, agreements would have to be made between the State Engineer's Offices in both Colorado and Wyoming and in accordance with Compact compliance and entitlements in the absence of any other mechanism to do so. Both states have adjudication processes, but they do differ.

- He supports the development of project-specific terms and conditions that would outline the ability of Colorado to weigh in on and have a role in final decisions regarding any allocation of Colorado water before a water right in Wyoming would be granted. This would allow the State to ensure project allocations would not impair the State's ability to meet Compact obligations. The State would request a condition of approval that would allow the State to weigh in on decisions via and/or in conjunction with the Wyoming State Engineer. Such terms, conditions, and processes, however, have yet to be specifically and fully addressed and fleshed out.
- The needs of stakeholders in Colorado to engage in the process may be possibly addressed through the cooperation of both State Engineer Offices. There is a general need to develop rules and regulations in Colorado that address how water rights would be administered in the event of a Compact call. The State Engineer has the authority to permit special public engagement rules or to allow special testimony by the public as part of the regulatory development process.

Discussion

In the Compact Compliance Study, what are the components being studied regarding how a Compact call might be administered and what the process would be for a basin roundtable (BRT) and/or the Interbasin Compact Committee (IBCC) to engage in the decision-making process?

- The Compact Compliance Study is a study being conducted by the Colorado Water Conservation Board (CWCB). Aspects of this study look at whether there are mechanisms that can be put in place to avoid a Compact call as well as what could be done to mitigate the effects of a call. There is also an analysis of pre-1922/-1929 water rights and the information from the Colorado River Water Availability Study that is being used to explore Compact call mitigation and management strategies. All this information and the work of the IBCC and BRTs will help inform the State in developing rules, regulations, and action plans to build an overarching framework for addressing Compact issues.
- There is the possibility for IBCC and/or BRT engagement at some level; however, such decision-making mechanisms and the development of Compact mitigation and management rules and regulations are not yet at the stage in which stakeholder engagement has specifically been addressed. Currently, the State is focused on addressing modes for avoiding curtailment, building cooperation between all of the Upper Basin states, and outlining Compact call mitigation strategies. While the Compact Compliance Study is currently managed by CWCB, should it lead to other developments, there would be a need for greater transparency and stakeholder engagement. The State is open to suggestions and recognizes the importance of statewide collaboration.

In the absence of a statue regarding the import of water into Colorado, does the State Engineer have the authority to administer imported water, specifically water from a potential Flaming Gorge project?

Yes, the State Engineer has the authority to manage water imported into Colorado under the Upper Colorado River Compact and other statutory authority. Imported water could be treated for some aspects similarly to water from a transbasin diversion.

What are some of the provisions that would need to be addressed when looking into developing statutes specifically regarding imported water?

The provisions for exporting water require a significant analysis process. There will most likely need to be similar elements included in an import statute; however, these elements may have to be expanded to specifically address Colorado Compact issues, entitlements, and requirements. The State looked into developing a statute such as this, but it was determined that if developed it would not be retroactive and therefore would not apply to current proposed projects. The effort to develop such statutes was discussed at the Water Resources Review committee last summer but not pursued.

There is concern regarding the likelihood of a project increasing the risk of a Compact call. Does the State Engineer's Office have any thoughts regarding the need for specific rules for the development of large projects? Is there a way to bank currently unutilized water in a manner that could protect junior and senior water rights in the future? There seems to be a need to look at water banking in conjunction with project development as a Compact protection mechanism.
This is an issue being factored into many of the studies and conversations occurring throughout the state. Continued water rights filings, including conditional water rights, and ongoing project development are issues that have potential impacts on the state's water resources and that cause concern for those with junior water rights. These are all issues that will need to be explored in terms of project development, Compact call mitigation, and call management strategies.

How can Colorado directly administer a water right with the State of Wyoming? Will enforcement mechanisms be developed? How can Colorado ensure Wyoming's compliance? How will the direct-flow right be managed?

- These are issues that could be addressed within a memorandum of understanding with Wyoming and through existing enforcement and administration strategies. The State has had previous success developing and administering water agreements with Utah and Wyoming; these agreements and relationships could be further leveraged to manage a Flaming Gorge project. It is thought that administration and management of water rights of an interstate project would be done in a manner that leverages current models, rules, regulations, etc.
- Currently there is no requirement for use of water court for issues regarding imported water. This is an example of something that could be made a legislative requirement. However, both Wyoming and Colorado legislation require that water from a project is assigned a specific beneficial use and not be speculative.

Is there a risk if we do not develop the state's remaining allocation from the Colorado River? How would the State Engineer's Office view water legislation that was developed from the grassroots up?
He fully supports maximizing beneficial use of Colorado River water in Colorado. He also supports grassroots efforts and collaboration. These are issues that the State in no way claims to have all the answers to or solutions for; these are issues that need to be addressed by many stakeholders.

There seem to be a greater need to build storage and to advance the potential for development of a new reservoir as a more productive solution to the state's water planning efforts. What is the State's perspective on storage?
Storage is recognized by the State as an important component to future water planning efforts and to help address Compact issues; however, the State has not vetted specific storage development sites and opportunities.

Does the State Engineer's Office view water from the Colorado River Storage Project (CRSP) system as a fundamentally different process than the original purpose for which the system was developed? There is concern that modification of a component within this system (e.g., Flaming Gorge Reservoir) could fundamentally alter the long-term purpose of the system and the ability for it to meet long-term, downstream water needs.
The State Engineer's Office recognizes the importance and role of this system and would consider all implications to the system and to Colorado from any potential project development.

<u>Comments</u>

- There is a need to address how a Compact call will be handled regardless of the development of a large project.

- The State needs to establish a mitigation and action plan in order to help determine if a project could be viable.
- There seems to also be the need to develop legislation regarding the importation of water and the administration of imported water.
- There is a need to know how projects in specific basins will fare in the event of Compact curtailment; there is a need to understand the priority of projects in each basin and how water rights will be administered in the event of a Compact call. There is concern regarding West Slope and East Slope priorities and the desire to ensure future projects and agreements do not negatively affect current systems and structures.
- Compact compliance is also a critical component that needs to be addressed by the State. Without information regarding Compact compliance and enforcement, it is difficult to perform risk assessments on potential project or scenarios.
- There will never be a solid determination regarding how much water is available, and therefore, there is a need to move past the focus on water availability and move toward a focus on risk analysis, prioritization of water rights, and issues surrounding the legalities of available water use.
- Colorado River Compact obligation is an Upper Basin requirement, and the State of Colorado should not limit the development of its entitlement through rules or regulations while other Upper Basin States are unrestricted in the development of the remaining allocation (including Colorado's).

Potential Impacts on the Gap from a Flaming Gorge Project

Eric Hecox, Colorado Water Conservation Board (CWCB), provided the Committee with a memo outlining information prepared by CDM and CWCB for the Interbasin Compact Committee (IBCC) regarding the timing, location, and size of the state's municipal and industrial (M&I) water supply gap. The data presented in the memo is based on information from the Statewide Water Supply Initiative (SWSI) 2010 M&I Gap Analysis. The Basin M&I Gap Analysis Memorandum can be found on the CWCB website (here).

Eric then provided the Committee with a summary developed by Peak Facilitation that outlined the amount and recipient of the water supply anticipated by each Flaming Gorge project proponent (listed by basin for easier reference to the gap amounts in the M&I Gap Analysis). The information outlined in the summary table is based on information proved by the proponents during their presentations at the March 27 Committee meeting. The table is attached to this meeting summary. The Committee discussed the memo and the project water supply table.

Discussion

- The Wyco Power and Water project identified a number of agricultural water recipients; however, these quantities were not factored into the summary totals because their delivery to agricultural recipients suggests that they are unlikely to contribute to meeting the M&I gap.
- Both Douglas County and Woodmoor Water and Sanitation District have signed on to both potential projects.
- Based on current information, it is difficult to fully assess the potential water supply benefits to basins and recipients. Many stakeholders will not sign on to a project until it is demonstrated that it is a realistic possibility and there is a sense of project security; neither project has reached this point and as a result, the list of potential recipients is preliminary and probably shorter than the number of interested entities.
- It seems as though the gap reduction quantities could change based on price sensitivity issues. There also seems to be a correlation between the length of the pipeline required for the project and the value received by recipients (e.g., price per acre-foot, price per gallon per user, etc.).

    - Current water recipients of both projects considered the unit price per acre-foot to build and to operate each project before signing on as a potential recipient. The quality of water and reuse capacity of each project have also been factored and considered by recipients when determining whether to sign on to a project and if so, which potential project to contract with. There is also the need to look at how each project facilitates planning for future water supplies and also the ability to replace current supplies within an established water supply system (rate structure, tapping fees, etc.).
- There seems to be a need to look at how the State can get involved with a potential project similar to Flaming Gorge rather than have a private entity control such a project, its available water, and the ability to sell water to the highest bidder.
- There seems to be a need for the Committee to determine whether or not the State should seek to fully develop its Compact entitlement.
    - The CWCB outlined several recommendations along these lines in SWSI 2010, specifically regarding CWCB support for full use of the State's Compact entitlement.
    - It may be valuable to better understand the fundamental disagreement regarding the State's ability and actual efforts to fully develop its Compact entitlement.
- There is a need for the Committee to have a conversation regarding the potential risks associated with a Flaming Gorge project as well as the risks of not developing a project.
- It is important to keep in mind that the CWCB supported this process because it aligned with CWCB's resolve to support and advance Colorado's Compact entitlement. The focus of this process is therefore not to determine if a Flaming Gorge project should move forward, but to outline what issues need to be considered and to develop a process that facilitates communication, information gathering, and discussions regarding associated issues and interests.

Bureau of Reclamation – Studies, Permitting, and Related Issues

A representative from the Bureau of Reclamation was unable to attend this meeting. A presentation from the Bureau is anticipated at the May 30 Committee meeting in Silverthorne.

Committee Work: Answering Questions in the Preliminary List of Interests and Issues

The Committee divided into three working groups to apply the information received thus far in the process to address the working list of interests and issues. The information outlined during this session will be compiled into a revised interests and issues working document.

Key Issues of Concern

The Committee discussed topics and issues that are of concern regarding a potential Flaming Gorge project. The Committee identified the following key issues that need to be addressed as part of this process:

- Is it legal to import water?
- What is the priority of a Flaming Gorge project? Is it 2007 or the priority date of the storage right for Flaming Gorge? What is the Admin (Holt) number?
- What are the mechanisms for Colorado stakeholders to engage if a project is administered outside Colorado water law/court system?
- How will a Compact call be administered (in general and with Flaming Gorge)?

Planning For the May Meeting

- As previously identified, the Committee remains interested in learning more about the role of the Bureau of Reclamation (BOR) and the Federal Energy Regulatory Commission (FERC) in reviewing or providing information regarding a Flaming Gorge project, including whether there is

water available from Flaming Gorge Reservoir and if so, how much. The Committee prioritized hearing from BOR first, so Heather and Jacob will work with BOR to find a speaker.

- The Committee would like to learn more about the environmental benefits and impacts of a Flaming Gorge project, starting with flows and impacts on the endangered fish. The Committee suggested requesting presentations from the Upper Colorado River Fish Recovery Program and/or the US Fish and Wildlife Service (FWS). Heather will manage the process of contacting and setting up guest speakers to address these topics.
- The Committee would like information from the Arkansas Basin Roundtable (BRT) and Gunnison BRT joint meeting to addresses issues of conservation. Ken Spann, Gary Barber, and Rick Brinkman will provide the Committee with a brief summary of the May 7 joint BRT meeting.
- Heather will draft an agenda based on responses from invited speakers and circulate it to the Committee for review as soon as it is available.

Next Steps

Materials for Review

- Jacob will send Heather the conservation white paper and reuse white paper prepared by the Metro Basin Roundtable (BRT). Heather will distribute the white papers to the Committee.
- Dick Wolf will send Heather information identifying in which statutes his various authorities lies.
- Eric Hecox will work with Colorado Water Conservation Board (CWCB) staff to identify written material on the Colorado Water and Power Authority to share with the Committee.

Heather and Mikaela will:

- Combine the notes from the small group discussions on the preliminary list of interests and issues into an updated working document.
- Circulate the revised interests and issues working document to Committee members to provide additional feedback.
- Committee Members will:
- Review the updated interests and issues working document and provide feedback and additions (in tracked changes) to Heather by May 9th.

Next Committee Meeting: May 30, 12pm – 5pm; *Silverthorne Recreation Center (New location)*

Reduction in Colorado Water Supply Gap in 2050 from Two Potential Flaming Gorge Projects				
Prepared by Peak Facilitation Group Based on Proponent-Provided Data and SWSI 2010				
Basin Roundtable Project Exploration Committee: Flaming Gorge				
April 25,2012				
Proponent-Identified Municipal Water Recipients	**AF/YR**	**Medium Basin Gap Reported in SWSI 2010**	**Remaining Gap after FG Applied**	**% Reduction in Basin Gap from FG**
COLORADO WYOMING COALITION				
Arkansas Basin				
Donala Water and Sanitation District	2,040			
Woodmoor Water and Sanitation District	3,930			
Town of Monument/Triview Metro District	6,129			
Basin Total	**12,099**	**64,000**	**51,901**	**19%**
Metro Basin				
Douglas County (Rural)	2,096			
Parker Water and Sanitation District	22,696			
South Metro Water Supply Authority	41,918			
Basin Total	**66,710**	**130,000**	**63,290**	**51%**
WYCO POWER AND WATER, INC.				
Arkansas Basin				
Woodmoor Water and Santitation District	3,000			
Basin M&I Total[1]	**3,000**	**64,000**	**61,000**	**5%**
Metro Basin				
Douglas County	40,000			
Penley Water Company	10,000			
Basin M&I Total[1]	**50,000**	**130,000**	**80,000**	**38%**
South Platte Basin				
Fort Collins-Loveland Water District	5,000			
City of Brighton	12,000			
East Larimer County Water District	5,000			
Basin M&I Total[1]	**22,000**	**110,000**	**88,000**	**20%**

[1] Note: This project also identifies other agricultural water recipients. These totals were excluded from this summary because water provided for agricultural uses will not be applied to the municipal water supply gap

Basin Roundtable Project Exploration Committee: Flaming Gorge
May 30, 2012
Meeting Summary

Attendees:

Gary Barber	Betty Konarski	Carl Trick
Janet Bell	Kevin McBride	Chuck Wanner
Jacob Bornstein	Tim Murrell	Bruce Whitehead
Rick Brinkman	Ken Neubecker	Eric Wilkinson
T. Wright Dickinson	Ann Oliver	Jim Yahn
Reed Dils	Ken Spann	
Mike Gibson	Bob Streeter	

Facilitation Staff:
Heather Bergman and Mikaela Gregg, Peak Facilitation Group

Members of the public were also in attendance.

Objectives:

- Gain better understanding of how a Flaming Gorge project would affect or be affected by the Flaming Gorge Environmental Impact Statement (EIS), including impacts to flows and endangered fish
- Continue Committee work to record what has been learned to date

Introductions and Agenda Review:
Facilitator Heather Bergman opened the meeting with introductions and an outline of the meeting agenda and objectives.

Public Comment
Don Hartley, Communities Protecting the Green River, addressed the Committee. Mr. Hartley stated that there are two industries in southwest Wyoming that rely on water from the Green River. In addition, there is a $100-milion recreational industry. The proposed Flaming Gorge project states that there would be years when the project would not have water. This year is an example of a dry season in which the project would not be able to produce. It is not a good investment to spend billions of dollars on a project that will not provide water every year. Furthermore, the Green River is not a reliable source for a large water project; there are too many industries using and relying on its diminishing resources. (e.g., the Wind River Mountains at the headwaters of the Green River are no longer glaciated mountains, thus decreasing the water supply and making the Green River a less reliable water resource).

A Flaming Gorge Project and the Bureau of Reclamation
Malcolm Wilson, Bureau of Reclamation (BOR), provided the Committee with a brief presentation regarding the role of BOR in a Flaming Gorge project. Mr. Wilson then answered questions from the Committee.

- The Flaming Gorge Reservoir is a part of the Colorado River Storage Protection Act (CRSPA). Its purpose is to allow the Upper Basin states to be able to store water to meet 1922 Compact obligations.
- The role of BOR is to manage the reservoirs for storage for the Upper Basin states. The Upper Basin states essentially make the determination for how the reservoirs are used. Any development of or around the Flaming Gorge Reservoir would have to be in conjunction with and

with the concurrence of the Upper Basin states in order to protect the states' ability to meet Compact obligations.

- The BOR Flow and Temperature Recommendations outlined in 2006 were based on matching peak releases from Flaming Gorge with high flows from the Yampa River. When the flow and temperature recommendations were originally released, it was recognized that the data could change and the recommendations may have to be adapted as advances in and new research developed. More recent research shows that there may be a benefit to shifting the peak release to better match the timing of larva production in the rivers. This occurs after the peak flows on the Yampa, so more water may need to be released from Flaming Gorge Reservoir under this approach. Further study of this concept and data could affect the water available for a Flaming Gorge project. This new flow data will be used in any new modeling for any proposed project.
- BOR is also looking into the potential impacts of climate change on the system's flows in order to develop models that show predicted future supplies and flows based on changes in climate. Projected impacts are showing a 2.5 diminishment in yield by 2020 in the Upper Basins: 8% in the Upper Colorado, 3% in the Upper Green, and 10% in the Upper Gunnison.
- From a BOR perspective, a Flaming Gorge project is more than just a Colorado and Wyoming issue and would need agreement and cooperation between all the Upper Basin states. There is no designation of what water from what source is available for which state(s). The Upper Colorado River Compact divides the "remaining" available water proportionally between all Upper Basin states.
- A key issue for BOR is that a proposed project should not only engage all Upper Basin states, but should also seek their concurrence. This was a key issue outlined in BOR's response to the Flaming Gorge project concept outlined by Aaron Million.
- Both proposed projects are referencing BOR's 2006 informal study of available water in the Flaming Gorge Reservoir. This study used the average yield from historical projections and what was believed at the time to be required releases for the Endangered Fish Recovery Program to estimate that 154,000 acre-feet could be available from Flaming Gorge in the short term and 185,000 acre-feet could be available over a 20-year period. The modeling done for this study was rudimentary and did not include many of the operations in effect today. The specific targets and detailed flow operations were also not included in the initial study. In addition, the study did not look at the potential effects of climate change on future water supplies and flows.
- Currently, BOR is working on gathering information regarding the effect of climate change on water availability in conjunction with the Colorado River Basin Study. This report should be available in the next month.
- In its initial study, BOR found that getting water across from Flaming Gorge through Wyoming down to Colorado's Front Range would be the biggest hurdle for a project and therefore, the Bureau of Land Management (BLM) would need to be the central agency involved in the analysis under the National Environmental Policy Act (NEPA). However, the Million project looked at taking water from above Flaming Gorge, which suggested that the US Army Corps of Engineers (the Corps) should be the lead agency. The Corps later determined that there was not enough information available for a NEPA analysis and the proposed project did not have sufficient commitments from potential users. The Million project was then revised to include power generation capacity, which put it under the authority of the Federal Energy Regulatory Commission (FERC). FERC rejected the permit application, as well as the subsequent appeal.
- Wyco Water and Power (the formal proponent behind the "Million" project) is showing interest in the BOR modeling project and has expressed interest in reviewing this information before advancing the project further.

Questions/Answers and Discussion

Is it accurate that there is a need for agreement between the Upper Basin states for a proposed withdrawal from the CRPS system?
This is generally a policy decision; there are no firm requirements stating the need for Upper Basin states to agree to the use of the remaining water in the CRSP system. However, consideration and development of a large project such as Flaming Gorge should be a collaborative effort. While BOR does provide and manage smaller contracts on the river, the agency prefers that the Upper Basin states weigh in and support any additional contracts.

What is the process and quantity available for withdrawing water from the CRSP system?

- The 165,000 acre-feet quantity outlined in the BOR study was based on what water would be available after meeting Compact obligations. The more critical question is whether or not the Upper Basin states will agree to a state or project taking that water out of Flaming Gorge and applying it for state use. While the water is there for CRSP use (it does not have to go down to Lake Powell), there is a need for the Upper Basin states to agree to the contract for its use.
- Withdrawal from the system would be based on a percentage of what is available in the full CRSP system.
- The BOR process for a project/contract requires concurrence from the Upper Basin states before a contract can be considered.

There is a desire to have a quantity of water determined in order to have a conversation regarding risk. Is there a need for the Upper Basins states to address this issue together? How can the conversation regarding development of a project advance without determining and agreeing on a specific quantity (or at least a range) of available water?
While BOR can look at the quantity of water available from the Upper Green, there is a need for the Upper Basin states to collaboratively look at the range of water available and address the associated risks.

What role does water in the Aspinall system have on the ability to meet Compact obligations? Have the Upper Basin states always had to agree on the development of a large project and/or contract? How does the State's consideration of a Blue Mesa contract to address Compact depletion obligations affect this issue?
There is no precedent for consideration of a project of this size or for the need for Upper Basin states to collaborate at this level. These questions and issues will need to be further explored.

Is there a "pool" of available water from each of the reservoirs in the CRSP system or is determination of which reservoir is holding how much available water up to the discretion of the BOR (e.g., Navajo Reservoir is consumed by contracts). Do contracts override the delivery obligations out of the reservoirs to meet Compact obligations? Who makes the determination of the quantity of the CRSP pool? It is the same allocation of water from each reservoir that is not committed to service contracts? If all the water is factored into one accumulated pool of all four reservoirs, does it matter then which reservoir the water is taken out of to meet the Compact obligations and to determine over- or under-depletion of a state?

- Water allocated to the Upper Basin states is based on water yielded. If any state is over-appropriated or over-depletes causing an interruption in the obligation, then it is up to that state to make up the deficiency. The Upper Basin contract is based on what is left over from obligations.
- Navajo Reservoir has more obligations rather than service contracts.
- The determination regarding the CRSP pool is unclear. It has yet to be a direct issue that needed to be considered or determined.

What are the standard provisions that go into a water service contract (hydrology, pricing provisions, etc.)? What are the 'outs' in a standard CRSP contract and how is the water priced?

- Contracts all have shortage provisions. Some have distinctions regarding who gets shorted first. No contract guarantees supply, due to hydrologic variances. BOR and beneficiaries have historically worked very well together in times of water shortages to meet all participants' needs in the best manner possible.
- Regarding pricing, there is a CRSP rate that is based on a bond formula (factors in a10-year Treasury rate). The current rate is$86/acre-foot per year.

How much unappropriated water is actually available based on climate change predictions/depletion rates?

That is uncertain and would be based similarly on the range of available water today. The quantity is based on what remains in the system once Compact and Recovery Program requirements are met.

Are there already existing contracts out of Flaming Gorge?

There are a few contracts out of Utah that the BOR is looking into and was not involved in.

What does a scenario look like that demonstrates "extra" water in the reservoirs? When attempting to have a conversation regarding risk, should the focus not be based on addressing a situation similar to the quantities represented during low years, rather than the 10-year average?

- The reservoirs do not have to be completely full in order to demonstrate "extra" water. This is due to the obligation being based on a rolling average.
- There is more information about demand scenarios in the new technical memorandum that just came out of the Colorado River Basin Study. The memo is available on the BOR website.
- The 2008 Interim Guidelines were developed to manage allocation of Compact entitlements. 8.23million acre-feet is a typical release from Lake Powell and Lake Mead, but because this varies from year to year it is difficult to map out a scenario demonstrating what the system looks like with "extra" water.

What need does the shift in release times and larval production address?

It mostly focuses on the timing of flows and releases. It has the potential to show the need for lower release recommendations or the need for additional requirements, depending on the specific larvae timing in a specific part of the system.

If there is a pool of water available and it does not matter which reservoir the water comes from, would the BOR have to have a position regarding the appropriateness of a withdraw prior to consideration of a project?

The BOR may make a prediction regarding the quantity of available water and seek agreement from the Upper Basin states regarding how that should/could be used.

What would the CRSP system look like in the event of a Compact call? What is the process for the BOR to address a call?

There would be a significant effort to reduce evaporation and therefore try to store the water in reservoirs in higher elevations. There would remain a need to address flow requirements. Action would be based on annual operations.

What role does the federal position regarding human safety have on the Upper Basin Commission's decisions? Does the BOR have a position regarding how much water needs to be available in CRSP or a minimum quantity to be able to address human safety needs (at an over-arching level) and meet federal responsibilities?

BOR water decisions and operations are based on the Interim Guidelines. BOR's key concern is to manage the water as responsibly as possible based on guidelines, obligations, needs, etc. Ultimately, the ability to meet Compact obligations is the critical requirement.

In terms of water use/distribution, what is the significance of meeting flow recommendations versus meeting Compact obligations from a volume-based standpoint?

- The amount of water released through the system is based first on meeting Compact obligations. The amount of water outlined in the recommendation is based off this required flow, not an arbitrary amount.
- The modeling system currently being conducted looks at various options for flow timing and temperature options and has the potential to determine that flow quantities could vary and still support habitat needs. Based on field studies, the amount of water released this year was less than last year.
- Additional information is available in the technical memorandum referenced above.

Comments

- There seems to be a need for the Committee to seek the opinion(s) of the other Upper Basin states regarding the need for all states to agree to a project contract. There is a need to know whether or not the Upper Basin Commission agrees with the opinion of the BOR.
- It may be helpful to have a representative from BOR return and present the new modeling information and data to the Committee when it becomes available**.**
- Each of the Upper Basin states has flow requirements in its rivers that affect how much water is available. The Arkansas and Gunnison Basins have looked at how to use the Aspinall system and just received grant funding to continue the study. It might be valuable to have the stakeholders involved in this project present to the Committee regarding the process (lessons learned, challenges, etc.) and how to develop adapted storage systems.
- The Committee may want to consider making a recommendation to the Colorado Water Conservation Board regarding the need for a process that addresses whether or not the Upper Basin States need to agree about how extra water should be allocated/used.
- While there seems to be a benefit/need for the Upper Basin states to have an arrangement regarding how extra water is used, on the other side, there is benefit in having flexibility.

Potential Impacts of a Flaming Gorge Project on Fish and Wildlife

Tom Chart, US Fish and Wildlife Service, provided a brief presentation regarding the background of the Endangered Fish Recovery Program, the breadth of the Program and flow management issues, and issues specific to the Green River and a potential large water supply project.

- The goal of the Recovery Program is to recover the endangered fishes while water development proceeds in compliance with all applicable federal and state laws.
- There are many partners in the Recovery Program, including the State of Colorado, the State of Wyoming, the State of Utah, federal agencies, environmental organizations, and energy distribution entities.
- Key threats to the fish are water depletion, large reservoirs, fish barriers, and nonnative fish.
- Recovery elements include habitat flow management, habitat development, research and monitoring, managing nonnative fish, and stocking endangered fish.

- Substantial progress has been made on implementation of the required management actions to remove threats to recovery for all four endangered fish species (Colorado pikeminnow, bonytail chub, razorback sucker, and humpback chub).
- The Recovery Program develops endangered fish flow recommendations for the Green River and Partners with BOR to implement them. Key reaches in the Green River are Flaming Gorge Dam to the Yampa River (Reach 1), the Yampa River to the White River (Reach 2), and the White River to the Colorado River (Reach 3).
- Floodplains have been found to provide important habitat for the endangered fish. Flow recommendations aim in part to ensure that there is sufficient connection to these wetlands to support the fish.
- Key components of the spring flow recommendations are:
    - It is important to have 18,600 cubic feet per second (cfs) in Reach 2 in average or wetter years to allow for significant floodplain connection.
    - Releases from Flaming Gorge Dam should be timed to match peak, or immediate post-peak, of the Yampa River.
    - Releases from Flaming Gorge Dam should be time to coincide with the presence of sucker larvae.
    - Flow recommendations are generally phrased as "greater than or equal to" a specific flow to allow for flexibility. Flow recommendations also specify the minimum number of days or weeks that the flows are needed.
- A new report reviews various aspects of the razorback sucker history and needs. It also reviews the Flaming Gorge Dam operations and Yampa River flows in relation to the presence of larval razorback suckers in the Uintah Basin. The study is looking at the number of fish larvae for each species in the river in order to see if it possible to vary the flow recommendations and timing based on fish reproduction cycles. From May to June, a comparison of razorback larvae in1994 versus 2008 shows a later presence in the system than when the floodplains are accessible. The study is looking at the possibility of managing the availability of water based on the timing of the spawning of the fish in order to optimize floodplain connection. The report concludes that in order to provide critical nursery habitat for larval razorback sucker (i.e., flooded wetlands) Flaming Gorge Dam releases will need to occur after the Yampa River peak in most years.
- Flow requirements tier off natural cycles and variances; they do not attempt to push the system beyond natural limits. Minimal thresholds have been identified, but the key issue is how much flexibility in operation above those thresholds will be needed to assist in endangered fish recovery.

Questions/Answers and Discussion

How often is the timing of the Yampa off cycle?
Roughly half the time; this is a big issue.

How are the larvae tracked?
Larvae light traps are used to measure the different types of larvae in the river each day.

What is the significance of flows in the White River versus the Green River?
In 2011, we documented razorback sucker spawning in the White River for the first time. Larvae produced in the White River drift downstream into the Green River where they can access the floodplain nursery areas.

What is the new development leading to the larvae study?

- It has taken this long to develop the data set that led to the idea that reservoir operators will need to pay greater attention to the presence of larvae.
- All the endangered species evolved to take advantage of a variety of flow conditions. Therefore it is difficult to provide optimal conditions for all species in every year. Some species do better with higher flows.

What is the influence of nonnative species on the system and the recommendations?
Nonnative fish are currently the biggest threat to the system and are the focus of the program. There is a need for all the partners to realize the full impacts that these fish have on the system. Nonnative fish generally do well during periods of low flow.

Who is being held accountable for the introduction of the nonnative species/sport fish?
Management of nonnatives is the responsibility of the states. However, there is a history of both state and federal agencies stocking nonnative fish before we fully understood their impacts. Now, the biggest problem is with illegal introductions of nonnatives by the public (i.e., "bucket biologists"). There is a need to help stakeholders understand that there are other species that could be introduced for sport that would have less impact on the system.

How much has been invested in the Recovery Program thus far?
Over $200 million has been invested in the Recovery Program thus far.

How will you know if the Program is successful and at what end point?
The US Fish and Wildlife Service has developed specific recovery goals that provide our Program with a continuum/timeline for the program. Again, sufficient progress on the nonnative fish management presents the greatest barrier to down-listing various species.

Where specifically are the most significant nonnative fish problems currently occurring?
There are various issues in various reservoirs and some are more severe than others. Where there are problems, we need to address them at their source. There is a need to preemptively protect systems that do not currently have problematic nonnative fish issues. Controlling nonnative fish that have reached the river becomes a monumental task. Colorado is making progress in addressing this issue but education is also a key component.

What are the issues of species reproduction in reservoirs versus in streams?
There is no specific data comparing reservoirs and the river as relative sources, but it will be difficult if not impossible to control the nonnative fish in a river below a reservoir source. It appears that an effective nonnative fish management program starts at the top of the system and works its way downstream.

Is the cost of screening systems a viable solution to addressing nonnative species?
Screens are an important component of an effective nonnative fish control strategy, but there are constant maintenance issues and periods of time when screens are not working. There are appropriate applications for screens, but we need to take a broader view of the problem.

Is it possible that if a large project was developed, at some point the system will reach a level that cannot support the habitat and species?
The Recovery Program does not make that call. The Program focuses on outlining how water in the system and remaining water can be used to support and protect the natural habitat. The Program is based on the requirement to supply water to the Lower Basin states. I assume that the U.S. Fish and Wildlife Service would determine that our Recovery Program cannot serve as the offset for a project as big as the

proposed Flaming Gorge project, and therefore the project proponent would have to meet system requirements.

Do the projects have storage built into them to specifically address the need to meet downstream demands?

- At Elkhead Reservoir, the Recovery Program has secured a 'fish pool' of water, but not at Flaming Gorge. While there may not be water specifically allocated in Flaming Gorge for the fish, there is a commitment from BOR in their operations to assist in the recovery of fish from any reservoir that feeds into the system.
- The Recovery Program was established after the development of CRSP and the determinations were made for downstream allocations. The Recovery Program was put in place so that a Section 7 consultation (regarding impacts to the endangered fish) does not have to be put in place for each project developed in the system.

Is there a way to tell how the hydrology of a large project would affect the system and the habitat?
In their Environmental Impact Statement (EIS), Reclamation modeled impacts of meeting the endangered fish flow recommendations. I presume a similar model could be used to determine the impacts of reduced storages associated with a large project. My concern is that a large project would affect Reclamation's flexibility to release above the minimum flow and duration thresholds.

The State of Utah is developing a new water project; to what degree will this factor into the work of the Program and the efforts of managing shared water resources?
We are waiting for the State of Utah's modeling results to help address impacts of future projects. .

If the endangered species are able to fully recover, would this change the flow recommendations?
Yes, it could. The Program could revise the flow recommendations if the science supports it.

Have irrigators given up water to support the Recovery Program?
No. There have been agreements in which irrigators have voluntary freed up water during non-traditional times of the year as part of their commitment to the Program. (Note: A Committee member pointed out that there will be some agricultural dry-up in the headwaters in order to meet a requirement of the Program as a compromise in order to not lose yield.)

How will climate change affect future flows and requirements? Will it take a higher set of flows to get the same result?
Warmer temperatures and lower flows will likely favor nonnative fish. It is uncertain exactly what effect climate change will have on the river conditions, but the Recovery Program is positioned as well as possible to deal with those changes.

Is the viability of a project is limited by the fish flows or the Compact?
The two factors cannot be separated; they are the same.

What flows from Flaming Gorge are needed to support the fish?

- We have a general sense of what is needed, and there is research directed at more specific flow needs.
- Based on our knowledge of flow and endangered fish habitat needs, the Recovery Program can make use of as much flexibility in operations as is currently available.

- It is important to realize that the flows that we ultimately determine are needed to get these four species of fish off the list will need to be maintained in perpetuity or the fish will just get re-listed.

Is there a strong relationship between the nonnative fish and the availability of flows? If there is a commitment to addressing the nonnative fish issue, this seems like the avenue for being able to better modify the flows.
Nonnative fish do well during periods of low flow. The water users have become much more engaged in the threat of nonnatives as it can affect their operations.

Has there been any effort to look at how cold-water species are adapting to changes in water temperature?
This is being addressed by different state agencies. The Recovery Program does not address it.

What role does excess and nonnative vegetation along the rivers play in flow and habitat management? Is there the potential to create more habitat with increasing native vegetation rather than with flows?
- The Tamarisk Coalition and other groups have been addressing this issue.
- Our Recovery Program has not done much specific research on the effects of nonnative vegetation, but our sense was that mimicking a natural hydrograph would prove beneficial to the riparian community.
- The National Park Service has been doing a great deal to address nonnative vegetation control in Reach 1, but they too recognize the importance of high spring flows.

How much competition is there between the native species on the list?
There is a natural interaction between native species; they do seem to play off each other to some extent. There seems to be a need to get the system back in balance in order to realign the native species' natural modes of interaction.

What is the Colorado Wildlife Commission doing to address the nonnative fish threat? (Note: This question was directed to Committee member Bob Streeter, who sits on the Wildlife Commission.)
The Colorado Wildlife Commission has been taking steps to support the Recovery Program and to help address the critical issues.

Next Steps
The Committee agreed that the next meeting should focus on hearing opinions and perspectives on a Flaming Gorge project from members of the Committee. The Committee is interested in hearing support of and opposition to a project, particularly related to the potential benefits and potential negative impacts to the environment, agriculture, the economy, and water supplies. This will help the Committee further identify what topics require additional information, what key questions remain, what questions can be answered, what questions cannot be answered, what questions or issues apply only to a Flaming Gorge project and what issues apply to any new transmountain diversion, etc. For the June meeting, Heather will draft specific questions and guidelines to help Committee members prepare to discuss their perspectives.

The next meeting will be held on June 22, from 10 am to 3 pm at the Pikes Peak Area Council of Governments offices in Colorado Springs.

Basin Roundtable Project Exploration Committee: Flaming Gorge
June 22, 2012
Meeting Summary

Attendees

Gary Barber	Reed Dils	Carl Trick
Janet Bell	Mike Gibson	Chuck Wanner
Dan Birch	Betty Konarski	Bruce Whitehead
Jacob Bornstein	Kevin McBride	Eric Wilkinson
T. Wright Dickinson	Ann Oliver	Jim Yahn

Facilitation Team

Caroline Beard and Heather Bergman, Peak Facilitation Group

Members of the public were also in attendance.

Objectives

- Gain better understanding of Committee members' perspectives on a possible Flaming Gorge project
- Identify highest-priority topics for future Committee exploration and discussion

Introductions and Agenda Review:

Facilitator Heather Bergman opened the meeting with introductions and an outline of the meeting agenda and objectives.

Public Comment

Aaron Million, a Flaming Gorge project proponent (Wyco Power and Water, Inc.), commented on his recent meeting with members of Wyoming-based Communities Protecting the Green River. Million explained that his team's discussion with the group regarding a potential Flaming Gorge project revealed remaining concerns among the organization's representatives. According to Million, no progress has been made on identifying areas of common ground between this group and his team. He closed his comment with the statement that a Flaming Gorge project remains a way for Colorado to fully utilize its Compact entitlement so that Lower Basin states such as California do not.

Discussion: Bureau of Reclamation Discretion

At the last Committee meeting, a representative from the U.S. Bureau of Reclamation (BOR) stated that the Bureau would seek consensus from all of the Upper Basin states prior to contracting water for a new, large diversion out of any Colorado River Storage Project Act (CRSPA) reservoir. At the meeting, the Committee requested that Jacob Bornstein, who represents the State of Colorado on the Committee, check to see if this perspective is shared by Jennifer Gimbel, Director of the Colorado Water Conservation Board and one of Colorado's Commissioners on the Upper Basin Commission. Shortly after the meeting, Ms. Gimbel circulated a letter to the Committee members stating that consensus of the Upper Basin states is not required for BOR to contract water out of any CRSPA reservoir. The letter also stated that Ms. Gimbel discussed the issue with Larry Walkoviak, Regional Director of BOR's Upper Colorado River Office, and Mr. Walkoviak agrees that consensus is not required. Ms. Gimbel specified that the Upper Basin states certainly may be in communication about new supply project plans, but that no state possesses the authority to veto another state's project plan or proposal. A few members of the Committee stated that they do not share Ms. Gimbel's assessment, while others expressed confusion about whether or not consensus is required. The Committee did not discuss whether or how to resolve the issue at this time.

Committee Members' Perspectives on a Flaming Gorge Project

Committee members each spent six minutes sharing the three most important things they wanted the rest of the group to know about their perspectives on a possible Flaming Gorge project. In general, most of the items that were discussed were related to negative impacts, benefits, costs, and opportunities associated with a Flaming Gorge project. In sharing their perspectives, each individual was also asked to state whether or not their points would be relevant for any new transmountain water diversion (TMD) or only a Flaming Gorge project. Additionally, Committee members were asked whether or not they believe the Committee knows enough about each of the three points or issues. For items identified as requiring more information, the Committee will consider the possibility of learning more about them through group discussion, inviting speakers, or gathering existing information at subsequent meetings.

A compiled list of the Committee members' perspectives on a Flaming Gorge project is below, organized as concerns, benefits, remaining questions, and other ideas/principles. As there was overlap between several items, some items have been combined.

Committee Members' Perspectives on a Flaming Gorge project	**Does the Committee know enough about this?**	**Does this apply to a Flaming Gorge project only, or to any TMD?**
Concerns		
1. Whether a Flaming Gorge project will negatively impact people with junior water rights	No	Any TMD
2. How a Flaming Gorge project would impact wildlife and fishing opportunities below the Flaming Gorge dam	No	FG Only
3. The risks involved in a Compact call and the extent that a new project contributes to these risks	No	Any TMD
4. Who decides what the use of the 'new' water from a project will be	No	Any TMD
5. Whether the Bureau of Reclamation (BOR) has discretion in contracting water from Colorado River Storage Projects Act (CRSPA) reservoirs	No	Any TMD
6. How a project will negatively impact water flows, endangered fish, and recreation opportunities	No	Any TMD
7. The lack of positive impacts to wildlife, riparian systems, and recreation, and the fact that water for mitigation will come from the West Slope	Yes	Any TMD
8. The energy impacts and net energy use of a project	No	FG Only
9. Risks to existing water rights and impacts on current and future West Slope diversions (agricultural diversions in particular)	Yes	Any TMD
10. How to provide certainty to West Slope diverters, especially if there is no future-depletion allowance	No	Any TMD
11. Whether or not a project would affect diversion priorities	No	Any TMD
12. The cost of a project and who would finance it	No	Any TMD
13. The lack of checks and balances for West Slope communities in the permitting process	Yes	FG Only
14. How a project would affect the West Slope's ability to meet its own water needs 50+ years into the future	No	Any TMD

15. The potential externalities regarding costs and impacts	No	Any TMD
16. Insufficient analysis of environmental impacts and/or quantification of costs	No	Any TMD
17. Who will serve as project proponent	No	Any TMD
18. The cumulative environmental impacts – impacts beyond effects on the fishing industry and threatened species – and whether these impacts can truly be mitigated	No	Any TMD
19. Increasing the risk of a Compact curtailment and/or a Compact call	No	Any TMD
20. The temporary nature of a Flaming Gorge project as a solution; the lack of innovative thinking	No	Any TMD
21. Availability of water for new Front Range diversions	No	Any TMD
Benefits		
22. Lack of a need for a new dam or storage	Yes	FG Only
23. The ability to pipe water to the Front Range via the existing I-80 corridor, creating fewer environmental impacts than other projects	No	FG Only
24. The ability to prevent agricultural dry-up along the East Slope, which could be particularly beneficial for South Platte River Basin agricultural producers	No	Any TMD
25. The potential to restore the headwaters, thus mitigating impacts of climate change in on the Upper Colorado River	No	Any TMD
26. The potential benefit to West Slope communities through restoring headwater small tributaries in dry periods	No	FG Only
27. The capacity to provide statewide economic opportunities related to both consumptive and nonconsumptive water supply (i.e., more water resources for development on West Slope, statewide recreation and tourism benefits, etc.)	No	Any TMD
28. The potential to ensure full use of Colorado's Compact entitlement	Yes	Any TMD
29. The opportunity for the State to support public/private partnerships to facilitate innovation, compromise, and hope	No	Any TMD
30. The ability for project water to be used in conjunction with Denver Basin aquifers as a means of providing alternative municipal water resources in dry years	No	Any TMD
31. The potential for using and/or maximizing existing infrastructure	No	Any TMD
Remaining Questions		
32. Who might have bonding authority to implement a Flaming Gorge project and what the State's role would be	No	Any TMD
33. Intended versus unintended consequences of a Flaming Gorge project	No	Any TMD
34. How to find the appropriate balance and meet water needs, while limiting adverse impacts	No	Any TMD
35. Impacts of a Flaming Gorge project on economic development	No	Any TMD
36. Impacts of a Flaming Gorge project on conditional water rights	No	Any TMD
37. Issues associated with a Compact call, particularly regarding potential for overdevelopment of the Colorado River, risk analysis, and triggers	No	Any TMD
38. What the alternatives to a Flaming Gorge project are and whether they will receive sufficient consideration	No	Any TMD

39. What the relationship and obligation are between BOR and Upper Colorado River Basin Committee in contracting water from CRSPA reservoirs	Yes	Any TMD
40. Economic, social, and environmental benefits of a Flaming Gorge project	No	Any TMD
41. What the full permitting requirements for a Flaming Gorge project would be	No	Any TMD
42. Whether we want to affirmatively use the CRSPA reservoirs as sources for water to use and consume or as banks and protections from the downstream compact obligations and develop other new storage	No	Any TMD
43. What the seniority of a Flaming Gorge project would be	No	FG Only
44. What the right amount of water is to leave on the West Slope to ensure economic and environmental integrity and how we can determine that amount	No	Any TMD
Other Ideas/Principles		
45. Developing additional water storage in Colorado to ensure full use of the state's Compact entitlement	No	Any TMD
46. Ensuring that future new supply projects have support across the state from key interests – a successful new supply project would unify state instead of dividing it	No	Any TMD
47. Outlining an appropriate role for the State in implementation of a Flaming Gorge project (perhaps ensuring water goes to the most practical or beneficial use)	No	Any TMD
48. Understanding that any project will have risks and is unproductive to insist that new projects pose no risk at all	No	Any TMD
49. Further exploration of the possibility of intentionally created surplus (additional water could be stored in Lake Powell, helping to ensure that Colorado meets delivery requirements)	No	Any TMD
50. Maximizing integration with existing infrastructure to maintain greater flexibility in delivering water across basins	No	Any TMD
51. Understanding that Flaming Gorge is an existing reservoir and is one of four reservoirs designated by the Colorado River Compact to provide water to the Upper Basin for consumptive use	Yes	FG Only
52. Understanding that if Colorado does not fully utilize its Compact entitlement, Lower Basin states will become reliant on waters underutilized by the Upper Basin	Yes	FG Only

Discussion Regarding Committee Member Perspectives

Note: The questions and answers below reflect the ideas and opinions of individual Committee members only. The Committee as a whole does not necessarily support or oppose them.

How can a Flaming Gorge project protect the headwaters of the Colorado River?

The extent to which a project could improve or protect the headwaters of the Colorado River is becoming an area of greater interest. This could be accomplished through exchange with Flaming Gorge water and result in leaving more water in the river at the headwaters. More discussion is probably needed about the technical possibility of such an exchange, but an assessment of the economic or political feasibility of this kind of exchange is beyond the scope of this Committee.

While it is a high priority among water providers to keep the price of water as low as possible, a Flaming Gorge project may provide an opportunity to restore the headwaters by providing water resources from another location. Even though Flaming Gorge project water would be more expensive, Colorado and its residents, municipalities, and industries may be willing to pay more for water to preserve the wildlife and recreation opportunities (i.e., fishing, river rafting, etc.) that the headwaters support.

Under what circumstances might someone be interested in giving up water allocated from the Colorado-Big Thompson Project (CBT) for Flaming Gorge project water, which is lower in quality and higher in cost?
One example of how an exchange like this could be advantageous is for CBT water being pumped to the Front Range to be exchanged to headwaters diverters for Flaming Gorge water. The existing infrastructure would not allow for Flaming Gorge water to be exchanged with the same degree of flexibility, but there would be many incentives for water rights holders to exchange their CBT water for Flaming Gorge water.

Is it possible that mitigation water for a Flaming Gorge project could come from West Slope agriculture?
If a Flaming Gorge project were to negatively impact endangered fish in the Green River, water to mitigate those impacts would need to come from the West Slope, most likely from agriculture.

How will a Flaming Gorge project make it possible to meet demands on the West Slope as well as the East Slope, and how can the West Slope trust that this will happen?
There are many ways to use Flaming Gorge water to benefit the state as whole, including the West Slope. The options are not entirely clear at this point, but the Committee should spend some time discussing them and they should be explored further in the future. One option for providing assurance that West Slope needs would be met is for the State to be involved in allocation for geographic areas and uses around the state.

What does "externalized costs" mean with regard to a Flaming Gorge project?
It is important to evaluate indirect economic costs that a project could create; such indirect impacts are not generally included in a standard analysis of a project so they might go unexplored by a utility or other entity pursuing a Flaming Gorge project.

Is there a role for the State in mitigation of negative impacts?
It should not be required that project proponents mitigate impacts related to cumulative environmental effects resulting from a history of water development in Colorado. If there are cumulative effects that need to be addressed as part of, or related to, a Flaming Gorge project, the State could have a role in paying for those in order to address statewide issues for statewide benefit, above and beyond the specific costs and impacts of any particular water project.

Could some of the actions related to a Flaming Gorge project have positive benefits to the environment?
There could be some positive environmental benefits associated with a Flaming Gorge project but it may take new engineering and negotiations to achieve these positive outcomes.

Who would decide how Flaming Gorge project water is used and funded? Would its use and funding be connected?
The funding for a project like this and its use could be connected. If the State played a role in funding, then questions about the use of the water would relate to how the water serves the vision for the state. If

Colorado's vision is to do more than meet our basic water needs, then we must have water to meet to accomplish this.

Would State ownership of something like a Flaming Gorge project entail a fundamental change to the prior appropriation system?
It is possible that State ownership would not require a change to the prior appropriation doctrine if the State owned only 'new' water (i.e., water that is new to the Colorado system and originates from outside of the state). If the State acquired new water, we could then start to determine the best ways to use and share these supplemental water resources.

How new is 'new' water? Wouldn't "new water" to Colorado or the Front Range be "old water" to someone else?
There is a great deal of political pressure on the state to use its water entitlement, but there are also growing concerns about the state of instream flows in the Colorado River. There could be many other people who have needs and wants for Flaming Gorge water, but evaluating a Flaming Gorge project is all about looking at the tradeoffs involved.

If there is more State involvement, then the taxpayers would be paying for this project. How would this benefit sparsely populated places like North Park, Colorado?
It is unclear how the State's role in a Flaming Gorge project could look, but opening up this project to the highest bidder, as happened with the Northern Integrated Supply Project (NISP) is not the best option.

Is the presence of mitigation options different when comparing a Flaming Gorge project to other in-state new supply projects?
A Flaming Gorge project is different in that there appear to be ways to structure the project to maximize benefits to recreation, fishing, etc. An example of how this could be done is altering the flow of water to the Yampa River to create instream flows sufficient for river tubing. Additionally, while the cost of a Flaming Gorge project is comparable to other potential in-state new supply projects, the potential speed of development of this project separates it from the rest.

What is an appropriate level of risk, and to whom should it be allocated?
No one can develop a risk assessment or a risk management methodology until it is clear what the agreement is for administering a Compact call.

Public Comment
Aaron Million, of Wyco Power and Water, stated that he appreciated seeing the Committee consider some of the benefits of water projects, because he believes negativity has recently pervaded during discussions of any new supply projects. Million stated that determining what good looks like would benefit citizens of the state and would be helpful for identifying factual issues. He is of the belief that when evaluating projects that could benefit the state, the state should be encouraged to deal with factual issues involved related to the project. While environmental impacts associated with a Flaming Gorge project have been a concern to the Committee throughout the review process, Million proposed that a Flaming Gorge project could provide more flexibility to Colorado's water system and therefore make more water available for nonconsumptive uses. Million also asserted that a project like a Flaming Gorge project would foreclose any further development due to the expense of a project.

Next Steps
- Jacob Bornstein will look at what the State currently has available in terms of maps of existing water storage and areas with potential for new storage development.

- At the July meeting, the Committee will discuss the benefits of a Flaming Gorge project that were brought up during this meeting and how they can be maximized. This conversation will also include consideration of the economic effects, on both the Front Range and West Slope, of choosing to develop a new supply project versus taking no action. The Committee agreed that this should be a discussion among Committee members and that no outside experts are needed.
- In order to create a way to better discuss a Flaming Gorge project, as well as other new supply projects, the Committee will begin identifying principles that can be used to help determine the characteristics of a project that is good for the state. Heather Bergman will work with Dan Birch to identify a set of principles to discuss at the next meeting.
- Several questions emerged during the group's discussion regarding what the State's role would be if it was involved in the implementation of a Flaming Gorge project, and the Committee considers this an important topic to discuss in detail. Jacob Bornstein will prepare a summary of the State's current involvement in other water projects as a starting place for this discussion.
- Jacob Bornstein will provide the Committee with information about the Colorado Water Resources and Power Development Authority, what it currently does, what it can do, etc.
- Heather Bergman will send Committee members the following documents:
    - The Western Resource Advocates report mentioned by Gary Barber (provided to Heather by Gary)
    - The Northwest Council of Governments (NWCOG) report on economic issues on the West Slope (provided by Jacob)
    - The task force concept developed by the Interbasin Compact Committee's subcommittee on identified projects and processes (IPPs)

The next Committee meeting will be held on Tuesday, July 31, from 12 pm to 5 pm at the Weld County Southwest Services Complex in Longmont (4209 Weld County Road 24½).

Flaming Gorge Committee
Final Meeting Summary
July 31, 2012; 12 pm – 5 pm

Attendees

Gary Barber	Betty Konarski	Bob Streeter
Janet Bell	Gene Manuello	Carl Trick
Jacob Bornstein	Tim Murrell	Kai Turner
Rick Brinkman	Ken Neubecker	Chuck Wanner
Reed Dils	Ken Spann	Jim Yahn

Members of the public were also in attendance.

Facilitator

Caroline Beard and Heather Bergman

Meeting Objectives

- Discuss potential benefits from a Flaming Gorge project
- Building on the benefits discussion, identify principles of what "good" looks like

Public Comment

None

Introductions and Agenda Review

- The Interim Water Resources Committee meeting will be held on August 14th during the Colorado Water Congress Conference in Steamboat Springs. John Stulp contacted Gary Barber and asked that he provide an update to the Interim Committee on the Flaming Gorge Committee's work to date. No one on the Flaming Gorge Committee was opposed to this. Heather Bergman will work with Gary to outline the work that the Committee has done. Gary's report will include the Committee's consideration of potential benefits and negative impacts from a Flaming Gorge project as well as the associated issues needing further exploration.
- During today's meeting, the Committee will have an unstructured conversation about the potential benefits of a Flaming Gorge project. The group will also identify potential benefits needing further research. Any benefits that the group believes require further exploration may be specified as such in the Committee's report to the Colorado Water Conservation Board.
- The Committee will also begin discussing what overarching principles constitute a good new supply project in general, as well as the additional characteristics that would define a good Flaming Gorge project in particular.

Discussion about Potential Benefits of a Flaming Gorge Project

Members of the Committee identified aspects of a potential Flaming Gorge project that they believe to be potential benefits. The group did not seek consensus on this list of potential benefits.

- A Flaming Gorge project would not require water flowing through Colorado and would therefore have no negative impacts to nonconsumptive needs in Colorado.
- The benefits of this project can be spread out across the state instead of being owned by one project proponent alone. If a Flaming Gorge project were built and could help restore the headwaters of the Colorado River (through exchange), there would be opportunities to benefit sections of rivers and streams in Eastern Colorado. However, these types of benefits would depend on piping and cooperative agreements regarding flows and nonconsumptive needs, and would thus not necessarily be a requirement or a guaranteed outcome of a project like this.
- A Flaming Gorge project could prompt water providers to work together to identify common water needs without the presence of perceived threats to the interests of specific providers. Piping water in from outside of Colorado could help reduce competition and tensions related to conflicting goals between water providers.
- Because climate change is expected to decrease the water supply in Colorado through droughts, evaporation, and reduced annual snowpack, the Flaming Gorge Reservoir could be a more reliable source of water into the future. Flaming Gorge is located north of Colorado, which means this area may not be as hot and dry as a result of climatic change.
- A Flaming Gorge project could also provide the opportunity to mitigate the impacts of climate change as well as hydrologic and drought risks by allowing the Colorado River headwaters to remain in their current state (i.e., no further depletions from the headwaters). Also, there is potential for current diversions to be reduced because agencies would have an alternative method to import Colorado River water rights to the Front Range, increasing stream flow during drought when compared to flow under full diversion by senior priorities.
- Water from the South Platte River that is currently being used for agricultural production is being purchased at a rapid rate, and a Flaming Gorge project could help preserve agricultural water rights. Because water in the South Platte comes from agricultural return flows, when agricultural producers in this area sell their water rights to municipalities and industries, South Platte water providers must acquire water from other sources. If this pattern continues, it could degrade instream flows and be detrimental to recreation opportunities and the overall economy in the South Platte Valley. A Flaming Gorge Reservoir could help slow or reverse this trend.
- Using existing infrastructure, water pumped to Colorado from Flaming Gorge could be a way to put water in the places where it is most needed across the state, which would create a way to manage the needs of the statewide system with greater flexibility.
- The need to consider the feasibility of a Flaming Gorge project has led to the development of the Flaming Gorge Committee. The Committee has successfully engaged in multi-stakeholder dialogue, which is a benefit in itself.
- A Flaming Gorge project could prevent agricultural producers and municipalities from needing to purchase water rights from other agricultural producers in Colorado. This type of project would give people hope of another alternative to buying up agricultural water rights, which could make people more willing to pay the increased water rates that would result from a Flaming Gorge project.
- Depletions of the Colorado River could be destructive to water quality for areas like Grand County, and a Flaming Gorge project could help alleviate some of these potential negative impacts.

Benefits of a Flaming Gorge Project Needing Further Research

- A benefit of a Flaming Gorge project needing further investigation is the potential for water acquired from this project to be stored in underground aquifers on the Front Range. Wyoming could pay Colorado to store their water in these underground aquifers, which would be a mutual benefit. Having a location to store water, without evaporation problems, would be an advantage to Wyoming and Colorado by providing a management tool to offset a Compact call. Another potential benefit to Colorado could be generating revenue through providing underground water storage.
- In considering the potential benefits of a Flaming Gorge project, it is important to have a better understanding of how these benefits could be distributed, as well as who would be responsible for paying for them.
- There is a need to differentiate long-term and short-term benefits and to consider the externalities associated with these benefits because they can have unforeseen negative consequences.
- Considering the benefits of a Flaming Gorge project also necessitates that the State transparently determine how a Compact call would be administered. In considering Compact call risks and the potential of a Flaming Gorge project to reduce these risks, more information would be needed about yield certainty from a Flaming Gorge project.
- Fully considering potential benefits also depends on having a better understanding of the way a Flaming Gorge project would be structured. A project like this could be operated in a way that makes existing water users safer by designating new water as junior in priority.
- West Slope agriculture faces a water deficit, just like Front Range agriculture does. A project that simply transfers water being used for agriculture on the West Slope to the Front Range for agricultural use is not a benefit to the West Slope. In order for a project like Flaming Gorge to be a benefit to the West Slope, there would need to be a way to secure agricultural water rights in the White River area as well as a way to ensure that agricultural water in general is not transferred to Front Range municipal use.

Discussion Regarding Guiding Principles of a "Good" New Supply Project

Heather Bergman distributed a draft version of guiding principles of a "good" new supply project based on the Committee's discussion during the last meeting. In addition to making specific edits to the draft list of principles, the Committee discussed principles that could be added to this list.

Original Guiding Principles Provided by the Facilitator with Committee Edits

- Facilitates Colorado's use (but not overuse) of its entitlement under the Colorado River Compact
- Decreases or at least does not increase the risk of Compact curtailment to existing water users
- Reduces municipal reliance on Denver Basin non-tributary groundwater, while promoting conjunctive use of groundwater and groundwater used as a dry-year, firm supply
- Provides a new water supply that is a viable option when set next to conversion of East Slope agricultural supplies
- Does not forestall West Slope uses that are in the future and based on existing plans but are not as immediate as East Slope needs

- Has support from basins on both sides of the Divide
- Represents a net benefit to the basin in which diversion occurs in terms of meeting water, environmental, social, and/or economic needs
- As much as possible, promotes ongoing economic strength, vitality, and benefits not only to the basin of receipt but to the source of water and the state as a whole
- Maintains or improves environmental conditions
- Does not require that the project proponent mitigate or redress environmental or other impacts of the past or of other projects and does not worsen environmental impacts created from the past; such additional mitigation would be funded as much as possible by other sources (State, federal, etc.); project would be even better if environmental conditions can be improved directly or in partnership with other entities
- Incorporates sufficient environmental and other impact review; no reasonably foreseeable additional requirements or reviews will emerge in the middle of the process unless project scope or elements change
- Minimizes the need for new infrastructure / utilizes existing infrastructure
- Has an identified source of funding and a clear governance, management, and operational plan

Additional Principles Added during Discussion

The following list includes Committee members' suggestions for additional principles of a good new supply project.

- A new supply project should be clear about how it would affect the state's Compact compliance and also how storage would be a part of the project.
- A large new supply project cannot be assessed in isolation; it should be clearly related to the big picture of statewide water supply and demand.
- A good new supply project would not reduce yield to existing water users.
- A new supply project should create flexibility for municipalities, industries, and agricultural producers, and still meet nonconsumptive uses during drought years.
- A good project should entail cooperation among multiple entities.
- A good new supply project should not result in agricultural water rights being exchanged for other agricultural water rights.
- A good project would be multi-purpose. Even if its primary purpose was to provide water for municipal use, and the secondary purpose was to provide water for agricultural and nonconsumptive uses, the fact that it meets these different needs would be a significant benefit.
- Prior to spending a significant amount of money to plan or implement a new project, a proponent of a good project would explore alternatives and implement as many of them as possible to ensure that demand and supply are both being addressed as creatively and comprehensively as possible.
- A new supply project should operate to provide maximum operational flexibility.
- A good project should address hydrological and spatial variability among basins in order to prevent divisiveness between Front Range and West Slope communities.
- Minimizes the need for new infrastructure / utilizes existing infrastructure
- A new project should explicitly protect current and existing agriculture.

Issues for Potential Recommendations to the Colorado Water Conservation Board

The Committee's discussions to date have identified some issues that may be potential recommendations to the Colorado Water Conservation Board. These issues are not final recommendations from the Committee, but they continue to emerge as ongoing questions or concerns among Committee members.

- The Committee would like clarification about how the State and the Bureau of Reclamation would approach administration of a Flaming Gorge project.
- The Committee would also like clarification about how the Colorado State Engineer would administer a Compact call. The State should include triage practices for exceptionally severe droughts. It would be important to specify prioritization because it could be challenging to cut back water use even for low-priority needs such as bluegrass watering.

Additional Considerations

- Long-term protections against additional diversions from the Green River and the Colorado River system are critical to getting support from the environmental community. There is serious concern that a project like Flaming Gorge will not be the last big diversion and that rivers will be asked to give even more water later (beyond 2050).
- Moving forward with another new supply project may delay or undermine more serious exploration of alternatives to new water for meeting the state's water supply needs. We are dealing with a limited resource and are at a point when we must determine how to use land in Colorado's future before carrying out water supply planning.
- There are questions about the urgency regarding the need for Colorado to use its full Compact entitlement. More information is needed regarding the possibility for the state to permanently lose water in its entitlement that is not currently being used. Based on water law, it seems that there is no threat of Colorado losing rights to its Compact entitlement; however, Upper Basin states do have obligations to Lower Basin states. Development by the other Upper Basin states could reduce the availability of future depletions for Colorado.
- Without a new supply project like a Flaming Gorge project, it is plausible that economic growth in Colorado will slow or stagnate.
- Some members of the Committee believe that exchanging water from a Flaming Gorge project for Colorado River headwaters may not be a viable option. In the long term, water supply gap problems will not be solved by simply taking water from another reservoir. Dealing with supply gaps fully will require addressing the issue of why we need the water. Other points that were brought up by Committee members and were not necessarily the consensus of the whole group suggest that there is a need to have a serious discussion about the alternatives to another trans-mountain diversion project.
- How a Flaming Gorge project would be operated is as important as who will serve as the project proponent in considering possible benefits and negative impacts.
- The Committee has been thinking about benefits, and it is clear that there are many tradeoffs associated with the abovementioned potential benefits.
- Perhaps our political structure should be reconfigured to encourage population growth where it can be easily managed. To help address the state's water problems, it could be beneficial for economic incentives to be used to diversify economies and achieve this kind of strategic growth management.

- In moving forward with the review process, it may be helpful for the Committee to have a simplified spreadsheet illustrating the potential benefits and impacts of a Flaming Gorge project that have already been discussed. This could be helpful in determining how a Flaming Gorge project could be structured to allow for some of these benefits to be realized.
- Also, the Committee may want to consider thinking in more depth about the tradeoffs associated with a Flaming Gorge project (i.e., what would be worth giving up to obtain some of the benefits of a project).
- The Committee should strive to fully consider the issues involved with a Flaming Gorge project without taking a stance on whether or not it should be built. Currently, the Committee is in a "pre-scoping phase" and should avoid getting caught up in details about a Flaming Gorge project since it is still very unclear whether this project should be done.
- Discussing concerns about a Flaming Gorge project should also include a more in-depth discussion regarding mitigation options. Instead of solely focusing on mitigating negative impacts directly resulting from a project, the potential for environmental health to be restored should be further explored.
- In considering questions about the yield certainty of a Flaming Gorge project, the Committee could explore how firming storage could work. Assessment of the siting, sizing, yield, and potential benefits of firming storage would be important for this discussion. This information could be useful to, for example, determine how much new population growth a Flaming Gorge project would be able to accommodate.
- It might be valuable to have a group explore ways of improving the NEPA analysis process, which seems to delay projects at a time when projects need to get underway to address anticipated water supply problems in the state.
- In the event of a Compact call, we should maximize the amount of water that can be stored in Flaming Gorge Reservoir and do the same in other reservoirs. If we are going to have to meet a Compact call in the future, we need to determine if we can use our own storage capacity to do this. This would allow us to keep the water and use it for our own needs whatever they may be.

Public Comment

Steve Malers of the Fort Collins Water Board expressed his appreciation that the Committee discussed how a Flaming Gorge project could impact other states. Additionally, he stated that there is much to learn from other Upper Basin states when it comes to conducting water supply planning. Malers suggested that the Committee consider investigating how water supply planning is done in states beyond the Colorado River Basin as well, such as Nebraska. He pointed out that Nebraska now has a department for integrated water management and explained that they do annual updates showing whether or not the state has gone over its allocations. This is an example of a good and transparent process that could be beneficial in Colorado.

Don Hartley from Communities Protecting the Green River pointed out that it could be best for a Flaming Gorge project to pipe water to Colorado from Utah instead of Wyoming. He stated that the Green River ends in Wyoming and then becomes Flaming Gorge Reservoir, which crosses the Wyoming state line and reaches into Utah. With regard to contractual obligations that could

result from a project involving three states, Don suggested that there could likely be significant concerns. He explained that taking water from the Flaming Gorge Reservoir on the Utah side could be a much cheaper and less complex option.

Next Steps

- The Committee will need to spend some time discussing the challenges associated with a Flaming Gorge project at an upcoming meeting.
- The guiding principles of a good project list will need to be broken down into principles that apply specifically to a Flaming Gorge project and principles that apply to any trans-mountain diversion.
- In moving forward, it will be necessary to further explore what the State's role could be in a Flaming Gorge project, as well as what benefits and risks might result from State involvement.
- Further discussion of how Wyoming will be impacted by a Flaming Gorge project will also be needed in upcoming meetings. Heather will reach out to Wyoming again to see if they want to provide some information along these lines.
- The Committee will begin drafting the report for the Colorado Water Conservation Board at the next meeting. This will allow everyone to begin honing in on what they want the report to say. Among the first things needing to be drafted is a list of what the Committee does not know about a Flaming Gorge project, as well as potential challenges of a project like this.
- The monthly meetings through October will likely be working meetings, and then the Committee will begin shifting its focus to preparing materials for the Colorado Water Conservation Board.
- Jacob will send Janet information about the Colorado Water Conservation Board's research related to new supply project funding, and specifically, the role of the Colorado Water and Power Development Authority in funding storage projects.

Next Meeting

- Jacob will gather information about how the State has engaged in other projects and public/private partnerships in Colorado. He will also reach out to Tim Iseman at the Western Governors Association to talk about state engagement in projects in other states.
- Heather will draft an outline of the Committee's report for the Colorado Water Conservation Board.
- Half of the next meeting will be spent on the State role in water projects, and half will spent assessing the list of challenges generated from this meeting.
- The next meeting is scheduled for Tuesday, August 28, in Salida from 12 – 5 pm, and will be held at the Hampton Inn (785 E. Highway 50, Salida, CO, 81201).

Basin Roundtable Project Exploration Committee: Flaming Gorge
Final Meeting Summary
August 28, 2012; 12 pm – 5 pm

Attendees

Gary Barber	Mike Gibson	Bob Streeter
Janet Bell	Betty Konarski	Carl Trick
Dan Birch	Kevin McBride	Kai Turner
Jacob Bornstein	Tim Murrell	Chuck Wanner
Rick Brinkman	Ken Neubecker	Bruce Whitehead
T. Wright Dickinson	Ann Oliver	Jim Yahn

Facilitation Team

Caroline Beard and Heather Bergman

Public Comment

No public comments were made.

State Involvement in Water Storage Projects

After the last meeting, Jacob Bornstein and Tim Murrell conducted research on state involvement in water projects in Colorado and other states in West. Jacob and Tim presented information to Committee members regarding the role of the following states in existing and future new supply projects: Arizona, California, Colorado, Kansas, New Mexico, Texas, Utah, and Wyoming. Following the Committee members' discussion about this presentation, they considered the pros and cons of the State of Colorado having a role in a potential Flaming Gorge project. This information was provided as research only and was not intended as support for a particular type of state role in a water project in Colorado.

- Based on Jacob and Tim's research regarding state roles in water storage projects in the West, many states now have water storage projects that began as state and/or federal projects.
- The role of Texas in some regionally focused water projects is an interesting example of how states can guide the development or implementation of storage projects.
- New Mexico has been heavily involved in water storage projects, some of which were established to provide water to people living on reservations. The State of New Mexico has put five to ten million dollars into water storage projects over the past several years, and this money has typically come from a State general fund. New Mexico's role has also entailed appropriating water into the future.
- Utah has taken many different approaches to engaging in water storage projects. For example, the State partnered with the federal government to build the Central Utah Project and eventually turned this project over to the Central Utah Water Conservancy District. Utah is currently planning and preparing to fund the construction of a 177-mile pipeline called the Lake Powell Pipeline. The State will have a number of different water rights in this project, and it will also own and oversee this pipeline, pay for all of the wildlife and fisheries mitigation, and charge the districts a fee that will eventually pay off its debt for this project.

- There is significant variation regarding the role of western states in meeting their water supply needs, and in planning, financing, and developing new projects. New Mexico and Utah have shown comparatively more aggression than other western states as far as their level of engagement in water projects. Both of these states have spent a substantial amount of money on water storage, and they have had a surprising amount of political support in so doing. A potential reason that these states have been more involved in water storage than Colorado is that the presence of Compact call threats in Colorado complicates how State involvement would work here. The threat of a Compact call is not as eminent in other western states as it is in Colorado.
- Committee members discussed the importance of considering Colorado's role in permitting water projects as compared to other western states. Different states have different rules and regulations regarding water rights and use, and these differences can affect the potential role of the state.

Options for the State of Colorado's Function in Water Projects

Based on Committee members' discussion regarding potential options for a State role in water storage projects, most of the group agreed that the State is currently doing well with its overall involvement in water project planning, development, and implementation. However, Committee members discussed potential expansions or improvements that could be made to the State's function in the areas of leadership, research, and coordinating efforts related to new water projects in Colorado. Several other ideas for how the State could improve its role in water projects emerged during the Committee's discussion and are also described below.

<u>Research</u>

- Among the things that the State is currently doing right with its role in water projects is attempting to understand Colorado's water supply issues from a big picture perspective before attempting to address micro-level concerns.
- Before the State can have a more involved role in water storage projects, some members of the Committee believe that the Colorado Water Conservation Board (CWCB) must complete the Compact Compliance Study. This study will provide information about how hydrological variation and the effects of drought will influence Compact call administration, and it would be useful for considering the extent that a new supply project could alleviate the state's water supply concerns. It could also be used to determine whether a State role in water supply projects is necessary or appropriate. For the Compact study to be most useful, the State should make its protocol for Compact administration transparent to provide more certainty to water rights holders across the state.
- The Colorado River Water Availability Study is another positive aspect of the State's current role in addressing water supply concerns because it provides hydrological information that can be used when considering new water projects.
- The State should conduct a study on the extent to which the Colorado River system can be further developed without significant risks regardless of the hydrologic or demand scenarios. The Colorado River Water Availability Study did not provide the information necessary to draw conclusions on these topics.
- Successfully defending against municipalities engaging in agricultural transfers to meet their water supply needs could require that the State investigate the possibility of storing water in underground aquifers on the Front Range.

Leadership

- CWCB's current methods of engagement are mostly adequate and on the right track, but other State entities or agencies may have room for improvement in their respective approaches to showing leadership on water issues.
- While the State is largely doing what it should be doing with regard to water projects at this point in time, the State's role may need to evolve over time.
- The State should play a role in ensuring that water management in Colorado is conducted in a way that does not degrade water quality and/or reduce instream flows to a degree that would make complying with water quality standards more difficult for wastewater dischargers.
- Because determining the amount of water that can be taken out of the Colorado River system would require socio-political negotiations in addition to new data, a State role could be to initiate collaborative discussions on the feasibility of further development in this river system.
- An option for State involvement in new supply projects is that it could develop a portfolio of potential projects, which would make the State a more active participant in water storage, both politically and financially.
- The State could play a role in setting general guidelines for water projects. Instead of rejecting projects when it does not approve of them, a more constructive approach could be for the State to make it clear that it will not support a water project unless the project includes specified characteristics and is carried out in certain ways.
- The State should have a leadership role in supporting the exploration and development of innovative solutions, which would put the State in a more assertive leadership role. State leadership in this area could help foster creativity, as it is possible that new solutions would be expensive and therefore less of a priority for other entities to investigate.

Coordinating

- Several members of the Committee expressed satisfaction with the State's involvement in the Interbasin Compact Committee's (IBCC) scenario planning and adaptive management process. Additionally, some Committee members feel that the State's initiation of this Committee's review process of a Flaming Gorge project is an appropriate means of being involved in water projects.
- In assessing water projects and other water management options, the State should discuss plans and ideas with surrounding western states. The State of Colorado has a different role in permitting projects than many states, so developing an approach to becoming more involved in water projects might be most effective if the State approaches it as a comprehensive planning process. It may be possible for projects to be implemented in other states in ways that would benefit Colorado.
- Because land use and water supply management decisions are so closely aligned, a potential role for the State could be to convene discussions regarding future land use (projected versus desired development patterns) in which stakeholders could determine how water can be managed in accordance with land use goals.
- Some members of the Committee believe that the State should play a role in helping to achieve consensus around water projects. If the State were to take on this role, this could provide certainty to the agricultural community and entities concerned with

nonconsumptive water needs that water quality and other concerns are being addressed as part of new supply projects. Additionally, the State could make sure that any new supply project is being developed in the context of the state as a whole and includes multiple benefits.

- The State should have a coordinating role in working with its federal partners to ensure that federal agencies are involved in problem solving and permitting discussions related to a potential water storage project, as this would streamline a process that tends to be slow and inefficient due to federal delays and/or inattention.

Other Options for a State Role in Water Storage Projects

- To protect small water providers who own conditional water rights, a State role could be to help fund and actually conduct due diligence. Without this assistance in preserving these rights, there could be a number of negative consequences in areas of the state that are reliant on conditional water rights to meet water supply needs.
- Instead of becoming involved in new supply project planning close to the end of the planning process, it may be more effective for the State to have a proactive and significant role early in the project planning process.
- It may be beneficial for the State to play a role in coordinating agricultural conservation efforts, as there may be ways that water being used for agriculture could be stretched further across the Upper and Lower Colorado River Basins.
- Residents of Colorado and the water community more specifically should take shared responsibility for the water supply future of the state, and the role of the State in this should be to respond to the political will and policy preferences of its residents.
- In order to help address water supply problems in the long term, the State should attempt to sufficiently meet the demands and perceived needs of Public Trust Doctrine proponents within the context of our current prior appropriation system.

Further Considerations on a State Role in Water Projects

- The State's involvement in the Upper Basin Commission has been beneficial for moving the state forward in addressing its water supply needs.
- A downside of the State having a more engaged role in water projects is that this will not solve Colorado's water supply concerns. The repeated appearance of Public Trust Doctrine ballot initiatives demonstrates dissatisfaction with the current approach to addressing water supply needs in Colorado.
- It may not be appropriate or in the best interest of the State to become more involved in the development of water projects, as the benefits of a new project will likely not be spread evenly across the state and some areas could be negatively impacted.
- If the State becomes more involved in water storage projects in an effort to solve statewide water supply problems, this may not be the best approach as water storage is generally not paid for by all of the residents of the state and it would only solve water supply problems in certain areas, with the chance of worsening them elsewhere. It may not make sense for the state to be involved in potentially imbalanced solutions.
- A possible drawback of the State coordinating efforts to achieve consensus on how the state should move forward with water storage is that stakeholders may have conflicting and incompatible ideas about what direction to take. It may be more productive to

establish a new approach to exploring water projects and recognize that it will likely not be possible to satisfy all interests when developing additional water storage.

- Protecting nonconsumptive uses for the environment and recreation is critical, particularly as we move into a future that is likely to have less water. It is unclear at this point to what degree this is a function of the State or a more diffuse responsibility distributed among all residents of Colorado.
- There are several options for how the State could provide funding assistance for water projects, including the possibility of the Colorado Water and Power Development Authority issuing bonds for small water projects.
- As a means of addressing the state's water supply needs, it may be possible for Colorado to use existing reservoirs and infrastructure to store all of the remaining water in its Compact entitlement. Regardless of whether new storage projects would be needed to ensure storage capacity for full Compact entitlement, the State could go ahead and make steps towards ensuring it gets its full entitlement of water and then determine the best way for new water to be allocated based on geography and other considerations.
- Land use and its implications for water supply and allocation is an ongoing and critical question that has not been really been addressed. The Western Governors Association and the Western States Water Council are beginning discussions on this issue.
- Perhaps the State could initiate a conversation with the Upper Basin Commission about an Upper Basin water bank.

Potential Challenges of a Flaming Gorge Project

An additional focus of the Committee members' discussion was identification of challenges associated with a potential Flaming Gorge project. All of the challenges that Committee members discussed would require further research to fully address.

- It remains unclear whether there is any water remaining available to develop from the Colorado River system and, if so, how much there is and how much of that can be safely developed. Without an agreement on what amount could or should be developed, it is difficult to further explore any particular project. Diverting any amount of water could foreclose options for future West Slope and Front Range water supply projects.
- There has not been sufficient discussion about the acceptable level of risk and the triggers for risk management that will be incorporated into planning for a project of this magnitude. It is not clear whether and to what degree a Flaming Gorge project would increase the risk of a Compact call.
- It is unclear how the State Engineer would administer a Flaming Gorge project, particularly related to how imported water fits into the Colorado water rights administration system. It is unclear if the State Engineer has the authority to administer this project, and it would be difficult for many in the state to support a project like this unless it was clear that the State Engineer currently has the authority or new actions were taken to give him clear authority.
- It seems that a Flaming Gorge project would exist outside of the existing system of oversights and checks and balances in Colorado, including the conservancy district statute and water court. Without these mechanisms to ensure that all stakeholders have a voice in the decision of whether and how to permit and build a project, many stakeholders will resist this project.

- It is not clear who would decide what the use of the 'new' water from a project would be or how the state could ensure that the costs and benefits are distributed appropriately and fairly.
- It remains unclear what the seniority of a Flaming Gorge water right would be and how it would impact more junior water rights and future municipal and agricultural projects on the West Slope. Some mechanism would be needed to create some degree of certainty for holders of existing rights and those planning future projects.
- It is not clear whether and how a Flaming Gorge project would affect flows, fish and wildlife, and fishing and other recreational opportunities below the Flaming Gorge dam. Compliance with the National Environmental Policy Act (NEPA) may be particularly challenging with a project of this size. Some may say that its impacts will be so substantial that they cannot be mitigated. Getting a federal permit for this project in a time- and cost-efficient manner may therefore be extremely difficult.
- A critical component of a future water supply project will be its ability to create value and preserve options for interests and communities around the state. Doing this may be challenging, but without shared protections and benefits around the state, gaining support for a new supply project will be extremely difficult.

Public Comment

No public comments were made.

Next Steps

- Ken Spann and Gary Barber will work together to create a rough version of a process framework for achieving statewide support for a water project like a Flaming Gorge project. They will present their draft process framework for achieving statewide support for water projects during the next meeting, and the Committee members will then spend time discussing and refining this draft framework.
- Heather will create a list of the challenges, concerns, and benefits of a Flaming Gorge project based on the Committee members' discussions during the meetings held from May to August.
- Heather will wait to begin drafting preliminary sections of the Committee's report until after the discussion on the process framework at the next meeting. All Committee members should send Heather their revisions of the draft outline of the Committee's report to the CWCB by September 21.
- The next meeting will include a discussion of how to proceed with drafting the report to the CWCB.
- The next meeting will be held on September 25th in Grand Junction from 12 pm – 5 pm in the Ute Water Conservancy District Building, located at 2190 H ¼ Rd., Grand Junction, CO 81505.

DRAFT Examples of State Support of Water Projects

Arizona:

Arizona Water Banking: The Arizona Water Banking Authority (AWBA; Water Bank) was established in 1996 to increase utilization of the state's Colorado River entitlement and develop long-term storage credits for the state. The five person board is made up of the Director of the Arizona Department of Water Resources (ADWR), who is chair, the President of the Board of the CAP and three persons appointed by the Governor. AWBA "banks" unused Colorado River water to use in times of shortage to firm Arizona's water supplies. These water supplies help to benefit municipal and industrial users and communities along the Colorado River, fulfill the water management objectives of the state, store water for use as part of water rights settlement agreements among Indian communities, and assist Nevada and California through interstate water banking. Through these mechanisms, the AWBA aids in ensuring long-term water supplies for Arizona.

Each year, the AWBA pays the delivery and storage costs to bring Colorado River water into central and southern Arizona through the Central Arizona Project canal (this is a federal/municipal project and is 336 miles long). The water is stored underground in existing aquifers (direct recharge) or is used by irrigation districts in lieu of pumping groundwater (indirect or in-lieu recharge). For each acre-foot stored, the AWBA accrues credit that can be redeemed in the future when Arizona's communities or neighboring states need this backup water supply.

Central Arizona Project: The first State Water Plan published in the mid-1970's noted that the growth of Arizona cities and industries could only be assured if groundwater pumping was offset by the use of CAP water. In the late seventies, there was an impasse between the farmers and the municipal and mining interests regarding groundwater management. Governor Bruce Babbitt convinced the U.S. Secretary of the Interior, Cecil Andrus, to issue an ultimatum: unless Arizona enacted tough groundwater laws, he would refuse to approve construction of the Central Arizona Project.

Soon the cities, mines and agriculture asked Babbitt to mediate the discussions regarding groundwater. One of the first items of agreement was creation of the Arizona Department of Water Resources. CAP was completed in 1993, costing $3.7 billion to construct. The Arizona Department of Water Resources continues to financially support the project, but it is primarily run by a regional commission and was approved by Congress as a federal project.

California:

State Water Project: California has a State Water project, which provides drinking water for over 25 million people and generates an average 6.5 million MWh of hydroelectricity annually. It also provides water to 750,000 acres of irrigated land. Construction began in the late 1950s, with major funding approved through a 1960's bond measure. Bond measures paid for the majority of the project, and annual operation and maintenance costs (including debt service) are primarily paid for by beneficiaries, although the state pays for the fish and wildlife benefits. The state water project is ongoing, with additional facilities being planned. The project started as a state-supported federal project.

NOTE: This summary compiles information from several sources, most of which are from the respective state websites and water plans. It is not meant to represent original work and since it is based off web searches likely does not fully represent the level of respective State involvement in water projects.

Quick Facts

- The Project includes 34 storage facilities, reservoirs and lakes; 20 pumping plants; 4 pumping-generating plants; 5 hydroelectric power plants; and about 701 miles of open canals and pipelines.
- By the end of 2001, about $5.2 billion had been spent to construct SWP facilities.

CALFED Bay-Delta Program: In 1994 California and federal entities signed an agreement to manage the competing demands in the Sacramento-San Joaquin Delta. There are numerous competing environmental and water supply needs related to the Delta. This is a large and ongoing component of the State Water Project.

In July of 2012, Governor Jerry Brown joined Secretary of the Interior Ken Salazar to announce plans to move a project forward that would put two tunnels under the bay to stabilize water deliveries, which have been reduced by court order over concerns for the endangered Delta Smelt. This is the latest version of the peripheral canal. There is significant opposition to the project from environmentalists, salmon sports fishermen, and local farmers, although Governor Brown said the tunnels would be the "preferred alternative" for a plan that would ensure the "co-equal" goals of reliable water supplies and delta habitat restoration. There will still be permit requirements, and an analysis is due next year.

Quick Facts:

- The project could deliver up to 7 million acre-feet.
- The proposed system would cost about $19 billion to build, operate, and manage, along with $3-4 billion for habitat restoration.
- The habitat costs would be funded through bonds that would be paid from the state's general fund and would require voter approval. Water users will pay for the cost of the construction and operation of the tunnels.

Read more: http://www.sfgate.com/science/article/New-state-water-plan-tunnels-under-delta-3735999.php

State Water Plan: California also has a State Water Plan. Their five year update is due out in 2013, and will include a financial plan, which will be "a necessary step in implementing the strategic plan and many other California Water Plan recommendations. This new financial focus will identify critical priorities for State investment in integrated water management activities. It will also recommend innovative, stable, equitable, and fiscally responsible financial strategies and revenue sources should any funding gaps be identified as part of the water plan's development." The plan will also focus on regional solutions.

Colorado:

In addition to the technical and financial support provided by almost every state, Colorado has supported several projects in various ways. These include being a participant in a project (e.g., Chatfield Reallocation), purchasing a block of water to be able to market to various interests in the future (e.g., Animas-La Plata), providing loans and/or grants to assist a project in moving forward (e.g. Prairie Waters, Arkansas Valley Conduit), and the passing of a CWCB resolution in support of a project (e.g., Chatfield Reallocation, WISE Partnership). Several Governors have also weighed in on water projects, including pressure to move permitting forward and explicit support for specific water projects. The latest example can be found here: http://www.denverpost.com/news/ci_21314294. Other support includes working with water providers who are working collaboratively with other stakeholders to find creative ways to administer these projects.

New Mexico:

Regional Water Planning: The New Mexico Legislature created the state's regional water planning program in 1987 and gave the Interstate Stream Commission the responsibility of funding, overseeing, and approving the plans of the 16 regions. Through the program, regions are charged with the inventory of existing water supplies, projecting future demand, identifying supply inadequacies, and developing strategic alternatives to meet supply shortages. The New Mexico State Water calls for the State to "support and adequately fund the completion, update, and implementation of regional water plans."

San Juan-Chama Project and Navajo Nation Water Rights Settlement: The Governor, State Engineer, and the Interstate Stream Commission Director testified in support of the Settlement and associated Project. The State contributed nearly $50 million dollars to the project.

Taos Pueblo Water Rights Settlement: The Governor, State Engineer, and Interstate Stream Commission Director testified in support of the Settlement. The State, has contributed $1.5 million dollars while agreeing to future appropriations of $18.5 million dollars over time.

Aamodt Water Rights Settlement: The Aamodt Settlement (Pueblos of Pojoaque, Tesuque, Nambe & San Ildefonso) was supported by the Governor, State Engineer, and the Interstate Stream Commission Director. No appropriations have been made to date, yet the State is potentially on the hook for up to $50 million dollars.

Eastern New Mexico Water Supply Project: – The Governor, State Engineer, and the Interstate Stream Commission Director supported the Settlement. The State has contributed $20 million dollars while agreeing to fund around $75 million dollars over time.

San Juan-Chama Shortage Sharing Agreement: The parties involved in the Navajo Dam and San Juan River operations, together with the New Mexico State Engineer's Office and the Bureau of Reclamation, came to an agreement to share water losses (as opposed to traditional state water rights administration). If the shortage agreement is not adhered to, the State will administer the system in a conventional manner.

Texas:

Texas has an active regional planning effort that identifies projects and then works to fund projects that are consistent with the plan or, for some funding sources, explicitly recommended as water management strategies in the regional or state plans. They also have their own Commission on Environmental Quality which grants water right permits only if (some exceptions do apply) they are consistent with the regional water plans and the state water plan. The plans are updated every 5 years, and the Texas Water Development Board provides technical and administrative support. The legislature also designates "sites of unique value for the construction of reservoirs" as well as stream reaches with "unique ecological value." There are several recommendations in the 2012 state plan that have not yet been implemented. These include the recommended purchase of reservoir sites and implementation of specific water projects and methods that go through an evaluation process.

Quick Facts

- Municipal conservation strategies are expected to result in about 650,000 acre-feet of supply by 2060, with irrigation and other conservation strategies totaling another 1.5 MAF per year.

- The planning groups recommended 26 new major reservoirs projected to generate approximately 1.5 million acre-feet per year by 2060. Other surface water strategies would result in about 3 million acre-feet per year.
- Recommended strategies relying on groundwater are projected to result in about 800,000 additional acre-feet per year by 2060.

Utah:

Lake Powell Pipeline: Utah is planning, buying up the right of way, and has financing in place for construction of the Lake Powell Pipeline, to deliver water from the Colorado River (from Utah's unused allocation) to the St. George area in Southwest Utah. Utah's Board of Water Resources, under the Lake Powell Pipeline Development Act passed by the Utah State Legislature in 2006, is authorized to build the Lake Powell Pipeline. The legislation authorizes a pipeline to take water from Lake Powell, and transport it to Washington, Kane and Iron counties. The water diverted into the pipeline will be a portion of Utah's Upper Colorado River Compact allocation, and will consist of water rights to be held or acquired by the three water districts and the Board of Water Resources. The state will build the project and the districts will repay the costs through water sales.

Quick Facts

- The pipeline will total 177 miles from Lake Powell to Iron County
- The project will deliver 100,000 AF
- Deliveries are planned to begin in 2020
- The project will cost over $1B in capital costs

West Desert Pumping Project: The Utah legislature authorized a major pumping project to protect the risk of flooding out of the Great Salt Lake.

Bear River Development: Bear River is often referred to as Utah's last untapped river. In the Bear River Development Act, passed by the Legislature in 1991, the Division of Water Resources is directed to develop the surface waters of the Bear River and its tributaries. The act also allocates water among various counties and provides for the protection of existing water rights. The act allocates a total of 220,000 acre-feet of water annually. The total cost of the project is estimated to be between $130- 260 million, depending upon which dam site is chosen. Most of the required conveyance and treatment systems will be the responsibility of the contracting entities. An article in the Utah Environmental Law Review states "According to several administrative documents, the state intends to make Bear water available within the next two decades, and it appears that the state will finally push forward to realize their 60 year old desire to tap the Bear." This article can be accessed here: http://epubs.utah.edu/index.php/jlrel/article/viewArticle/103. It is unclear in this initial review what the state intends to do with this project in the near future.

Central Utah Project: The Central Utah Project (CUP) is a state supported federal project. CUP is being constructed by the U.S. Bureau of Reclamation and the Central Utah Water Conservancy District (CUWCD) took over construction of some of the final water distribution components. The project is explicitly listed in the Utah's State Water Plan as being necessary. It is located in the central and east central part of Utah. It is the largest water resources development program ever undertaken in the State. The project provides Utah with the opportunity to beneficially use a sizable portion of its allotted share of

the Colorado River water. Project irrigation water will be provided to Utah's rural areas in the Uintah and Bonneville Basins. Water will also be provided to meet the municipal and industrial requirements of the most highly developed part of the State along the Wasatch Front where population growth and industrial development are continuing at a rapid rate. Water developed by the Central Utah Project will be used for municipal, industrial, irrigation, hydroelectric power, fish, wildlife, conservation, and recreation. The project will improve flood control capability and assist in water quality control

One key component of the project is the Bonneville Unit - This complex unit is currently being constructed and includes 10 new reservoirs, more than 200 miles of aqueducts, tunnels, and canals; a power plant, pumping plants, and 300 miles of drains. Starvation Reservoir, constructed on the Strawberry River about 3 miles above Duchesne, has a capacity of 167,000 acre-feet and Soldier Creek Dam has nearly quadrupled the capacity of Strawberry Reservoir from 283,000 to 1,106,500 acre-feet.

Other States:

Wyoming: The Wyoming Water Development Commission has financed many projects, including the State's share of the cost of raising Reclamation's Buffalo Bill Dam.

Kansas: Kansas purchased storage in Corps reservoirs for water supply uses.

Flaming Gorge Committee
Final Meeting Summary
September 25, 2012

Attendees

Gary Barber	Ken Neubecker	Chuck Wanner
Janet Bell	Ann Oliver	Bruce Whitehead
T. Wright Dickinson	Ken Spann	Eric Wilkinson
Reed Dils	Bob Streeter	Jim Yahn
Betty Konarski	Carl Trick	
Kevin McBride	Kai Turner	

Members of the public were also in attendance.

Facilitation Team

Caroline Beard and Heather Bergman

Public Comment

No public comments were made.

Meeting Objectives

- Discuss the draft process framework for achieving consensus on a new supply project
- Discuss working list of benefits and challenges, including which (if any) the Committee wants to recommend to the Colorado Water Conservation Board (CWCB) for further study or work

Process Framework for Achieving Consensus on a New Supply Project

As was discussed at the last meeting, Gary Barber and Ken Spann worked together to draft a process framework for achieving consensus on a new supply project and presented it to the Committee. Following this presentation, the Committee members discussed the draft framework and made several collaborative revisions. Over the course of the discussion about the draft framework, the Committee members decided they would like to present it to the CWCB and the Interbasin Compact Committee (IBCC) at their joint meeting in November.

Overview of the Original Version of the Draft Process Framework

The draft process framework for achieving consensus on a new supply project is divided sequentially into four steps that each includes multiple pathway components. Depending on the answers to questions contained in some of the components of the four steps, the process for achieving consensus may or may not come to a stop. The stops in the framework mean that the status quo approach to moving a new supply project forward would be resumed (i.e., going to court). The high-level steps involved in the draft process framework are briefly described below. Additional detail is available in the attached revised process framework.

- Step 1 of the draft process framework addresses the need for discussion between basin roundtables (RTs) in Colorado about the quantity of water in Colorado's Compact entitlement that could or should be developed in the future. The objective of this step is for the RTs to explore the possibility of developing a compact that would reflect a formal

statewide agreement regarding how much water should be developed within the Colorado River system.

- Step 2 of the process framework outlines what the RTs would need to consider after determining what quantity of water should be developed. Among the questions they would need to address are how water from a new supply project would be allocated across the state and the extent to which the allocation would affect agriculture.
- Step 3 of the process framework addresses the need to achieve State support for an RT compact. The components of this step would necessitate determining what the State's role in a new supply project will be and working with the project proponent(s) to ensure that the proposal maximizes potential benefits across the RTs.
- The final aspects of the consensus process framework entail further considering potential positive and negative impacts of a specific new supply project as well as ways to go about mitigating negative impacts. The financial structure of the proposed new supply project is evaluated toward the end of the consensus process as well as the level of support from elected officials and non-governmental organizations (NGOs). If all of the steps included in the process framework are adequately addressed, then the permitting and entitlement process can move forward.

Discussion about Step 1 of the Process Framework

Based on feedback provided by Committee members during discussion, several key changes were made to the process framework after Gary and Ken's presentation. Other changes were made towards the end of the meeting, but in the interest of space not all changes are reviewed here. Gary and Ken will continue to consider input from the Committee members as they revise the process framework in the upcoming weeks.

- In the first part of Step 1, the phrase 'reasonable estimate to use for planning regarding remaining water' was substituted for the phrase 'reasonable assumption regarding water remaining' because making a judgment about the quantity of water that is remaining for development will depend on what people can accept as a reasonable level of risk. No agreement has been made among Colorado's RTs to have a conversation about the quantity of water that should be developed, but if the quantity of water could be agreed upon, an RT compact could be built around this number.
- Also in the first part of Step 1, the word 'planning' was substituted for the word 'development' because the Committee members agreed that the RTs would need to consider the quantity of water remaining in Colorado's Compact entitlement before discussing whether they want to agree to develop this water.
- Because some Committee members thought that there may be some RTs that would want to use this consensus process to explore specific options for developing Colorado's Compact entitlement without acting as project proponents, a question was added in between the first part of Step 1 and the question about whether impacted RTs would be willing to seek an agreement. This question reads, "Are there RTs wanting to develop?" A lack of desire among RTs to develop water supplies does not require that the consensus process come to a stop.
- The word' impacted' was removed from the question about whether impacted RTs are willing to seek an agreement pursuant to State statute C.R.S. 37-75-105 (3) (a) because the consensus process framework is intended for statewide use. The RTs that are not

impacted would not necessarily have veto power in the development of an RT compact, but they would be able to weigh in on the conversation.

- Instead of asking whether the RTs are willing to seek an agreement pursuant to State law, this question was changed to: "Are the basin RTs willing to have the conversation pursuant to C.R.S. 37-75-105 (3) (a)?" This was changed because it would be necessary for the RTs to have the conversation before exploring the possibility of reaching an agreement.
- In reviewing Step 1, the Committee members agreed that nonconsumptive water needs should be a higher priority and should be incorporated into the process framework at an earlier time. The Committee members also decided that agricultural water needs should be assessed earlier in the conversation. Because it would be important to consider agricultural and noncomumptive water needs in thinking about the amount of water remaining to be developed under Colorado's Compact entitlement, the following question was added in between the first part of Step 1 and the question about the RTs' willingness to have a conversation pursuant to C.R.S. 37-75-105(3)(a): "Are future agricultural and nonconsumptive needs considered?"
- With regard to the Colorado River issues that need to be considered when thinking about Compact development, the Committee members felt that the original process framework was missing some important elements.
    - Among the two primary issues needing to be considered in the original process framework was the priority and availability of the new water source. The Committee members agreed that the priority and availability of the water source should also include consideration of what is physically and legally available in the context of nonconsumptive needs. The specification that the priority and availability of water sources refers to both consumptive and nonconsumptive water needs was added.
    - In the component of the process framework about Colorado River issues, the Committee members decided that the elements of instream flow mitigation in specific basins would need to be evaluated when defining the quantity of water that should be developed, so this was added to the framework.
    - Because of the need to consider how water remaining for development under Colorado's Compact will fit into the state's overall water supply needs, an additional and separate point was added under Colorado River Issues in Step 1: "How does this address current and future gaps?"

Discussion about Section 2 of the Process Framework

- The Committee members spent a substantial amount of time discussing the placement of the question about whether or not there is a project proponent in Step 2 of the first version of the process framework. Step 2 deals with the development of a compact between the RTs and entails that the RTs must together define the terms and conditions of a project prior to preparing and submitting a draft compact to the IBCC for review. The overall view among Committee members was that the presence of a project proponent should not come into consideration until after the IBCC has ratified the compact between the RTs, because project concepts could be explored by RTs and/or potential project beneficiaries even in the absence of a specific project proponent.

- In the first version of the process framework, if the answer to the question of whether there is a project proponent is no, then a task force of RTs would be convened to define the terms and conditions of a potential new supply project. Some members of the Committee thought this aspect of the Step 2 framework was presumptuous because it seems to be based on the assumption that further development of Colorado's Compact entitlement is necessary, while it may be the case that there is no need for further population growth and new water supplies in Colorado.
- Because there might be RTs that are interested in a new supply project and who may want to investigate development options without necessarily acting as project proponents, the option of convening a task group to define terms and conditions of a new project is preserved in Step 2. The RTs with an interest in a new supply project may not be able to act as project proponents, but they may be able to participate in the development of a new project proposal. This is the reasoning behind moving the question about the presence of a project proponent to Step 3.
- Step 2 originally included a question about whether or not Front Range agriculture and the potential for permanent agricultural dry-up would be considered by RTs in developing a compact. This question was removed from Step 2. In the revised process framework, agricultural water needs are considered by the RTs as they determine the quantity of water that can be developed from the Colorado River and again at the end of the process when a specific new supply project is being assessed.

Discussion about Step 3 of the Process Framework

- Based on the Committee members' discussion about the original draft process framework, Step 3 was divided into two separate parts.
- The first part of Step 3 addresses the need to get State support for an RT compact and calls for submitting the compact to the IBCC and CWCB for ratification. The original process framework indicated that the RTs would need to decide whether to revise their compact if it was not approved by the IBCC, and if so, the RTs would return to Step 2. Because the potential for the CWCB not to accept an RT compact was not included in the original framework, the Committee members decided to add a step giving the RTs the same option of deciding whether to make revisions if their compact is not approved by CWCB. If the RTs opt not to make changes to a compact that is not approved by either the IBCC or CWCB, then the consensus process comes to a stop.
- In light of Committee members' revisions, the second component of Step 3 deals with coordination between the project sponsor, RT members, and/or participants. The purpose of this part of the process framework is for the State's role in a new project to be collaboratively determined as well as how a project proposal could be written to maximize benefits across the state.
- As a result of the Committee members' discussion, the word 'sponsor' was substituted for 'proponent' in the question about whether there is a project proponent from the original process framework draft. It is important for the process framework to be written in a way that maintains the possibility for a project to have potential users and supporters without having particular proponents. For a very large-scale project, it may not be possible for there to be a single project proponent due to the high costs and extensive political barriers often associated with developing, permitting, and implementing a new supply project.

- Because it is possible that consensus could not be reached regarding how a project proposal should look and what the State's role in a new project should be without a project sponsor or potential participants, a stop was added to the framework after the questions about whether there is a project sponsor or potential project participants.
- If there is a project sponsor or there are potential participants, the Committee members felt that the next step in the process framework should be to define how the project will be administered and what the State's role in the project will be. The framework was revised accordingly.
- After determining what the State role will be, the next step is for the State, RT members, and the project sponsor or participants to define the attributes of a good project and make any necessary revisions to the project proposal to maximize benefits and mitigate negative impacts.
- The last several components of the process framework that go beyond Step 3 were not changed and are project-specific. These steps entail reviewing and/or revising the financial structure of a project and addressing the need for project support from elected bodies and NGOs. The process framework concludes with a step indicating that project permitting and entitlement can begin.

Additional Considerations and Discussion of Big-Picture Framework Aspects

- The Committee members spent some time discussing whether or not the consensus process framework outlines two different discussions, one of which is a project-specific discussion and another that regards big-picture negotiations between Colorado's RTs.
- Some members of the Committee believe that the process framework would need to be applied on a project-by-project basis because a compact developed by the RTs would need to be based on the specific configuration, requirements, and mitigation of a specific project.
- Others believe that using the process framework on a project-by-project basis could be problematic because it could fail to address long-term statewide water needs in the interest of moving a specific project forward. This could be particularly challenging for the West Slope, whose water supply needs are not as urgent as those on the East Slope and could therefore get lost in the effort to find agreement on a project to meet East Slope near-term needs. From this perspective, developing a comprehensive compact that applies to any project offers the greatest certainty for everyone.
- If the framework is used on a project-by-project basis, the Committee members considered whether it would be used only for a transmountain diversion project or if its use would be triggered by smaller projects. The group agreed that the framework is intended to apply to major new supply projects from the Colorado River. A title was added to the framework to clarify this.
- It may be that the determination about whether to apply the framework generally or on a project-specific basis is a policy decision.
- The process framework could help provide certainty to RTs across the state if it is used to bring them to consensus on a large-scale project that would have the capacity to develop the full remainder of Colorado's Compact entitlement.
- Basing the framework in a roundtable process ensures that statewide interests are included in the discussion, since roundtables exist in every basin and were established to include a variety of interests.

- The Committee members spent some time discussing the extent to which basins could be held accountable to a compact once it is developed. While the RTs do have the authority to negotiate their own agreement, they do not have the power to make this agreement legally binding on all entities within their basins. For any kind of RT compact to be considered final or binding, it would need to be ratified by the IBCC and the CWCB. State legislation might also be required. A member of the Committee inquired about the meaning of the stops included throughout the process framework. In discussing the need for CWCB support of an RT compact, some Committee members stated that CWCB often does not support projects and that this could be a difficult step to overcome in the framework. Others, however, said that if the CWCB were involved in the consensus process from the beginning, then their support might be more easily earned.
- As a more general comment about the purpose of using the process framework for meeting Colorado's water supply needs, a Committee member stated that there is a need for the concepts of economic growth and economic vitality to be included in the framework. The development of an RT compact could be a way to preserve an ability to grow on the West Slope by identifying how water will be kept or made available for future West Slope development.
- While the process framework provides a clear path for achieving statewide agreement on a new supply project, some Committee members feel that it will not be useful for evaluating the best approach to meeting Colorado's future water supply needs. A potential way to make the process framework more useful in this regard is for it to include a way to compare options for addressing water supply gaps in the long term.

Working List of Benefits and Challenges and Final Report to the CWCB

The Committee discussed the working list of potential benefits and challenges of a Flaming Gorge project, including the suggestions that were made via email. A key question for this discussion was which, if any, of the benefits or challenges does the Committee want to recommend to CWCB for further study with the funds allocated to this project for such additional study.

- The Committee members will be presenting the final version of the consensus process framework to the CWCB as one of their final deliverables. The list of benefits and challenges could fit into the final steps of this framework, as these steps entail the RTs, the State, and the project sponsor or participants working together to evaluate the specific components of a new supply project proposal and making any necessary changes to maximize benefits across Colorado.
- In their last meeting, the Committee discussed some questions regarding potential benefits and impacts of a new supply project that have not been answered, and Heather will send these out for Committee members to review before the next meeting.
- In addition to the consensus process framework and the list of benefits and challenges of a new supply project, the Committee's report to the CWCB will also need to include a recommendation on whether the process utilized by the Basin Roundtable Project Exploration Committee has been a good approach to exploring issues like new supply development.

Travel Reimbursement Options

- At this time, there are limited travel funds available for Committee members who need further assistance in covering travel expenses.
- The Flaming Gorge Committee's travel budget originally included $1000 per person in each RT. An additional $1000 was allocated to cover the travel expenses of the Committee members who fill interest seats rather than RT seats.
- Because most of the travel funding for the interest seats has been spent, Heather sent all members of the Committee a survey to see what funding might be available for the people who are in need of additional assistance in paying for travel expenses.
- Most roundtable members said that they would be willing to explore sharing any extra RT funds with individuals from their RTs who are filling interest seats on the Committee. This applies to the Arkansas, Colorado, South Platte, and Southwest roundtables. Heather and Gary will work with the roundtable representatives from these roundtables to explore options for sharing the roundtable funds.
- The remaining roundtables should not have any trouble covering travel expenses for their named members.

Public Comment

No public comments were made.

Next Steps

- Gary, Ken, and Ken Neubecker will continue to work on the flow chart to prepare it for the Committee's final revisions during the October meeting.
- Heather will start writing a draft report to the CWCB that will include the following: the story behind the Flaming Gorge Committee's work, the consensus process framework, the list of potential benefits and challenges of a new supply project, the principles of a good new supply project, and any recommendations for future work. The report might also need to include a status description of the two projects that Janet referenced.
- The purpose of the October meeting will be to:
    - Finalize the flow chart
    - Plan an approach to the Committee's presentation on the process framework during the joint IBCC and CWCB meeting in November
    - Talk about the final recommendation to the CWCB
    - Spend time working on the final report if time permits

Flaming Gorge Committee
Meeting Summary
October 30, 2012

Attendees

Gary Barber	Mike Gibson	Ken Spann
Dan Birch	Betty Konarski	Bob Streeter
Jacob Bornstein	Kevin McBride	Kai Turner
Rick Brinkman	Tim Murrell	Chuck Wanner
T. Wright Dickinson	Ken Neubecker	Bruce Whitehead
Reed Dils	Ann Oliver	Jim Yahn

Members of the public were also in attendance.

Facilitation Team

Caroline Beard and Heather Bergman

Action Items

Heather Bergman	Revise the draft report to the Colorado Water Conservation Board (CWCB) based on feedback from Committee members
	Send revised version of the list of benefits and challenges to the following Committee members for review: Kevin McBride, Tim Murrell, Betty Konarski, Mike Gibson, Reed Dils, Ken Neubecker
	Draft slides on the Committee's process for inclusion in the presentation to the Interbasin Compact Committee (IBCC) and CWCB meeting
Gary Barber, Ken Spann	Prepare to present the draft process framework at the joint IBCC and CWCB meeting
Kevin McBride, Tim Murrell, Betty Konarski, Mike Gibson, Reed Dils, Ken Neubecker	Review the draft list of benefits and challenges Heather sends
All Committee members	The next meeting is on Tuesday, November 27, from 12 pm to 5 pm and will be located in the Sopris C room of the Glenwood Springs Recreation Center, at 100 Wulfsohn Rd., Glenwood Springs, CO, 81601.

Public Comment

Jim Pokrant of the Colorado River Water Conservancy District expressed concern that the work the Flaming Gorge Committee has done on the consensus process framework for a new supply allocation from the Colorado River may be outside of its scope of work. He stated that it may be more appropriate for the IBCC's New Supply Subcommittee to do this type of work.

Meeting Objectives

- Finalize flow chart and approach to presentation at the joint meeting of the CWCB and the IBCC on November 15
- Review and agree on changes to the preliminary draft of the report to CWCB

Presentation of Flow Chart to CWCB/IBCC

The Committee has been developing a process framework with threshold steps for moving forward with a major new supply allocation from the Colorado River. The group agreed that this voluntary process has four primary steps:

1. Basin roundtables agree to have a discussion and identify a range of water to use for planning for new water supply development.
2. A roundtable working group agrees on allocation of new water supply and on generic components of a good project (i.e., an interbasin compact).
3. The IBCC and CWCB review and ratify the interbasin compact (or provide feedback on it, in which case the roundtable working group could choose to revise it and resubmit, or not).
4. If/when a project proponent emerges, the generic components of the interbasin compact would be applied to the specific project being proposed.

Following the last meeting, Gary Barber and Ken Spann edited the process framework based on the Committee's discussion, and Gary presented the revised version to the group and explained the changes he and Ken made. Members of the Committee discussed these edits and considered whether any additional changes should be made to finalize the process framework and prepare it for presentation to the IBCC and CWCB at the joint meeting on November 15th.

The Committee discussed and agreed on several proposed changes to the revised flow chart. The purpose of these revisions was to clarify the following issues:

- The basin roundtables would have a role in the discussion about the quantity of water that could be agreed upon for new project development.
- Discussion about the quantity of water should be informed by existing data and reports related to water availability, risk management, mitigation, and the water supply gap.
- It would not be necessary to agree on a specific quantity of water but rather a range of water.
- The role of the State would need to be clear, so if the interbasin compact does not clearly specify the role of the State, it would need to be clarified as part of the project-specific dialogue.

Approach to Presentation to CWCB and the IBCC

- The group agreed that Gary Barber and Ken Spann should work together to deliver a 15-minute presentation on the draft process framework during the joint IBCC and CWCB meeting.
- Members of the Committee stated that it would be best to bring hard copies of the process framework to the meeting and avoid sending out any electronic copies before the framework is finalized.
- The Committee decided that there should be a list of the assumptions of the process framework included in the presentation to the IBCC and CWCB. Some of these

assumptions are that there is a municipal and industrial (M&I) water supply gap, some water to fill the gap may need to come from the Colorado River, the current legal framework would apply, all roundtables would be affected by a new supply project, and the proposed process would be voluntary. Members of the Committee also stated that the meaning of the stop sign in the process framework should be clarified.

- The Committee determined that it would be beneficial to create an overview of the process outlined in the framework, particularly for the presentation to the IBCC and CWCB.
- The group discussed the need to allow the State the ability to negotiate with other states regarding Colorado's allocation under the Colorado River Compact and agreed that the process outlined in the flow chart is not intended to dictate or constrain how the State negotiates.

Discussion of the Preliminary Draft of the Report to CWCB

The Committee reviewed a preliminary draft of the final report to CWCB, which was prepared by Heather Bergman and distributed to the Committee prior to the meeting. Members of the Committee considered whether the report includes an appropriate amount of detail and whether anything is missing that should be included. They also discussed whether this is the right approach to the report and whether there is agreement among the Committee members regarding the recommendations that will be made to CWCB. The Committee will be presenting the final report to CWCB in December.

Additional Information to Consider for Inclusion in the Report

- In the background section of the report, members of the Committee suggested that information regarding presentations that were made to the group by non-members be included.
- The group suggested that a description of the phases of the Committee's work be described in the background section. These phases included an educational phase early in the process as well as phases focused on the challenges and benefits of a Flaming Gorge project, and the group's work ended with the development of the consensus process framework for getting statewide support for a new supply project.
- To provide context to the summary of the Committee's work in the report, the group discussed the possibility of including all of the meeting summaries as attachments. The meeting summaries may be useful for providing a clearer picture of the Committee's discussion of the potential benefits and challenges of a Flaming Gorge project and how this conversation evolved into a discussion about the principles of a good new supply project.
- In past meetings, members of the Committee spent time discussing the role of the Bureau of Reclamation (BOR) in working with upper basin states prior to contracting water for any large diversion out of the Colorado River system. Because of this, it was suggested that the final report include an attachment concerning Jennifer Gimbel's letter to the Committee clarifying the BOR's role in this context.
- Committee members suggested that the work Tim Murrell and Jacob Bornstein did on state involvement in addressing water supply issues in other states be included in the report as an attachment.

- The Committee discussed whether the current list of concerns and potential benefits of a Flaming Gorge project is appropriate for inclusion in the report. Some were concerned that the current list is not balanced. Others expressed concern that revisiting the list could cause the group to reopen a discussion that has been completed and that is less productive than the present focus on the flow chart and other issues related to new supply projects more generically. The group agreed that Heather should revise the list with an eye toward a more balanced presentation of both concerns and challenges and then circulate to a few Committee members for review prior to the next meeting.

Report Approach

- The Committee decided that the first five pages of the report should include the recommendations for the CWCB as well as an overview of the Committee's work and the list of principles of a good new supply project.
- Members of the Committee stated that they think the report should be a transparent document and provide a complete overview of what the Committee has discussed, including the benefits and challenges of a Flaming Gorge project.
- Heather will work to revise the draft report based on the Committee members' feedback and circulate it prior to the next meeting.

Public Comment

No public comments were made.

Flaming Gorge Committee
Final Meeting Summary
November 27, 2012

Attendees

Gary Barber	Mike Gibson	Carl Trick
Janet Bell	Betty Konarski	Kai Turner
Dan Birch	Kevin McBride	Chuck Wanner
Jacob Bornstein	Tim Murrell	Bruce Whitehead
Rick Brinkman	Ken Neubecker	Eric Wilkinson
T. Wright Dickinson	Ann Oliver	Jim Yahn
Reed Dils	Bob Streeter	

Several observers also attended the meeting.

Facilitation Team

Caroline Beard and Heather Bergman

Meeting Objectives

- Finalize flow chart
- Agree on key components of report to the Colorado Water Conservation Board (CWCB)

Public Comment

There were no public comments at this time.

Presentation of Flow Chart to CWCB/IBCC

Ken Spann and Gary Barber gave a brief presentation to the IBCC and CWCB about the proposed process for developing statewide consensus on a new supply project (i.e., the flow chart). Gary Barber began this discussion item by giving the same presentation to the Committee that he and Ken gave to the IBCC and the Board, including new animation in the PowerPoint presentation and new introductory slides based on the Committee's last meeting. Gary reported that the presentation went well. Overall reactions to the presentation and the Committee's discussion about several questions that emerged from the discussion are summarized in the sections below.

General Reactions

- Several members of the Committee who attended the meeting stated that Gary and Ken did a great job on the presentation; a few expressed surprise that there was not more discussion.
- A few Committee members reported talking to IBCC and Board members after the meeting and hearing: a) that this is what Board members hoped would come out of the Committee's work, and b) that this framework is a really good idea.
- At least one person thought that it was a lot for the IBCC and the Board to digest, so further questions and discussions may be forthcoming once people have time to process the full breadth and depth of the presentation.
- One member of the group indicated that some people may believe that the type of discussion outlined in the flow chart is not within the jurisdiction of the roundtables.

- One person thought that there may be confusion and/or unnecessary concern from the use of the word "compact" to refer to the output of the framework process. People may confuse it with "the Compact," referring to the Colorado River Compact.
- The Committee may want to get feedback on the framework from others outside this group, the IBCC, and the Board before finalizing its work for delivery to the Board.
- A few Committee members stated that the framework that the Committee has outlined is a "game changer," fundamentally altering the current trajectory of water dialogue in Colorado.
- One Committee member stated that the framework could be the basis of the state water plan.

Colorado's Allocation of Colorado River Water and the Language in Step 1

One question that emerged from the discussion with the IBCC and the Board raised concerns that the agreement on an amount of water in Step 1 of the framework could be perceived as an agreement about how much water was left to Colorado to develop under the Colorado River Compact and could be used against the State of Colorado in its negotiations with the Lower Basin states. Several Committee members who attended the meeting agreed that this appeared to be a semantic problem with how the Committee articulated Step 1 rather than a concern about the roundtable-based dialogue on an amount or range of amounts of water to consider for development. Several Committee members also recalled their previous, lengthy discussion about not wanting to tie the State's hands in negotiations with the Lower Basin states and agreed that the Committee has been clear in its interest in not tying the State's hands in these negotiations. Some additional Committee perspectives on this issue were:

- The framework may not even yield a number or a range, but it will start people talking.
- This is about identifying a number that people on both sides of the Divide are willing to discuss.
- Even if the roundtable-based dialogue addresses only how much water can be safely developed or at least explored rather than how much water is left for Colorado to develop, at some point the State of Colorado will need to quantify how much water is left for Colorado to develop from the Colorado River system. Without a definitive number, there will be a tendency to operate under the assumption that there is an unlimited supply.
- Any number will be wrong at least some of the time—whether it comes from a roundtable-based dialogue or from an engineering study. It is important to be clear about what the constraints are for any number from any source.

Water Amount – Generic or Specific to Flaming Gorge?

Another question that emerged from the presentation and discussion with the IBCC and the Board is whether the Committee is anticipating that Step 1 would result in an agreement about a generic amount of water for a generic water supply project, or if it is viewed as an amount of water tied to a Flaming Gorge project specifically. Gary reported that his response to the question at the time may not have been ideal, but he indicated to the IBCC and the Board that most project concepts are not as feasible as Flaming Gorge so the process seemed to apply best to that project in particular. Other Committee members also shared their perspectives on this issue. These additional views are summarized below.

- The process framework would be best used in an abstract or generic way, so that people could go through the process without having a specific project in mind. This would allow people to have the conversation without getting caught up in concerns about a specific project. It would help get people to an agreement in concept that could help advance the conversation.

- The wording in Step 2 seems to clearly speak to an abstract concept and generic amount.
- The conversation described in the flow chart focuses on how much water people in Colorado can talk about developing and how that water should be allocated between the West and East Slopes. These are not project-specific conversations. Once people have this discussion, then they can start thinking about what project they want to explore to fill this allocation.
- A general conversation that is not site-specific does not allow adequate consideration of environmental impacts of a project. If the true, project-specific impacts are considered only at the end of the process, this is too late to have those potential impacts inform the rest of the discussion about the amount of water and the required mitigation.
- Arriving at a generic number to allocate between the East and West Slopes may be unrealistic in the practical application. The only time this may be possible is with a Flaming Gorge project, since the diversion is happening out of state. If someone diverts water from somewhere within Colorado, then it may be possible to fulfill the allocation agreement, but the agreement may not account for the impacts that would occur in the area of the water diversion. A generic discussion will turn into a project-specific conversation anyway.
- It may be creating false comfort to think that the state is coming up with a water management plan that will provide a lot of guidance on a project or how a project fits into larger water planning in Colorado. The process framework may be making the process of addressing these issues more complicated rather than streamlining it.
- Proponents of existing projects have considered many principles of good project and consulted with stakeholders about this in advance of a moving ahead with a project, but they have often found additional issues or concerns being raised very late in the process, adding time and cost to the project.
- There has to be a way to prevent specific projects from being blamed for things that are really just problems that emerge because of cumulative impacts of multiple projects over time.
- The work that basin roundtables have already done on projects and nonconsumptive needs should inform the discussion about the amount of water.

Role of the Roundtables in the Framework

The Committee discussed whether the roundtables are the right entities to have the dialogue outlined in the process, a question that has been raised by some members of the Committee and by others who have seen the process framework.

- Questions emerged from the beginning of this Committee process about the role of the roundtables and whether they should be initiating dialogue on their own. The roundtables are a nebulous group of people who are willing to give up their time to talk about water issues, but they may not be experts in the kinds of questions raised in the framework.
- Many people do not accept what the State comes up with as far as an amount of water, so it may not be reasonable to expect people to trust the roundtables to address this.
- Maybe the State could play a role in the discussion, since the roundtables do not really have the technical expertise to assess the risk or the level of certainty of the water availability.
- The roundtables are like an informed electorate--they learn about issues and then they vote. They do understand what needs to be done. The State has been working on this for eight years, and this would force the roundtables to *do* something. It will energize them.
- The process framework engages the roundtables as they were originally conceived. These are the things they are really supposed to be discussing.

Role of the Environmental Community in the Framework

The Committee also discussed the role of the environmental community in the process outlined in the framework, another question that has emerged from outside review of the process and from members of the Committee.

- It would be best if the environmental community was involved in discussing the amount or range of water, including water that could be allocated to stay in the river to meet nonconsumptive needs.
- The environmental community can choose to engage in the general, conceptual conversation or not. If they are not involved in Step 2 of the framework, then they have missed the chance to shape the discussion when a specific project does occur.
- The environmental community is already represented here and at the roundtables, but they are choosing not to engage in some cases. It would be good to find ways to engage them in this; all stakeholders have to be empowered to engage.
- There needs to be a way for more environmentalists to be at the table. The only way for different interests to be represented is to have seats for the different groups in processes like this. The public and even State legislators do not always have a say in these things.
- There needs to be a way to engage the environmental community and their concerns up front, so that these concerns do not emerge at the end of a project as a "surprise" and possibly keeping a project from being built.

Suggestions for Change to the Framework

The group discussed ways to improve or revise the framework to respond to the feedback they have received to date and to incorporate any new ideas that emerged from their discussion at this meeting. There were suggestions to:

- Reiterate that the process is voluntary and is not the only approach available for developing a new supply project
- Emphasize the consequences of getting to "no" or to a "stop" in the process
- Simplify the framework; it tries to do too much and is unnecessarily complicated

Discussion of Recommendations to CWCB

Committee members began to discuss specific recommendations they would like to make to the CWCB including (but not limited to) whether there should be additional work under this grant. This conversation grew out of the previous discussion about the process framework and also relates to the subsequent discussion about the draft report. The Committee discussed the following ideas for recommendations to the Board:

- This group should continue to work together in Phase 2. The Committee has made remarkable progress in everyone's ability to see things in a different way than when this process began in December 2011. If another group has to start from scratch, it would be a waste of time getting them up to speed and behaving collaboratively and there is no time to waste.
- The Committee could recommend that Phase 2 for this Committee focus on doing additional work to continue the discussion and further explore Flaming Gorge, Blue Mesa, and Yampa Pumpback, or other large-scale new supply options.
- The Committee could recommend that each of the three projects (Flaming Gorge, Blue Mesa, and Yampa Pumpback) be addressed separately, and that a specific group of people talk about each one. The groups could each develop criteria for how to build the best project (the best Flaming Gorge project, the best Blue Mesa project, and the best Yampa Pumpback

project), and then potential proponents could use that information to decide if they want to pursue a project or not and if doing so is economically viable or not.
- The Committee could spend Phase 2 talking about the critical issues and unanswered questions that have emerged related to new supply projects generally, and in doing so, tease out additional issues that are unique to each project.

Preliminary Draft of the Report to CWCB

The Committee reviewed a revised draft of the final report to CWCB, which was prepared by the facilitator and distributed to the Committee prior to the meeting. This conversation drew from the previous discussions about the framework itself and about the potential recommendations to the Board. Committee members suggested several changes to the report, including:

- Dividing the identified remaining questions into: 1) topics for the Committee to explore in Phase 2, and 2) topics for the roundtable-based dialogue to explore
- Putting the recommendations first and the detail about how the Committee got to them after that
- Strongly stating the need to start the dialogue outlined in Step 1 of the framework
- Clarifying what "no" and "stop" mean in the framework
- Adding the assumptions from the presentation to the Board and the IBCC
- Putting a summary of the framework in the body of the report and putting the rest in an appendix

With regard to the revised list of concerns and potential benefits of a project, the Committee discussed several changes. In addition to some specific changes to wording in particular boxes in the table, the group also discussed:

- Reviewing and perhaps rethinking the sub-headings, because it was not clear to everyone that the list was divided into a section on any new supply project and a section on Flaming Gorge in particular
- Adding a row for nonconsumptive impacts to the section on any new supply project
- Adding a row for impacts to agriculture to the section on a Flaming Gorge in particular

Beyond these and a few other small revisions to the content of the report, the Committee agreed that no substantial changes to the framework or to the draft recommendations were needed at this time. Heather will make the proposed revisions and circulate a revised document to a small group to review (Betty, T. Wright, Ken Neubecker, Jacob, and Tim Murrell).

Next Steps and Plan for December Meeting

- The Committee determined that additional consultation with roundtables, colleagues, and other stakeholders is at the discretion of individual Committee members. Once the revised flow chart is available, it can be shared with others as part of any consultative efforts.
- The next meeting will be on Wednesday, December 19, from 12 pm to 5 pm at the Silverthorne Recreation Center.

Appendix F

Concerns / Challenges and Potential Benefits of Any New Supply Project and of a Flaming Gorge Project

*NOTE: The concerns and benefits discussions occurred in a brainstorming format; the Committee **did not** seek to vet or otherwise assess the accuracy or importance of the items on the list. The group **did not** explore the tradeoffs associated with the items on the list.* ***The group also did not seek consensus on each item on the list and not all members agree with all items on the list. However, the Committee does agree that the list reflects the universe of ideas and issues that were raised.***

Any New Supply Project

	Concerns and Challenges	Potential Benefits
Hydrology	There may not be enough water to develop a new project from the Colorado River. A project developed around "average" flows has the potential to create an unsustainable bubble economy during long term drought. Any project must be viable through dry cycles. The project would likely need to be "shut off" during dry cycles. Developing a new project may foreclose future options on the West Slope and on the Front Range. Other options and alternatives for additional conservation and efficiency in municipal and agricultural water use should be exhausted first. Climate change may increase the risk of Compact administration on the Colorado River making the project more unreliable.	There could be enough water to develop a new project from the Colorado River. Developing a new project could help reduce much of the M&I gap on the Front Range until 2050. A project configured around the variability of hydrology (wet-dry) could conjunctively capture more water for Colorado by coupling drought-proof Denver Basin water, storage and possibly improve flow in the upper reaches of the Colorado Basin. Because of time to develop a water project using new supplies, efforts should continue to explore opportunities concurrent with conservation and efficiency efforts. Associated project storage (if any) may lessen impacts from climate variability
Colorado River Compact Entitlement	A new supply project has the potential to use all of Colorado's remaining Compact entitlement, leaving nothing for development after 2050 as well as exacerbate Compact administration.	A new supply project would help ensure that Colorado uses and benefits from its full Compact entitlement.
Risk Assessment and Risk Management	A new supply project from the Colorado River system would increase the risk of Compact administration if proper legal and operational controls are not developed. Without clarity on the legal issues surrounding the 1922 and 1948 compacts, along with Colorado's administration of them it is not possible to evaluate the local	Defined hydrologic triggers could be developed, and agreed upon, for those participating in a new supply project in order to reduce the threat of Colorado River Compact administration. Investigation of potential project(s) will inform the discussion and provide more definition of challenges, concerns, and

Concerns / Challenges and Potential Benefits of Any New Supply Project and of a Flaming Gorge Project

	Concerns and Challenges	Potential Benefits
	impacts and risks. There has not been sufficient discussion of the acceptable level of risk or the triggers for risk management of Colorado River Compact administration.	solutions
Allocation of "New" Water	There is no way to ensure that water from a new supply project would be allocated in a fair way. Without such an assurance, all of the water could end up on the Front Range, leaving West Slope users, rivers and communities with an additional water supply gap. Any new supply project from the Colorado Basin to the Front Range could have significant new environmental impacts to western slope rivers and could exacerbate existing problems. Any new supply project could have serious negative impacts to the important recreational economy of the West Slope, especially in the headwaters counties.	A new supply project could help ensure that Colorado uses and benefits from its full Compact entitlement. Further discussion and investigation would inform decision and lessen likelihood of "unfair" allocation The Basin Roundtables are empowered by the Colorado Water for the 21st Century Act to allocate the water in a fashion acceptable to all impacted basins. An alternative method to bring Colorado River water to the Front Range that avoids further depletions of the headwaters could have the benefit of reliable flow for downstream users, both recreationally and for dilution of wastewater plant discharges, thereby avoiding costly upgrades to existing point source dischargers on the streams receiving additional water. Failure to develop any new supply has important, and perhaps significant, adverse impacts to the Colorado economy.
Agriculture	A new supply project could divert West Slope water that is used for agriculture to protect Front Range agriculture from supplying the water to meet the M&I gap. Trading West Slope agriculture for East Slope agriculture is not an acceptable solution. A new water supply project will only temporarily alleviate pressure on agriculture. A new supply project will not permanently eliminate demand for agricultural water. Agricultural dry-up could result in significant environmental injury.	A new water supply project will reduce pressure on agriculture by providing an alternative to buying up agricultural water for municipal use. In a variable hydrology approach, rotating fallowing (leases) could provide system reliability without permanent dry-up.

Concerns / Challenges and Potential Benefits of Any New Supply Project and of a Flaming Gorge Project

Impacts to Nonconsumptive Values	A project of this size may have environmental impacts that are too big and too geographically dispersed to be mitigated or even to allow it to be buildable. Environmental impacts in the future could be compounded by water use for oil shale development and by climate change. Getting a federal permit for a project of this size and scope may be difficult.	A new water supply project may provide relief at the headwaters of the Colorado River by allowing for water to be exchanged with water from the new project, leaving more water in the Colorado at the headwaters. A new water supply project could reduce the need for further diversions from the Colorado River and their associated environmental impacts.
Nature of the Solution	A large new water supply project is a temporary and short-term solution to a pending water supply problem but may not be a solution for long-term (+40 years) water supply problem.	A large new water supply project could substantially relieve the M&I water supply gap on the Front Range until 2050. A decision to move ahead with a roundtable-based dialogue, especially by the senior leadership of the State of Colorado, will provide a platform for convening a dialogue on the linkage between land use and water. (See Sterling Ranch decision in Douglas County.)
Collaboration and Reduced Competition	A new water supply project could undermine collaboration and increase competition for water if it is not pursued in a way that accommodates existing and future water needs on the West Slope.	A new water supply project could prompt water providers to work together to identify common water needs without the presence of perceived threats to the interests of specific providers. A new water supply project provides an opportunity for the State to support public or public/private partnerships to facilitate innovation, compromise, and hope.

Concerns / Challenges and Potential Benefits of Any New Supply Project and of a Flaming Gorge Project

Flaming Gorge Only

	Concerns and Challenges	Potential Benefits
Administration	The State Engineer may not have the authority to administer a project that begins outside of Colorado. It is not clear how the State Engineer would administer the Compact and how a Flaming Gorge project would influence that administration.	A cooperative agreement between Colorado and Wyoming could be developed to ensure administration authority in Colorado and cooperation and collaboration between the states. The Upper Basin Compact States may have an opportunity to collaborate on avoiding Lower Basin Compact administration. Project would provide a catalyst for discussion of compact issues.
Checks and Balances	A Flaming Gorge project may exist outside of the existing system of oversights and checks and balances in Colorado, including the conservancy district statute, water court, and 1041 permitting. This would severely limit the ability of Colorado stakeholders to voice an opinion and influence permitting decisions.	Federal and state permits would be required for a Flaming Gorge project. These permitting processes would offer opportunities for Colorado stakeholders to weigh in. A Roundtable-to-Roundtable process grounded in the Colorado Water for the 21st Century Act could provide checks and balances.
Water Rights	A Flaming Gorge project could significantly affect administration of Compact administration, depending on the seniority of the water right. It could significantly impact existing water rights, particularly on the West Slope.	A Flaming Gorge project may not have a very senior water right, but if it did, perhaps an agreement or administrative mechanism could be developed to provide some certainty to existing holders of water rights in Colorado (e.g., an agreement to only take water when water is clearly available).
Water Supply	There may not be enough water to develop a new project from the Colorado River. Developing a new supply project could jeopardize existing water supply projects by increasing the risk of Compact administration. Water supply is ultimately finite. At some point or during dry spells we will reach the point where there is no new water to develop from the Colorado Basin, and we may be close already. We need to start looking more at reducing demand for long term water solutions.	Water from a Flaming Gorge project would be fully consumable through reuse and could create up to 1.5 or 1.8 acre-feet of use for each acre-foot of water realized as yield by diversion from the Green River. Flaming Gorge project water could be used in conjunction with non-tributary groundwater supplies (e.g., the Denver Basin aquifers) as a means of providing alternative municipal water resources in dry years. A Flaming Gorge project could provide redundancy to other water supply sources if natural or man-made disasters (flood, wildfire, chemical spills, etc.) temporarily interrupt existing water supplies.

Concerns / Challenges and Potential Benefits of Any New Supply Project and of a Flaming Gorge Project

	Concerns and Challenges	Potential Benefits
CRSPA Reservoirs	CRSPA reservoirs were intended and built to provide for the Upper Basin's Compact obligations and as a "savings account" to protect against Compact administration. Developing a Flaming Gorge project diminishes the ability to use the Flaming Gorge Reservoir as a saving account and increases the risk of Compact administration and subsequent curtailment in Colorado.	The significant storage capacity of Flaming Gorge Reservoir would allow greater flexibility in project operations and may allow some degree of drought protection, depending on resolution of Compact administration concerns and issues. Further, the storage reserves in and capacity of Flaming Gorge Reservoir can provide greater flexibility in addressing endangered species issues that might arise from a Flaming Gorge project.
Additional Approvals	The Upper Colorado Basin Commission may have to agree before the Bureau of Reclamation can contract for a large new diversion out of a CRSPA reservoir.	The Upper Colorado Basin Commission may discuss a large, new diversion from a CRSPA reservoir but consensus may not be sought or required.
Environmental Impacts	A Flaming Gorge project could negatively affect flows and endangered fish in the Green River and in the Colorado Basin more generally. A project of this size may have environmental impacts that are too big and too geographically dispersed to be mitigated. Environmental impacts in the future could be compounded by water use for oil shale development and by climate change. Getting a federal permit for a project of this size and scope may be difficult.	The existing management practices under the Recovery Program for the endangered fish may be sufficient to protect the fish. A Flaming Gorge project may provide relief at the headwaters of the Colorado River by allowing for water to be exchanged with Flaming Gorge water, leaving more water in the Colorado at the headwaters. A Flaming Gorge project could also reduce the need for further diversions from the Colorado River and its tributaries within Colorado and their associated environmental impacts. A Flaming Gorge project could provide Front Range environmental benefits.
Impacts to Agriculture	A Flaming Gorge project would only temporarily alleviate pressure on agriculture. It would not permanently eliminate demand for agricultural water.	A Flaming Gorge project could significantly reduce the amount of agricultural buy-and-dry on the Front Range.
Energy	A Flaming Gorge project may require substantial energy to pump water from Wyoming to Colorado's Front Range. Although it may also create some energy, net energy use may be high.	A Flaming Gorge project could produce some hydropower to partially offset its energy impacts.
Climate Change	Climate change could reduce instream flows in the Green River in the future, which would affect water availability for a Flaming Gorge project. Climate change may increase the risk of Compact administration on the Colorado River making the project more unreliable.	Flaming Gorge Reservoir is located north of Colorado, which means this area may not be as hot and dry as a result of climatic change, so the Flaming Gorge Reservoir could be a more reliable source of water into the future.

Concerns / Challenges and Potential Benefits of Any New Supply Project and of a Flaming Gorge Project

	Concerns and Challenges	Potential Benefits
Statewide Benefits	The benefits of a Flaming Gorge project may not outweigh the negative impacts throughout the state. A Flaming Gorge project could have serious negative impacts on the important recreation economy important to this part of Colorado, Wyoming and Utah. A Flaming Gorge project is a temporary solution that could keep Colorado from having a conversation about a different, scalable project that could grow into the future and meet water demands incrementally over time.	A Flaming Gorge project has the capacity to provide statewide economic opportunities related to both consumptive and nonconsumptive water supply. An investigation of a Flaming Gorge project could uncover additional benefits and concerns that could apply to any new supply project.
Collaboration and Reduced Competition	A Flaming Gorge project could undermine collaboration and increase competition for water if it is not pursued in a way that accommodates existing and future water needs on the West Slope. A Flaming Gorge project could strain relations between Colorado, Utah and Wyoming, making future collaborations or cooperative administration of Compact obligations more difficult.	A Flaming Gorge project could prompt water providers to work together to identify common water needs without the presence of perceived threats to the interests of specific providers. Piping water in from outside of Colorado could help reduce competition and tensions related to conflicting goals between water providers. A Flaming Gorge project could represent a cooperative effort between Colorado and Wyoming. By providing water to entities in Wyoming along the pipeline route and delivery of water to Colorado's Front Range, substantial sharing of infrastructure costs could benefit project beneficiaries both in Wyoming and Colorado. A Flaming Gorge project provides an opportunity for the State to support public or public/private partnerships to facilitate innovation, compromise, and hope.

Appendices G – I

Appendix G: Flaming Gorge Task Force Assessment Report

Appendix H: Final WSRA Grant Application to CWCB

Appendix I: Final Scope of Work Approved by CWCB in September 2011

Appendix G

FLAMING GORGE TASK FORCE
SITUATION ASSESSMENT REPORT

May 9, 2011

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I. ASSESSMENT BACKGROUND

A. Purpose and Process

This document is the report of the Flaming Gorge Task Force Situation Assessment, a neutral assessment of the appropriateness and viability of a stakeholder collaborative or task force to discuss a possible water supply project that would bring water from the Flaming Gorge Reservoir to Colorado's Front Range. The goal of the assessment process was to consult with stakeholders throughout Colorado to gather their perspectives about whether a stakeholder dialogue is warranted and if so, what that dialogue might look like to maximize the likelihood of success. Stakeholder consultations occurred in two ways. First, the facilitators contracted to do the assessment[1] conducted telephone interviews with stakeholders throughout Colorado, including water providers, environmental advocates, representatives from municipalities and counties, members of the Colorado Water Conservation Board, members of the Interbasin Compact Committee, members of the nine basin roundtables, two individuals proposing specific Flaming Gorge projects, staff from State and federal agencies, and other stakeholders from both the Front Range and the West Slope. A small number of stakeholders in Wyoming and Utah also participated in the assessment. Second, in addition to the telephone interviews, stakeholder feedback was gathered through an online survey that was distributed via email to all members of the nine basin roundtables.

A list of respondents is available in Appendix A, and a summary of survey respondents is available in Appendix B. The interview/survey questions are available in Appendix C.

B. Leadership

The assessment process was guided by the leadership of a 5-person Executive Committee, which helped identify respondents and develop the interview/survey protocol. The Executive Committee included one representative each from the Metro, Arkansas Basin, Colorado, and Yampa/White/Green Roundtables, and one outside expert on Colorado water policy from Colorado State University. The names and affiliations of the Executive Committee members are available in Appendix D. The Executive Committee reviewed a draft of this report and provided feedback about how best to communicate recommendations and what process options would best address the issues and concerns raised during the assessment, but the final recommendations and the content of this report reflect the knowledge and best professional judgment of the facilitators doing the assessment, did not result from pressure or other influence from any member(s) of the Executive Committee, and are not necessarily the opinions of the Executive Committee members.

C. Funding

The assessment process was funded by Water Supply Reserve Account grants from the Arkansas Basin Roundtable and the Metro Roundtable, with matching funds provided by the El Paso County Water Authority. A letter of support for the process was provided by the South Platte

[1] The assessment was conducted by Mike Hughes of The Keystone Center and Heather Bergman of Peak Facilitation Group.

Roundtable. The grant application, which includes the assessment budget and contractor scope of work, is available in Appendix E.

II. WHETHER TO HAVE A DIALOGUE

A. Benefits and Risks of a Dialogue

Assessment participants[2] were nearly unanimous in saying that there ought to be a stakeholder dialogue about a Flaming Gorge project. The most common reasons for supporting a dialogue included:

- It never hurts to talk about things and gain understanding of one another's positions.
- A diverse group of people can help think through the project and find ways to increase and distribute benefits and minimize and mitigate any negative impacts.
- A new water supply project is needed to meet Front Range needs. All the stakeholders in the state need to work together to find a way to make that happen in a way that minimizes impacts around the state.
- The idea of a Flaming Gorge project is not going to go away just because stakeholders do not talk about it.

Although the majority of assessment participants unequivocally supported the idea of a dialogue (only one stakeholder opposed the concept of a dialogue altogether and one stated that a stakeholder dialogue is premature until the Flaming Gorge project is permitted), several also indicated that the dialogue itself could potentially cause some harm. Among the potential risks identified were:

- A dialogue could suggest or build support for a project some stakeholders oppose.
- If poorly framed and/or poorly facilitated, a dialogue could lead to further entrenchment of positions and a deterioration of relationships between stakeholders and stakeholder groups.
- If it did not result in a meaningful discussion or agreement, a dialogue could waste the time of stakeholders and the financial resources of the funding entity.
- A dialogue could unnecessarily complicate the project proponents' efforts to put their proposals in place and interfere with the formal review processes already underway to evaluate the proposals.

Several participants stated that they only supported a dialogue if certain conditions were met, such as a clearly stated goal and outcome of the process, professional facilitation by a skilled facilitator, and representation of the broader stakeholder group around the state. Other respondents name similar factors as critical for ensuring a productive dialogue that maximizes the possibility of success and minimizes the risks posed by the process.

[2] The terms "assessment participants" and "respondents" are used interchangeably throughout this document to refer to both interviewees and survey respondents.

HOW TO HAVE A DIALOGUE

A. Convener of a Dialogue

Several respondents indicated that the individual or entity that convenes or initiates the dialogue is important to their decision to participate and to the success of the dialogue itself. Respondents identified several options for conveners of a dialogue, which are summarized below along with some respective advantages and disadvantages.

Project Supporters or Potential Beneficiaries

A few respondents indicated that presumed or explicit supporters and/or beneficiaries of a Flaming Gorge water supply project might be interested in convening a stakeholder dialogue. However, most individuals who addressed the issue of who should convene a dialogue suggested that this would not be appropriate, as participants might be inclined to presume a bias in the dialogue or pressure to support a project. Some individuals specifically stated that if a known project supporter or beneficiary were to convene the dialogue, neither they nor others from their stakeholder group would be likely to participate.

The Colorado Water Conservation Board (CWCB)

Several respondents indicated that whether to build a new, large trans-basin diversion, which project to build, and how to design it and mitigate its impacts is a matter of statewide interest and importance and should therefore fall within the purview of the Colorado Water Conservation Board (CWCB). A few respondents even mentioned that the Board's statutory responsibilities include securing the greatest utilization of the state's water and responding to plans and activities that might affect the use or development of Colorado's water resources.[3] Several respondents stated that CWCB should convene a Flaming Gorge dialogue and invite stakeholders to participate. Additionally, some felt that a new trans-basin diversion would likely be a very expensive project and would need to be a "State water project," in which case CWCB would need to be integrally involved in project discussions. Supporters of CWCB as convener did not necessarily believe that this approach would mean that the dialogue would occur as part of regular CWCB meeting (although some did suggest this). Rather, several respondents indicated that the Board should have a role in designing the process, ensuring that key questions of statewide concern were addressed, and encouraging stakeholders to participate. Facilitation of a process convened by CWCB could be done by a member or members of the Board, by CWCB staff, or by an outside party.

Several respondents, including some members of the Board, indicated that convening or facilitating a dialogue on a possible Flaming Gorge project would not be an appropriate role for CWCB to play. The primary reason provided was that the Board (and the State more broadly) should not be a position of supporting, or even appearing to support, a specific project. The Board should wait to see what report or recommendations emerge from a dialogue and then respond to those instead. Another reason provided was that Board meetings are already extremely full and adding another item of the magnitude of a Flaming Gorge dialogue to the Board's and staff's workloads might be untenable.

[3] Section 37-60-106, C.R.S. (2010)

The Interbasin Compact Committee (IBCC)

Several respondents stated that the Interbasin Compact Committee (IBCC) should be the venue for a discussion of a possible Flaming Gorge water supply project. One reason provided was that the IBCC is viewed by many as a geographically diverse group of stakeholders with diverse substantive interests. Another reason offered was that Flaming Gorge would require some agreements between basins in Colorado, which is what the IBCC was established to do. A third reason provided was that project-specific discussions on one or more new supply project options would be the logical next step from the new supply development components of the IBCC framework that was delivered to then-Governor Ritter and Governor Hickenlooper in December 2010. The IBCC could initiate a dialogue on Flaming Gorge among its members or in a subcommittee of its members, or it could convene a separate but related process that would involve some IBCC members as well as other stakeholders.

Several assessment participants, including some members of the IBCC, indicated that the IBCC would not be the right convener or venue for a dialogue on Flaming Gorge. Some individuals felt that the IBCC is not sufficiently diverse and/or that it lacks sufficient representation of key stakeholder groups. Others stated that the IBCC should remain focused at the higher, conceptual level and not get into the details of a specific project. Others stated that the IBCC has already moved beyond its statutory authority and should not move any farther beyond the authority expressly given to it in HB1177.

A Third-Party Convener

A small number of respondents suggested that the convener of a dialogue should be a third-party entity. No specifics were provided about what kind of entity that might be, although options that have been used in other instances include State or federal legislators and engineering, facilitation, or mediation firms. Several respondents did indicate that unless a known entity with substantial weight or authority in the Colorado water community was the convening body, some stakeholders would not be willing to engage in a dialogue as challenging and time-consuming as a dialogue on Flaming Gorge might be.

B. Funding of a Dialogue

Who convenes a dialogue relates to some degree to who funds a dialogue. The interview protocol did not include an explicit question about who should fund a dialogue, but some respondents offered some preferences on this issue. Several respondents presumed that a dialogue on Flaming Gorge would need to be funded directly by CWCB or through grants from the Water Supply Reserve Accounts (WSRA), either because they believed that these were the primary sources of funding available for a collaborative endeavor of this kind or because they believe that State funding would be the only funding that could be perceived as sufficiently neutral to give participants comfort that the outcome of the dialogue would not be driven by the funding source. A few respondents stated that no CWCB funds of any kind should be used to support a Flaming Gorge dialogue, because funding support for the dialogue could be perceived as policy support for a Flaming Gorge project, and they believe that CWCB should remain neutral about specific projects. A few respondents also stated that funding from project proponents would likely be a non-starter for several individual stakeholders and groups due to a perception that funders could inject bias into the process or be perceived to be doing so.

C. Representation in a Dialogue

Most respondents indicated that balanced and sufficient representation of stakeholder interests would be critical to their participation in a Flaming Gorge dialogue and to the success of a dialogue. Many stakeholders expressed concern that the dialogue group not be allowed to become too large, which they felt would make the group unwieldy and the discussion unproductive. However, respondents diverged in their perceptions of how many stakeholders is enough or too many, their definitions of "sufficient" representation, and their lists of "key" stakeholders. Below is a summary of the specific suggestions provided.

Suggestions for Group Size

- 6 or 8
- No more than 10 or 12
- 25
- No more than 30

Suggestions for Sufficient Representation

- 1 or 2 people from each stakeholder group
- Environmental community represented equally with water providers
- West Slope represented equally with Front Range

Key Stakeholders Identified

- Project proponents
- Project beneficiaries
- Affected basins
- Representation from basin roundtables around the state
- Environmental community
- Recreational community (including boating and fishing)
- Ranching/farming community
- Basins not directly affected (for statewide perspective)
- State legislators
- State of Colorado
    - Colorado Water Conservation Board (Board members and/or staff)
    - Department of Natural Resources
    - Division of Water Resources
    - Division of Wildlife
    - Attorney General's Office
    - Department of Public Health and Environment
- Affected stakeholders in Wyoming (including municipalities and counties, environmental concerns, recreational concerns)
- State of Wyoming (Joint Powers Authority, Attorney General)
- Affected stakeholders in Utah (including municipalities and counties, environmental concerns, recreational concerns)
- State of Utah

- Federal agencies
    - Bureau of Reclamation
    - Army Corps of Engineers
    - Fish and Wildlife Service
    - Bureau of Land Management

Role of Colorado State Agencies

Most respondents stated that State agencies should be a part of a dialogue process, including some or all of those listed above. Some felt that State agencies should be "at the table," equal members of the stakeholder group. These individuals indicated that State agencies have important knowledge and perspectives that could be vital to an informed and thoughtful discussion about what is legal, potential impacts, ways of mitigating impacts that might be acceptable to regulatory agencies, etc. Others indicated that most State agencies should be available in the room to answer questions and provide information, but should not be at the table, either to limit the size of the table or to protect those agencies' regulatory authority. However, individuals holding this view generally thought that CWCB staff or Board members should be included in the stakeholder group, due to their unique knowledge about the statewide water need, projects and efforts to address the need, and the details and complexities of Colorado River Compact compliance issues.

Role of Federal Agencies

While some respondents indicated that federal agencies should be at the table as equal members of the stakeholder group, most stated that representatives of federal agencies should be available for questions and to provide information, but should not be at the table with other stakeholders. For some respondents, the appropriate role of State and federal agencies would depend on the nature of the process. This is described in greater detail below, under "Process for a Dialogue."

Role of Other States

Several respondents stated that stakeholders in Wyoming and Utah should be included in the dialogue as equal members, because these states would be affected by a Flaming Gorge water supply project. Opinions varied on whether these interests could/should be represented by State entities or whether specific interest groups in each state should have seats at the table. Several respondents stated that stakeholder groups and State entities from Wyoming and Utah should be available for questions and to provide information, but they should not be at the table. Reasons given include the view that this is "a Colorado discussion among Colorado stakeholders" and concerns over the size of the stakeholder group.

For some respondents, the appropriate role of State entities and stakeholders from Wyoming and Utah would depend on the nature of the process. This is described in greater detail below, under "Process for a Dialogue."

Role of Project Proponents

Several respondents stated that both project proponents should be included in the stakeholder dialogue, either as participants at the table or as advisors to the process with unique content knowledge. A few raised some concern about whether having the proponents together in the room would be a barrier to a productive discussion. Some also stated that it would be challenging to have an informed discussion without the project proponents either at the table or in the room as informational resources.

D. Issues for a Dialogue

Many respondents indicated that a stakeholder dialogue on Flaming Gorge should address "all issues" related to Flaming Gorge and did not specify particular topics that are appropriate or critical to a dialogue. However, several respondents specified one or more topics that should be included in a stakeholder dialogue. These topics are listed below, in no particular order:

- Impacts on compliance with the Colorado River Compact
- Impacts on curtailment under the Colorado River Compact
- Legal issues related to importing water to Colorado from Wyoming
- Cost and economic feasibility of the project
- Who would fund the project
- How much the project would cost
- Who would build the project
- Who would operate the project
- Who would own the water rights
- Seniority/priority date of water rights in the project
- Environmental impacts of a project and, if possible, ways to mitigate them
- Environmental benefits of a project
- Socioeconomic impacts of a project (particularly on the West Slope) and, if possible, ways to mitigate them
- Socioeconomic benefits of a project
- Ways to develop multiple benefits for a variety of interests

E. Framing, Goal, and Endpoint of a Dialogue

Respondents indicated that there are basically three potential goals of a stakeholder process. These are outlined below.

Identification of Issues/Concerns

The first potential approach is to focus exclusively on identifying issues and concerns among stakeholders, ensuring that stakeholders have an opportunity to share their concerns or questions about a Flaming Gorge project. This approach would likely be similar in function to a NEPA[4] scoping process, but with more active engagement of stakeholders in a dialogue about issues and concerns that are raised. This discussion could occur at either a general level based on an overview of the concept behind a Flaming Gorge water supply project, or it could be based in

[4] National Environmental Policy Act

project summaries from each of the two project proponents, allowing the stakeholder group to identify concerns that might be specific to one or the other project design.

In this approach, the output of the process would be greater understanding among project proponents and stakeholders about the issues and concerns regarding a Flaming Gorge project, likely summarized in a final document. The discussion, the greater stakeholder understanding, and the summary document could then assist project proponents in designing a project that addressed as many of the concerns as possible.

This approach would advance understanding of the issues and options related to a Flaming Gorge water supply project, but it would not increase knowledge or understanding of acceptable ways of mitigating them or ways of comprehensively addressing multiple concerns and issues to achieve a project that is acceptable to stakeholders and regulators. This approach would likely be the least time-intensive and the least costly of the options identified by respondents.

Identification of Issues/Concerns and Exploration of Strategies to Address Them

A second option for a process approach would begin with stakeholder identification of issues and concerns, but then proceed to a discussion of options for ways that problems could be mitigated and concerns could be addressed. This would allow stakeholders with a variety of interests and expertise to help improve a potential project to maximize benefits and minimize negative impacts of a project. This approach would be more likely to engage stakeholders across substantive and geographic divides to work together to identify strategies that could lead to a project that is viewed as substantially better than anything a single stakeholder group or project proponent could produce. In order to be most productive, this discussion would need to be based in project summaries from each of the two project proponents, allowing the stakeholder group to identify concerns that might be specific to one or the other project design and brainstorm and explore ways of addressing project-specific concerns or issues.

In this approach, the outcome of the process is greater stakeholder understanding of the issues and concerns associated with a Flaming Gorge project, greater awareness of ways that problems can be addressed and impacts mitigated, and potentially a shared belief among stakeholders that if a Flaming Gorge project is built, it can be built in a way that maximizes benefits and minimizes impacts. The output of this approach would likely be a summary of all the issues and concerns identified, as well as a summary of the potential approaches that the group discussed to address those issues.

This approach would advance understanding of the issues and options related to a Flaming Gorge water supply project and increase knowledge or understanding of acceptable ways of mitigating them, but it would not explore ways of comprehensively addressing multiple concerns and issues to achieve a project that is acceptable to stakeholders and regulators. This approach would likely be more time-intensive and costly than simply identifying issues and concerns, but not as time-intensive or costly as consensus building.

Consensus Building

Some stakeholders have suggested that the goal of a stakeholder process should be to gain consensus about a Flaming Gorge water supply project or, at least about the best approach to building and mitigating the impacts of a Flaming Gorge project. Because some stakeholders are concerned that even engaging in a dialogue could advance the Flaming Gorge project and lead to a presumption that the project will be built, seeking consensus about *whether* to build a Flaming Gorge or *which version* of a Flaming Gorge project to build would be challenging and may actually keep some stakeholders from participating in the discussion. However, seeking consensus on criteria for a Flaming Gorge project to meet or on the highest-value ways of mitigating impacts *if* a Flaming Gorge project is going to be built could be a productive and valuable discussion.

Any consensus-based stakeholder dialogue on a Flaming Gorge project would need to begin with an identification of issues and an exploration of potential strategies to address concerns, similar to the approach described above. The outcome of the process would be stakeholder consensus on criteria or mitigation strategies or design considerations, with a report documenting the discussions and the final agreement.

This approach would advance understanding of the issues and options related to a Flaming Gorge water supply project, increase knowledge or understanding of acceptable ways of mitigating them, and explore ways of comprehensively addressing multiple concerns and issues to achieve a project that is acceptable to stakeholders and regulators. Building consensus on complex issues takes time and resources, and this approach is likely to be the most time-intensive and costly.

Process for a Dialogue

Several respondents indicated that a full-fledged stakeholder dialogue on a Flaming Gorge project might be premature until several "threshold" questions are addressed. These individuals stated that that there several issues of legality, hydrology, and financing that need to be addressed first, because if there are critical barriers to a Flaming Gorge project there may not be a need for further exploration of other concerns and mitigation strategies. Some of the respondents who expressed this concern also indicated that the Colorado Attorney General and State Engineer, officials from federal agencies like the Bureau of Reclamation, officials from Wyoming and Utah, and project proponents should be actively involved in exploring some of these threshold questions and then become less active in subsequent stakeholder discussions should they occur. A few individuals who advocated for a preliminary process on these threshold questions stated that non-Colorado entities should not be at the table for these discussions, but could be available to provide perspectives and answer questions in any subsequent discussions.

A few respondents suggested that it would be important to have a preliminary discussion about who would pay for a project, who would develop it, who would operate it, and who would own the water rights. For individuals and groups with this perspective, whether and how to build a Flaming Gorge water supply project is critically dependent on the answers to these questions, and addressing them first will frame the rest of the conversation about options for project design and mitigation strategies. For these respondents, starting a dialogue on anything but these issues would be misleading and potentially a waste of time and resources.

F. Dialogues on Other Water Supply Projects

The interview protocols included questions about whether water projects other than Flaming Gorge merit stakeholder dialogues. A small number of respondents said no, but most respondents identified one or more other projects that merit dialogues. The most commonly cited projects meriting dialogues were Blue Mesa Pumpback and Yampa Pumback, although many respondents stated that they believe that these projects are not very far along in the planning and design process, making it difficult to know how viable they might be. A few respondents suggested combining discussions on Flaming Gorge, Blue Mesa Pumpback, and Yampa Pumpback, but others indicated that it would be best to separate these issues and focus on one project.

Other projects that might merit a stakeholder dialogue that were cited by respondents include a comprehensive discussion of all facilities in the Colorado River Storage Project, Union Park Pumpback, Green Mountain Pumpback, Mississippi River floodwaters injected into the Ogallala Aquifer, moving water out of the Arkansas Basin, establishing the right mix of identified projects and processes (IPPs), individual IPPs around the state that are already in the NEPA process, Northern Integrated Supply Project (NISP), Windy Gap, Moffat Collection, conservation strategies, conjunctive use, and reducing dependence on non-renewable water supplies like groundwater and aquifers.

III. RECOMMENDATIONS

The above feedback from assessment participants suggests that a stakeholder dialogue about a possible Flaming Gorge project would be useful and likely to increase understanding (at the very least) and help build agreement about concerns and ways to address them (at the most). The stakeholder feedback, combined with the experience and professional judgment of the facilitators writing this assessment, suggests an approach for a stakeholder dialogue that could occur in one of three venues.

A. Convening/Funding Recommendations

<u>OPTION A: Free-Standing Stakeholder Dialogue (Preferred)</u>

It would be most beneficial to establish a new freestanding stakeholder dialogue to explore a Flaming Gorge project. Although the process would build on work done by CWCB and relate to work that is currently underway by the IBCC, it would not be directly connected to either CWCB or IBCC. This is the preferred approach for several reasons. First, there is substantial sensitivity regarding the appropriate role of CWCB in water supply and water projects. Keeping the discussion of Flaming Gorge separate from the Board seems most likely to ensure those concerns do not unduly affect the stakeholder discussion. Additionally, the Board's meeting schedule is already aggressive and meeting agendas are consistently full with other business. Regarding the IBCC, while some believe that a stakeholder dialogue about Flaming Gorge is a natural next step from the IBCC's preliminary framework to address the water supply gap, the concerns that others have raised about the balance of perspectives on the IBCC and whether the IBCC members themselves are interested in discussing specific projects weigh against this option.

Due to sensitivities about its role, the Colorado Water Conservation Board as a policy-making body should not be actively engaged at the table in a discussion about Flaming Gorge. However, as the statewide water policy entity with responsibility to address the state's water needs and respond to projects that might affect them, the Board should be involved in efforts to explore ways of addressing the state's anticipated water supply gap at the leadership level. For a Flaming Gorge stakeholder dialogue, it would be both highly beneficial and appropriate for the Board to endorse the stakeholder process and the membership of the group (i.e., putting the support of CWCB behind the process). Additionally, it would add another layer of leadership for one or more Board members to participate in the dialogue as equals with other participants. Together, these two roles would lend credibility to the stakeholder process and elevate it to the level of a statewide water policy conversation.

The stakeholder process will be most effective if, in addition to neutral convening as described above, there is funding that is perceived to be sufficiently neutral. As with this assessment, funding could be provided through Water Supply Reserve Account grants from one or more basin roundtables with an interest in a balanced and productive dialogue about a possible Flaming Gorge project. CWCB could also demonstrate leadership and lend its support to the stakeholder process by approving any such WSRA grant applications.

OPTION B: IBCC-Based Dialogue

Several participants in the assessment process indicated that many members of the IBCC would be likely participants in a stakeholder process on Flaming Gorge. If acceptable to the Director of the IBCC and to IBCC participants, a Flaming Gorge dialogue could occur as an IBCC-based discussion through the creation of new working group. Article VII of the IBCC By-Laws allows for the creation of working groups or committees. Such committees are open to all members of the IBCC, and additional members from outside the IBCC can be included with the approval of the IBCC. Using this authority, the IBCC could establish a Flaming Gorge Working Group and identify as members a subset of IBCC members and several additional individuals representing stakeholder groups. Such an effort could be initiated by the IBCC Director, it could be suggested by the IBCC members representing basin roundtables with an interest in a thoughtful discussion about Flaming Gorge, or the CWCB could ask the IBCC to engage in this discussion.

This approach would capitalize on the knowledge and energy of IBCC members, and careful attention to including new voices and perspectives from non-IBCC members could help address perceptions of imbalance on the IBCC. However, it is not clear how this would fit into the IBCC's work plan for 2011 and beyond. Additionally, the IBCC is funded by the State. Integrating a Flaming Gorge dialogue into the IBCC would either require the State to directly fund the dialogue or necessitate a new financial arrangement between other possible funders and the State.

OPTION C: CWCB-Based Dialogue

CWCB could itself convene a dialogue, with the Board actively participating or with the primary responsibility given to staff to implement the dialogue. It is unclear how a Flaming Gorge dialogue would fit into the work plan of Board and of staff, but several respondents (including some members of the Board) stated that CWCB should be the locus of this discussion because of the statewide impact and importance of a possible Flaming Gorge project. This approach would

be troubling to some stakeholders who would prefer to see the Board remain completely neutral and hands-off regarding project discussions. However, a discussion convened and managed by the Board would carry substantial weight and would be likely to engender participation. Funding for a dialogue under the auspices of CWCB could come from CWCB funding, WSRA grants, or some combination of the two.

B. Participation/Representation Recommendation

There is substantial interest among stakeholders in participating in a dialogue. While this interest is encouraging and may bode well for the process, if all of the stakeholders who expressed an interest in the dialogue were to have seats at the table the total number of participants would be unmanageable and unproductive. However, many respondents indicated that several State and federal agencies have critical knowledge or perspectives that should inform the discussion, but may not need to participate actively in the stakeholder deliberations. Additionally, there are individuals who may have information and important perspectives to add to discussions on a particular topic and who should be engaged on certain issues, but who may not need to be engaged at all levels. This suggests that it may be appropriate to have two tiers of participation: members of the stakeholder dialogue group who are at the table and resource/advisory entities and others who participate on an issue-by-issue basis. The following participation recommendation reflects this tiered approach and would be beneficial in a free-standing, IBCC-based, or CWCB-based dialogue.

<u>At the Table: Core Group</u>

The Core Group would be comprised of stakeholders who have an overarching interest in a Flaming Gorge project and who represent a larger constituency of interested individuals and/or groups. A manageable size for the Core Group would be approximately 17 named members, with each member having a named alternate to participate if the member is unable to attend meetings. The Core Group should have some representation from CWCB (at the Board level), the IBCC, and the basin roundtables (for consistency and integration with ongoing efforts) and individuals with no connection to these entities. Some stakeholders could meet multiple representation goals (i.e. an IBCC member and/or a CWCB Board member who also represents one of the stakeholder groups outlined below).

Members could include:

- 4 members representing potential water-receiving project beneficiaries from geographically diverse areas from the Front Range (i.e., water providers, municipalities, and/or counties representing communities from the South Platte, Metro, and Arkansas Basins)
- 2 representatives from the Yampa/White/Green Basin
- 2 representatives from the environmental community (one from the Front Range and one from the West Slope)
- 1 representative from the recreational community
- 1 representative from the Colorado River Water Conservation District
- 2 representatives from the ranching/farming community (one from the Front Range and one from the West Slope)
- 2 representatives of other basins or roundtables

- 1 member representing the Colorado Water Conservation Board staff
- 1 member representing the Colorado Department of Natural Resources and its constituent agencies
- The Governor's Advisor on Water Policy / Director of Compact Negotiations (or his designee)

Resource/Advisory Entities

Entities with substantive knowledge about and/or regulatory authority regarding a possible Flaming Gorge project should participate in the discussions of the Core Group as needed, providing agency experience and perspective without weighing in on the outcome of the discussion. Entities that could add value in this role include:

- Project proponents
- State of Colorado
    - Colorado Water Conservation Board
    - Department of Natural Resources
    - Division of Water Resources
    - Division of Wildlife
    - Attorney General's Office
    - Department of Public Health and Environment
- State of Wyoming (Joint Powers Authority, Attorney General, others as needed)
- State of Utah (as needed)
- Other public entities in Wyoming and Utah (municipalities and counties)
- Federal agencies
    - Bureau of Reclamation
    - Army Corps of Engineers
    - Fish and Wildlife Service
    - Bureau of Land Management

Other Participation

Rather than exclude individuals and entities who are not on the Core Group and who are not employed by resource or advisory agencies, it may make sense to invite other interested stakeholders (from Colorado, Wyoming, and Utah) to participate in discussions at the subcommittee level. This will help ensure that multiple perspectives are considered in the process without over-populating the Core Group. In particular, the Core Group should encourage participation at the advisory level by the two project proponents, as these individuals have unique knowledge about the proposed projects and unique perspectives about the potential positive and negative impacts of them.[5]

[5] Some respondents indicated that one or both of the project proponents should be at the table in the dialogue. Others indicated that neither project proponent should be at the table. Given the competing nature of the two projects and the possibility for litigation in the future, having both proponents at the table is not likely to be conducive to consensus building, and the process could not legitimately proceed with only one proponent at the table. For this reason, both project proponents should be engaged at the advisory level but not on the Core Group.

Selection of Core Group Members

There is substantial interest in participating in a dialogue about Flaming Gorge—supporters and opponents both want to be at the table, as do many individuals who have not yet decided and are curious about the project. In fact, the vast majority of non-regulatory respondents said that they would want to be at the table. While this interest and enthusiasm is encouraging and may bode well for a successful process, neutral selection of individuals to fill the 14 non-State seats will be critical, as will selection of individuals who are willing to sit down with people of differing opinions and perspectives and engage in a respectful, productive dialogue. The most neutral and expedient approach to selection would be to have basin roundtables, stakeholder groups, and IBCC members nominate individuals to fill any or all of the 14 non-State seats (and explain why those are the right people), and then have the facilitation team for this assessment process interview potential Core Group members and select a diverse group that can represent the interests involved while also contributing to a productive discussion. The facilitators will defer as much as possible to the preferences of the entities or interest groups nominating individuals for the Core Group.

C. Framing/Purpose Recommendation

The proper framing of a stakeholder process on a technically complex and controversial project like Flaming Gorge is critical. Ensuring that the question or topic under discussion is one that is acceptable to key stakeholder groups is important, as is ensuring that participants have the information they need to have a meaningful discussion and make informed decisions. A staged process would be the most likely to ensure an informed and productive discussion and make the best use of participants' time. This approach would be beneficial in a free-standing, IBCC-based, or CWCB-based dialogue.

Phase 1: Issue Identification

The goal of the first phase of the collaborative process would be to identify and agree on interests at play in a discussion about a possible Flaming Gorge project (provision of water, protection of the environment, etc.). The Core Group would then seek to identify and agree on the issues or questions that emerge from those interests and, from that list, which of those issues can/will be addressed during the course of the stakeholder process. The group would then divide those issues into two categories: threshold issues and design/mitigation issues. Threshold issues would be explored in Phase 2; design/mitigation issues in Phase 3. The Core Group would seek agreement on this categorization and, once it was complete, they would seek agreement on whether to proceed to Phase 2. Phase 1 could be expected to take 2-3 meetings.

Phase 2: Threshold Issues

Several respondents stated that there are threshold issues that must be explored prior to an in-depth discussion about project design and mitigation. These threshold questions include questions of legality, hydrology, and financing that could potentially pose insurmountable barriers to a Flaming Gorge project. Phase 2 would focus on exploring these threshold issues, perhaps with the assistance of experts and/or diverse panels representing different perspectives on a given issue. Some threshold questions may be resolved, while others may foster compelling discussions without resulting in resolution. The stakeholder group will need to determine if/how

it will proceed if there are no clear answers to one or more threshold questions. The end result of Phase 2 would be agreement on a summary of the answers to threshold questions and/or an agreement on the range of views regarding unresolved threshold issues. At the end of Phase 2, the Core Group would decide whether or not to proceed to Phase 3. Phase 2 could be expected to take 6-8 meetings, with possible additional meetings of issue-specific subcommittees.

Phase 3: Design and Mitigation

Once the Core Group has agreed on the interests at hand, the issues to be discussed, and the answers (or lack of answers) to the threshold questions, they could begin to explore the actual design options for a Flaming Gorge project and discuss options for maximizing benefits of a project and minimizing and mitigating impacts. This process would likely involve presentations from the two project proponents about their respective designs and visions of benefits and impacts. The Core Group's deliberations would also benefit from presentations from stakeholder groups about concerns and potential negative impacts, as well as discussion of ways to mitigate impacts and/or create new benefits. This conversation could also include presentations about other major water supply projects for the purpose of comparing expected potential benefits and impacts from a Flaming Gorge project with expected potential benefits and impacts from other projects (Blue Mesa and Yampa Pumpbacks in particular).

The Core Group would seek agreement about the potential benefits and potential impacts of a Flaming Gorge project, and then work to develop a list of necessary or preferred criteria, characteristics, or components of a Flaming Gorge project *should one be built.* It is important to note that stakeholders would not be asked whether they support a Flaming Gorge project or if they think one should be built—this question would make several stakeholders uncomfortable and potentially inhibit productive discussion. The final work product of the stakeholder process would be agreement on the list of necessary or preferred criteria, characteristics, or components of a Flaming Gorge project. This list could then assist project proponents in their efforts to develop a project (or a decision not to develop a project), and it would assist both stakeholders and regulators in their respective assessments of any project(s) that may move forward. Phase 3 could be expected to take 6-8 meetings, with possible additional meetings of issue-specific subcommittees.

Early and Regular Roundtable and Stakeholder Engagement

Due to the magnitude of a potential Flaming Gorge project and the possibility that, if built, such a project could bring both positive and negative impacts to stakeholders throughout the state, engaging the nine basin roundtables and the broader stakeholder community in regular discussions throughout the dialogue process will be critical. For some roundtables and stakeholders, regular updates, an up-to-date website, and periodic opportunities to react to ideas and documents might be sufficient. For others like the Arkansas, Metro, South Platte, Colorado, and Yampa/White/Green Roundtables, CWCB, the IBCC, and the environmental and agricultural communities, additional engagement would be highly beneficial. The Core Group, through either a committee or through the facilitation team, should engage these roundtables and stakeholders at the beginning of each phase to solicit their initial ideas, perspectives, and suggestions and then circle back to them periodically throughout the process to provide updates and gain additional feedback. This will help ensure that as many voices as possible are brought into the deliberations of the Core Group, while keeping the group size manageable. It will also

help mitigate the risk of the Core Group coming to an agreement that is completely out of step with other stakeholders or missing an opportunity for agreement because they did not hear one or more ideas that could help them find common ground. Additionally, it would be highly beneficial for the Core Group to hold meetings in different locations around the state, with particular emphasis on meeting in potentially affected basins as much as possible.

Finding Agreement

There are a variety of approaches to getting a group of diverse stakeholders to an "agreement" at the end of a collaborative process like the one described above. Some processes use majoritarian voting because it allows for concise results and limits the ability of a minority to "veto" an agreement when most of the group agrees. Other processes use consensus, which can be defined in a variety of ways but generally involves all members of the group agreeing. For the purposes of a stakeholder dialogue for Flaming Gorge, majoritarian voting would be challenging, because in order for it to work, representation of stakeholders would need to be fairly allocated among Core Group members (it is unclear how many stakeholders would be represented by any given Core Group member and it is unclear whether or how Core Group members would declare or define their constituencies, which are generally rather diffuse). Consensus is therefore the recommended approach, with the term being defined as "everyone in the group can live with the decision." Consensus challenges stakeholders to find ways to meet the needs and accommodate the interests of everyone around the table rather than giving them an incentive to build coalitions and establish voting blocs (as often occurs in majoritarian voting). Consensus is not easy but, when achieved, it yields more substantively balanced and politically robust results than voting. Consensus is the recommended approach to decision-making for a free-standing, IBCC-based, or CWCB-based dialogue.

Funding and Facilitation

At the first meeting of the Core Group, prior to discussing any of the threshold questions outlined above, discussions will be needed on how to fund the process going forward and who should facilitate the process.

- **Funding**

  The cost of a properly conducted and professionally facilitated Flaming Gorge stakeholder dialogue is difficult to estimate without knowing who will facilitate it and how many of the three stages the Core Group will agree to complete. However, it is likely that funding the process would require a financial investment above what any individual stakeholder or basin roundtable is likely to be able or willing to provide. Options for funding include stakeholder contributions to a shared funding pool, one or more Water Supply Reserve Account grants, or some combination of the two. The Core Group will need to discuss these options and determine how to proceed, as the funding approach could drive the timing and scope of the process (i.e., stakeholder contributions could be secured more quickly than could WSRA funds, but WSRA funds may be able to fund a more complete process than could individual contributions).

- **Facilitation**

  Several assessment participants stated that professional, neutral facilitation is critical for a Flaming Gorge dialogue. It is important that the members of the Core Group feel comfortable that the dialogue is being planned, managed, and facilitated by an unbiased but capable party or team. At a preliminary meeting convened and facilitated by CWCB staff or the facilitators doing this assessment, the Core Group could review applications or resumes from possible facilitators and agree on whom to select. If the assessment facilitators were to convene this preliminary meeting and were submitting their own qualifications for Core Group consideration, they would need to leave the room during deliberations and decision making about the facilitator(s) for the process. Alternatively, WSRA grant applicants or CWCB (Board and/or staff) could select a facilitator prior to an initial meeting of the Core Group.

  If the stakeholder process occurs through the IBCC, the same process outlined above could be used to allow the Core Group to select a facilitator. Alternatively, the IBCC facilitator could facilitate the discussion or the IBCC Director or the IBCC as a whole could select a different facilitator for the Flaming Gorge discussion.[6] If the dialogue occurs through the CWCB, the Board could select a facilitator itself or direct staff to do so.

IV. CONCLUSION / NEXT STEPS

When this assessment process began, it was unclear whether it would be productive to convene a stakeholder dialogue to discuss a possible Flaming Gorge project. However, interviews and survey responses were clear: most stakeholders believe that getting a group together to explore concerns about, viability of, and design options for a Flaming Gorge project is a good and important step for Colorado to take in the ongoing effort to address the state's future water needs. An independent, stakeholder dialogue with the support and endorsement of the Colorado Water Conservation Board has the capacity to advance substantially the discussion of one possibility for addressing the state's water gap. While the dialogue will not deliver an agreement on whether to build a project (nor will it seek such an agreement), it will result in better thinking about whether a project could be built in a way that maximizes benefits and minimizes impacts throughout the state and what criteria or components could be included to achieve that goal.

The scope and budget for the assessment process included funds for the facilitators doing the assessment to convene an initial stakeholder meeting if the finding of the assessment was that a stakeholder dialogue was viable. Because it is the finding of this assessment report that a dialogue is viable and because neutral identification of stakeholders is important, the facilitators who have completed this assessment will, with the consent of the Executive Committee and the funding roundtables:

1. Develop a brief list of criteria or attributes for the members of the Core Group

[6] Disclosure: Heather Bergman of Peak Facilitation is currently the facilitator of the IBCC and is one of the facilitators who prepared this assessment report.

2. Solicit nominations for participants in the Core Group from the basin roundtables, stakeholder groups, and the IBCC, providing the above criteria as guidance
3. Interview nominated individuals to assess their willingness to participate in a dialogue and their interest in engaging in an open and productive dialogue
4. Select 14 non-State members of the Core Group and coordinate with the State of Colorado to ensure that the 3 State representatives are also selected
5. Convene an initial meeting of the Core Group to discuss the process approach outlined above, funding, facilitation, and if appropriate, operating protocols for the Core Group.

All of the above tasks can be completed with the funds available from the WSRA grant funding this assessment process.

This report has been delivered to the Arkansas and Metro Roundtables, the entities that funded the assessment. The report has also been distributed via email to all participants in assessment interviews. It is a public document.

VII. APPENDICES

Appendix A: List of Interviewees

Appendix B: Summary of Survey Respondents

Appendix C: Interview/Survey Questions

Appendix D: Names and Affiliations of Executive Committee Members

Appendix E: Water Supply Reserve Account Grant Application for the Flaming Gorge Task Force Assessment Process

Appendix A: List of Interviewees (N=48)

Barber, Gary	Arkansas Basin Roundtable, El Paso County Water Authority
Blakeslee, Geoff	Colorado Water Conservation Board (Yampa/White/Green Basin)
Biggs, Barbara	Colorado Water Conservation Board (Metro)
Birch, Dan	Colorado River Water Conservation District, Interbasin Compact Committee
Brand, Rena	US Army Corps of Engineers
Broderick, Jim	Southeastern Water Conservation District
Crist, Larry	US Fish and Wildlife Service
Cech, Tom	Central Water Conservation District
Collins, Mike	US Bureau of Reclamation
Comstock, Jeff	Moffat County Department of Natural Resources
Danielson, Jeris	Arkansas Basin Roundtable, Interbasin Compact Committee
Davis, Alex	Colorado Department of Natural Resources, Assistant Director for Water Policy
Dickinson, T. Wright	Moffat County resident, Interbasin Compact Committee
Dils, Reed	Colorado Water Conservation Board (Arkansas Basin)
Eberle, Sinjin	Colorado Chapter of Trout Unlimited
Gilbert, Alan	US Department of the Interior
Gimbel, Jennifer	Colorado Water Conservation Board (Director)
Gray, Tom	Yampa/White/Green Roundtable, Moffat County Commission
Hamel, Alan	Pueblo Board of Water Works
Harris, Steve	Southwest Roundtable, Interbasin Compact Committee
Hawes, Taylor	The Nature Conservancy, Interbasin Compact Committee
Jaeger, Frank	Project Proponent
Kassen, Melinda	Interbasin Compact Committee
Kemper, Doug	Colorado Water Congress
Kuharich, Rod	Metro Roundtable, Interbasin Compact Committee

Kuhn, Eric	Colorado River Water Conservation District, Interbasin Compact Committee
Lockhead, Jim	Denver Water, Metro Roundtable
Long, Becky	Colorado Environmental Coalition
McClow, John	Colorado Water Conservation Board (Gunnison Basin)
Million, Aaron	Project Proponent
Montgomery, April	Colorado Water Conservation Board (Southwest)
Neubecker, Ken	Colorado Roundtable, Trout Unlimited
Palma, Juan	US Bureau of Land Management
Peter, Chandler	US Army Corps of Engineers
Peternell, Drew	Trout Unlimited
Pifher, Mark	Aurora Water, Interbasin Compact Committee
Redifer, John	Colorado Water Conservation Board (Colorado Basin)
Roy, Cordell	National Park Service
Sharpe, Tom	Yampa/White/Green Roundtable
Shively, Mark	Douglas County Water Resource Authority
Smith, Travis	Colorado Water Conservation Board (Rio Grande Basin), Interbasin Compact Committee
Stulp, John	Governor Hickenlooper's Special Advisory for Water Policy; Director of the Interbasin Compact Committee
Trick, Carl	Colorado Water Conservation Board (North Platte Basin), Interbasin Compact Committee
Vandiver, Steve	Rio Grande Water Conservation District, Interbasin Compact Committee
Walkoviak, Larry	US Bureau of Reclamation
Waskom, Reagan	Colorado State University, Colorado Water Institute
Wilkinson, Eric	Colorado Water Conservation Board (South Platte Basin), Interbasin Compact Committee, Northern Water Conservation District
Wolfe, Dick	Colorado State Engineer's Office, Colorado Division of Water Resources

. Appendix B: Summary of Survey Respondents (N=32)

Stakeholder/Interest Participation in the Survey

Local elected official – West Slope, Colorado	2	6%
Local elected official – East Slope, Colorado	1	3%
Front Range agriculture/ranching	1	3%
West Slope agriculture/ranching	4	12%
Front Range environmental	1	3%
West Slope environmental	1	3%
Federal official	2	6%
State official – Colorado	1	3%
Front Range water supplier	4	12%
West Slope water supplier	5	16%
Other, please specify *(see below)*	10	31%
Total	**32**	**100%**

Others, as specified

- West Slope County staff delegated to water issues (1)
- West Slope Conservancy Board member and journalist (1)
- Upper Arkansas Valley agricultural producer/rancher (2)
- Member of a water conservancy district (1)
- Southern Colorado industrial water user (1)
- West Slope recreation and environmental representative (1)
- Front Range water lawyer (1)
- Member of the Arkansas Basin Roundtable (1)
- Eastern Plains water supplier (1)

Basin Roundtable Participation in the Survey

- 28 respondents (88%) are members of a basin roundtable.
- 4 respondents (12%) are not members of a basin roundtable.

Appendix C: Interview/Survey Questions

1. *(Online survey only)*
   Which of the following best characterizes you (please select the primary identifier)?
   a. Local elected official – West Slope, Colorado
   b. Local elected official – East Slope, Colorado
   c. Local elected official – Utah
   d. Local elected official – Wyoming
   e. Front Range agriculture/ranching
   f. West Slope agriculture/ranching
   g. Front Range environmental
   h. West Slope environmental
   i. Federal official
   j. State official – Colorado
   k. State official – Wyoming
   l. State official –Utah
   m. Front Range water supplier
   n. West Slope water supplier
   o. Other – please specify below

2. *(Online survey only)*
   Are you a member of a water roundtable?
   a. Yes – If so, which roundtable?
   b. No

3. **Benefits and risks of a dialogue**
   a. If there were to be a dialogue among those with a stake in a Flaming Gorge water supply project (both those who might favor and those who might oppose), what might that dialogue accomplish?
   b. Which topic or topics would be most appropriate for a dialogue?
   c. What harm might a stakeholder dialogue do?
   d. Are there ways of conducting a dialogue that might help us minimize any potential for harm and take advantage of the potential benefits?

4. **Benefits and risks of no dialogue**
   What's likely to happen if there's no dialogue and how would that affect your interests?

5. **Might you participate if there were a dialogue**
   If there were a dialogue, would you want to be a part of it?

6. **Who else might participate or should participate**
   If there were a dialogue, who else must participate to make it credible (key players, agencies and constituencies and who best represents them)?

7. **Other than Flaming Gorge**
   a. Is there different project that warrants dialogue or discussion?
   b. Would expanding the focus give us a different interview list? If so, who else should we talk to?

Appendix D: Names and Affiliations of Executive Committee Members

Barber, Gary	Arkansas Basin Roundtable, El Paso County Water Authority
Gray, Tom	Yampa/White/Green Roundtable, Moffat County Commission
Kuharich, Rod	Metro Roundtable, Interbasin Compact Committee
Neubecker, Ken	Colorado Roundtable, Trout Unlimited
Waskom, Reagan	Colorado State University, Colorado Water Institute

Appendix E: Water Supply Reserve Account Grant Application for the Flaming Gorge Task Force Assessment Process

COLORADO WATER CONSERVATION BOARD

WATER SUPPLY RESERVE ACCOUNT
2009-2010 GRANT APPLICATION FORM

Flaming Gorge Project Task Force Assessment

Name of Water Activity/Project

Approving Basin Roundtable

$40,000.00

Total Amount of Funds Requested

Amount from Statewide Account

Amount from Basin Account

Arkansas $20K Metro $20K

Application Content

Attachments

1. Reference Information
2. Insurance Requirements (Projects Over $100,000)
3. WSRA Standard Contract (Projects Over $100,000)
4. W-9 Form (Required for All Projects)

Instructions

To receive funding from the Water Supply Reserve Account (WSRA), a proposed water activity must be approved by the local Basin Roundtable AND the Colorado Water Conservation Board (CWCB). The process for Basin Roundtable consideration/approval is outlined in Attachment 1.

Once approved by the local Basin Roundtable, the applicant should submit this application, a detailed statement of work, detailed project budget, and project schedule to the CWCB staff by the application deadline.

The application deadlines are:

- Basin Account – 60 days prior to the bi-monthly Board meeting
- Statewide Account – 60 days prior to the March and September Board meeting

Board Meeting Dates	Basin Account Deadlines	Statewide Account Deadlines
3/17 - 3/18/2009	1/16/2009	1/16/2009
5/19 - 5/20/2009	3/19/2009	n/a
7/21 - 7/22/2009	5/21/2009	n/a
9/15 - 9/16/2009	7/15/2009	7/15/2009
11/17 - 11/18/2009	9/17/2009	n/a
January 2010	11/15/2010	n/a
March 2010	1/15/2010	1/15/2010
May 2010	3/15/2010	n/a

When completing this application, the applicant should refer to the WSRA Criteria and Guidelines available at: http://cwcb.state.co.us/IWMD.

The application, statement of work, budget, and schedule must be submitted in electronic format (Microsoft Word or text-enabled PDF are preferred) and can be emailed or mailed on a disk to:

Mr. Todd Doherty
Colorado Water Conservation Board
Intrastate Water Management and Development Section
WSRA Application
1580 Logan Street, Suite 600
Denver, CO 80203
Todd.Doherty@state.co.us

If you have questions or need additional assistance, please contact Todd Doherty of the IWMD Section at 303-866-3441 x3210 or todd.doherty@state.co.us.

Part A. - Description of the Applicant (Project Sponsor or Owner);

1. Applicant Name(s): El Paso County Water Authority

Mailing address: P.O. Box 1976, Colorado Springs, CO 80901
Attn: Gary Barber, Manager

Taxpayer ID#: 84-1428849 Email address: barbergl@aol.com

Phone Numbers: Business: 719-598-0230
Home:
Fax: 719-329-1444

2. Person to contact regarding this application if different from above:

Name:

Position/Title

3. Eligible entities that may apply for grants from the WSRA include the following. What type of entity is the Applicant?

[X] Public (Government) – municipalities, enterprises, counties, and State of Colorado agencies. Federal agencies are encouraged to work with local entities and the local entity should be the grant recipient. Federal agencies are eligible, but only if they can make a compelling case for why a local partner cannot be the grant recipient.

[X] Public (Districts) – special, water and sanitation, conservancy, conservation, irrigation, or water activity enterprises.

[ ] Private Incorporated – mutual ditch companies, homeowners associations, corporations.

[ ] Private individuals, partnerships, and sole proprietors are eligible for funding from the Basin Accounts but not for funding from the Statewide Account.

[ ] Non-governmental organizations – broadly defined as any organization that is not part of the government.

4. Provide a brief description of your organization

The El Paso County Water Authority, is organized under an Establishing Contract as a water authority, a body corporate and politic, a separate governmental entity, a political subdivision and a public corporation of the State of Colorado, pursuant to Section 18(2)(a) and 2(b) of Article XIV, Constitution of the State of Colorado, and to § 29-1-204.2, Colorado Revised Statutes approved on or about November 4, 1996. The document is recorded at Reception No. 097075620 of the records of the El Paso County Clerk and Recorder's Office.

The Authority currently has fourteen members, including metropolitan districts, water and sanitation districts, towns and cities within El Paso County. The Authority meets the first Wednesday of each month in the Board of County Commissioners Hearing Room, 3rd Floor, El Paso County Administration Building, 27 East Vermijo, Colorado Springs, Colorado. The monthly meetings are open to the public and carried over the internet by the El Paso County Information Technology Department.

5. If the Contracting Entity is different then the Applicant (Project Sponsor or Owner) please describe the Contracting Entity here. As described below, the Keystone Center is a non-profit facilitation group who are well versed in assessing the merits of a collaborative effort to resolve natural resource challenges. Keystone Center successfully facilitated the Fountain Creek Vision Task Force from 2006 through December, 2008, bringing Secretary of the Interior Ken Salazar's Crown Jewel Project into sharp focus and poised for success. From their draft proposal:

6.

Background – The Keystone Center

The Keystone Center stands at the intersection of scientific inquiry and public policy. The Center's Science and Public Policy Program has a thirty-year history of bringing together policy makers and stakeholders and helping them work together to solve the toughest policy problems. Our goal is to provide participants in a Keystone dialogue with the highest quality, unbiased information in settings that give them the greatest chance of building previously unimagined solutions.

The Science and Public Policy Program works with the public, private, and civic sectors using state-of-the-art consensus-building, problem solving, strategic planning, training and dispute resolution skills in the areas of transportation and land use, the environment, health, and energy. Keystone employs a talented group of mediators and facilitators who can help agencies, communities, governments, and businesses make sound decisions. The Keystone Center has a reputation for neutrality built on thirty years of work on the toughest policy problems. The Keystone Dialogues are well-known as carefully balanced, technically sophisticated venues for resolving the most pressing public questions.

A Balance of Stakeholders

Our first commitment is to ensure the effective participation of key stakeholders. The Keystone Center's neutrality allows us to reach out to non-governmental organizations, business and industry and government. Our credibility with all stakeholders makes it possible for The Keystone Center to serve as a trustworthy convener.

Unbiased Science

We help the stakeholders gather sound science, engage in joint fact finding and address data conflicts so that

their deliberation can focus on the policy solutions rather than focusing on disagreements over questions of fact – to avoid fighting over what we know in order to work on what we might do.

Sound Process
At the crossroads of policy and science, we offer a carefully constructed place, away from the heat of political debate and the emptiness of the political sound bite, for deep reflections and thoughtful problem solving.

Creative Solutions
Armed with the facts and working together in an atmosphere of cooperation and creativity, stakeholders can find unexpected, innovative solutions. They can break out of narrowly defined, one-sided positions and break new ground with solutions that serve the interests of every stakeholder and truly advance the public interest.

Michael Hughes
Vice President, Science and Public Policy Division
1600 Broadway | Ste 1920 | Denver, CO, 80202 | 303.468.8861 | mhughes@keystone.org
Mike leads Keystone's Science and Public Policy program, managing 23 professional staff. He is a mediator with 18 years of experience in public policy mediation in all three of Keystone's practice areas – environment, energy and health. In recent years, he has mediated long-standing, seemingly intractable conflicts over land use, transportation, air quality, climate change and chronic disease reduction. He has conducted regulatory negotiations, policy dialogues, site-specific mediations and public engagement processes at local, state, regional and national levels.

Heather Bergman
Associate, Science and Public Policy Division
1600 Broadway | Ste 1920 | Denver, CO, 80202 | 303.531.5511 | hbergman@keystone.org
Heather Bergman works on projects on a variety of topics, including watershed protection and restoration, public lands management, public health, and chemical weapons disposal. She facilitates collaborative deliberations of multiple and diverse stakeholders, as well as internal and small-group strategic planning processes. Heather has a Bachelor's Degree in International Relations and Modern Languages and a Master's Degree in Public Administration. She is currently pursuing a Ph.D. in comparative environmental politics and is preparing a doctoral dissertation on the implications for democracy of participatory resource management in the US and developing countries.

7. Successful applicants will have to execute a contract with the CWCB prior to beginning work on the portion of the project funded by the WSRA grant. In order to expedite the contracting process the CWCB has established a standard contract with provisions the applicant must adhere to. A copy of this standard contract is included in Attachment 3. Please review this contract and check the appropriate box.

[X] The Applicant will be able to contract with the CWCB using the Standard Contract

[ ] The Applicant has reviewed the standard contract and has some questions/issues/concerns. Please be aware that any deviation from the standard contract could result in a significant delay between grant approval and the funds being available.

8. The Tax Payer Bill of Rights (TABOR) may limit the amount of grant money an entity can receive. Please describe any relevant TABOR issues that may affect the applicant. None.

Part B. - Description of the Water Activity

1. Name of the Water Activity/Project: Flaming Gorge Task Force Assessment and Convening

2. What is the purpose of this grant application? (Please check all that apply.)

[ ] Environmental compliance and feasibility study

[ ] Technical Assistance regarding permitting, feasibility studies, and environmental compliance

[X] Studies or analysis of structural, nonstructural, consumptive, nonconsumptive water needs, projects

Study or Analysis of:

- [X] Structural project or activity
- [X] Nonstructural project or activity
- [X] Consumptive project or activity
- [X] Nonconsumptive project or activity

[X] Structural and/ or nonstructural water project or activity

3. Please provide an overview/summary of the proposed water activity (no more than one page). Include a

The Flaming Gorge Task Force: A Collaboration

This application is for: ASSESSMENT OF VIABILITY AND PROTOCOL TO CONVENE THE INITIAL MEETING OF A FLAMING GORGE TASK FORCE

PHASE ONE: (April to October, 2010) Identify, interview and engage key stakeholders, Colorado Basin Roundtables and sponsoring entities to assess the viability of a Flaming Gorge Task Force. The Assessment will review constituent agendas, supply alternatives, demand management, environmental impacts and project development strategies to determine if a collaborative task force model (see below) is viable. Keystone Center will prepare a written Assessment Summary, including a recommendation whether to proceed to the convening of a task force. If the recommendation is not to convene, the Summary will identify the obstacles to a successful convening or suggest alternatives to a task force approach. If the recommendation is favorable, Keystone Center will develop a protocol for the task force and convene the preliminary Task Force session (Optional Task 7). The cost of the convening meeting, to facilitate the organization and commencement of a vision task force, is included in this grant request. All subsequent task force meetings, shown here as a possible Phase Two, will proceed under a separate funding methodology, which may or may not include a future WSRA basin or statewide grant application.

Example of Possible Task Force, actual organization dependent on outcome of the Assessment

PHASE TWO: (October 2010 through October 2012) Convene a Task Force of water stakeholders to achieve consensus on a Development Plan for the Flaming Gorge project. Key milestones:

- March 2011: Vision Statement and memorialized in a Memorandum of Understanding
- September 2011: Goals, Strategies and Development Plan in place
- December 2011: Interbasin Compact Committee review & ratification of Development Plan.
- October 2012: Implementation Plan for Project development

Method

Facilitation by Contractor, the non-profit Keystone Center of four (4) levels of engagement:

A. Consensus Committee—Approximately 20 stakeholders from diverse interests serve as a decision-making body

B. Federal Agency Technical Assistance Panel—Self selected (i.e.completely optional) representatives of the Federal agencies like EPA, FWS, COE and BOR to provide technical feedback and support

C. Working Groups/Basin Roundtables—Subgroups to address substantive issues; participation open to anyone, including staff of Consensus Committee entities, the public, and third-party experts whose knowledge or expertise is desired by the rest of the group

D. The Task Force—Any and all persons or groups who self-identify as having an interest

Meetings

1. Monthly meetings of the Consensus Committee and most Working Groups; consultation with the Federal Agency Technical Assistance Panel as needed
2. Quarterly public meetings of the Task Force in dispersed locations about every three (3) months starting mid-way through Phase Two to solicit feedback and ideas
3. Regular Basin Roundtable meetings to assess basin impacts and opportunities

Outcomes

1. Allocation of Colorado's remaining Compact entitlement in an open, transparent fashion; potentially an Intrastate Compact via the Roundtable process
2. Public and stakeholder input on shaping NEPA compliance issues expediting an EIS.

Part C. – Threshold and Evaluation Criteria

1. Describe how the water activity meets these **Threshold Criteria.** (Detailed in Part 3 of the Water Supply Reserve Account Criteria and Guidelines.)

a) The water activity is consistent with Section 37-75-102 Colorado Revised Statutes.[1]

b) The water activity meets the eligibility requirements of Part 2 of the criteria and guidelines because:

The Executive Summary of *"A Resource Document: Projects and Methods to Meet the Needs of the Arkansas of the Arkansas Basin"* states:

> Much of water supply "Gap" of the Arkansas basin, nearly 20,000 acre-feet, could be addressed in the near term if, and only if, the Rotating Agricultural Fallowing method is coupled with regional cooperation on new infrastructure. However, the future of sustainability for both consumptive and non-consumptive needs in the Arkansas is tied to the future of the Colorado's entitlement under the Colorado River Compact. Presentations and reports by the Roundtable's Interbasin Compact Committee Representatives makes clear the interdependence of Colorado River imports, both existing and future, with the longevity of irrigated agriculture within the Arkansas basin.
>
> The Roundtable member's ranking of identified Statewide Projects might suggests that the Gunnison basin is the most logical starting point for investigation. The Green Mountain pumpback, while having the highest composite score, does not bring new water to the Arkansas basin, but likewise perhaps a Gunnison alternative may not immediately benefit the Metro or South Platte basins. The next ranked project, Flaming Gorge, would seem to be worthy of an inter-basin dialogue by and between the various Roundtables as a continuation of attempting to meet the needs of the Arkansas basin.
>
> Reaching satisfactory conclusions to negotiations about regional cooperation on agricultural fallowing and construction of delivery infrastructure will be challenging but necessary to meet the near term "Gap." A broader dialogue on the statewide allocation of Colorado River Compact entitlement goes beyond the sole purview of the Arkansas Roundtable and should involved all basins within the state. So, the Roundtable may elect, as it has done in past with difficult topics like the Ag-to-Urban Transfers Committee, **to enlist the aid of the Colorado Water Conservation Board and /or neutral facilitators to bring these important processes to successful completion.** We look forward to the feedback of other Roundtables, the Interbasin Compact Committee and the greater public. Our hope is to both continue and extend our dialogue toward bringing projects and methods that meet the needs of the Arkansas River Basin to fruition. (emphasis added)

[1] 37-75-102. Water rights - protections. (1) It is the policy of the General Assembly that the current system of allocating water within Colorado shall not be superseded, abrogated, or otherwise impaired by this article. Nothing in this article shall be interpreted to repeal or in any manner amend the existing water rights adjudication system. The General Assembly affirms the state constitution's recognition of water rights as a private usufructuary property right, and this article is not intended to restrict the ability of the holder of a water right to use or to dispose of that water right in any manner permitted under Colorado law. (2) The General Assembly affirms the protections for contractual and property rights recognized by the contract and takings protections under the state constitution and related statutes. This article shall not be implemented in any way that would diminish, impair, or cause injury to any property or contractual right created by intergovernmental agreements, contracts, stipulations among parties to water cases, terms and conditions in water decrees, or any other similar document related to the allocation or use of water. This article shall not be construed to supersede, abrogate, or cause injury to vested water rights or decreed conditional water rights. The General Assembly affirms that this article does not impair, limit, or otherwise affect the rights of persons or entities to enter into agreements, contracts, or memoranda of understanding with other persons or entities relating to the appropriation, movement, or use of water under other provisions of law.

This Application is intended to provide an Assessment of the viability a vision task force throught the engagement of the neutral Keystone Center. As described in the text, the Arkansas basin has had favorable experience with facilitation of difficult topics, like Ag-to-Urban Transfers and the Fountain Creek Vision Task Force.

An Arkansas Basin representative has presented this approach at a regular meeting of the Metro Roundtable where that roundtable approved it by a unanimous vote. If the Arkansas Basin approves the WSRA grant application, this application will be presented to the Metro Roundtable for ratification. The Metro Roundtable voiced an interest in bringing the South Platte and other roundtables into the dialogue.

A Concept Document presented to the Arkansas Roundtable in January, 2010 and the Metro Roundtable in February is included under separate cover.

c) The water activity underwent an evaluation and approval process and was approved by the Basin Roundtable (BRT) and the application includes a description of the results of the BRTs evaluation and approval of the activity. At a minimum, the description must include the level of agreement reached by the roundtable, including any minority opinion(s) if there was not general agreement for the activity. The description must also include reasons why general agreement was not reached (if it was not), including who opposed the activity and why they opposed it. Note- If this information is included in the letter from the roundtable chair simply reference that letter.

See letter attached

d) The water activity meets the provisions of Section 37-75-104(2), Colorado Revised Statutes.[2] Specifically describe how the water activity either furthers the Roundtable's basin-wide water needs assessment or meets a consumptive or non-consumptive water supply need identified in the Roundtable's working needs assessment.

Non-consumptive water needs in the Arkansas Basin are dependent on imports from Colorado River Basin. In ranking the Methods available to meet the needs, the Voluntary Flow program was ranked highest. This application to complete an Assessment supports that method. The Assessment also directly ties to meeting the consumptive use demand in the basin, currently estimate at more than 20,000 acre-feet. The See*"A Resource Document: Projects and Methods to Meet the Needs of the Arkansas of the Arkansas Basin, November, 2009"*for details.

Methods Ranked by Composite Score

Summary of Methods Scores	Viable	Bearable	Equitable	Composite
Voluntary Flow Agrmt.	4.62	4.54	4.31	13.46
Muni conservation	4.44	4.11	4.33	12.89
Phreatophyte rem.	4.10	4.40	4.10	12.60
Rotating Ag Fallow	4.21	4.14	3.86	12.21
Ind. Efficiency	4.00	4.00	3.78	11.78
Trans-cont. diversion	3.88	3.44	3.67	10.88
Visioning Task Force	3.31	3.85	3.62	10.77
Undrgrnd Water Stor.	3.31	3.69	3.46	10.46
Deep Aquifer Stor.	3.21	3.64	3.43	10.29
In-Stream Trust	3.64	3.36	3.21	10.21
Change:Not use it or lose it	2.22	3.00	2.78	8.00

[2] 37-75-104 (2)(c). Using data and information from the Statewide Water Supply Initiative and other appropriate sources and in cooperation with the on-going Statewide Water Supply Initiative, develop a basin-wide consumptive and nonconsumptive water supply needs assessment, conduct an analysis of available unappropriated waters within the basin, and propose projects or methods, both structural and nonstructural, for meeting those needs and utilizing those unappropriated waters where appropriate. Basin Roundtables shall actively seek the input and advice of affected local governments, water providers, and other interested stakeholders and persons in establishing its needs assessment, and shall propose projects or methods for meeting those needs. Recommendations from this assessment shall be forwarded to the Interbasin Compact Committee and other basin roundtables for analysis and consideration after the General Assembly has approved the Interbasin Compact Charter.

e) Matching Requirement: For requests from the Statewide Fund, the applicants is required to demonstrate a 20 percent (or greater) match of the request from the Statewide Account. Sources of matching funds include but are not limited to Basin Funds, in-kind services, funding from other sources, and/or direct cash match. Past expenditures directly related to the project may be considered as matching funds if the expenditures occurred within 9 months of the date the application was submitted to the CWCB. Please describe the source(s) of matching funds. (NOTE: These matching funds should also be reflected in your Detailed Budget in Part D of this application)

2. For Applications that include a request for funds from the Statewide Account, describe how the water activity meets the **Evaluation Criteria.** (Detailed in Part 3 of the Water Supply Reserve Account Criteria and Guidelines.)

Part D. – Required Supporting Material

1. Water Rights, Availability, and Sustainability

This information is needed to assess the viability of the water project or activity. Please provide a description of the water supply source to be utilized, or the water body to be affected by, the water activity. This should include a description of applicable water rights and the name/location of water bodies affected by the water activity. The Colorado River, the South Platte River and the Arkansas River basins.

2. Please provide a brief narrative of any related or relevant previous studies.

The Fountain Creek Vision Task Force Strategic Plan is included in the Resource Document referenced above. Also the Ag-to-Urban Transfers Guidelines document. Both of these initiatives were dependent on facilitation for their success. An assessment of a similar approach for Flaming Gorge is suggested based on those successful experiences.

3. Statement of Work, Detailed Budget, and Project Schedule

The statement of work will form the basis for the contract between the Applicant and the State of Colorado. In short, the Applicant is agreeing to undertake the work for the compensation outlined in the statement of work and budget, and in return, the State of Colorado is receiving the deliverables/products specified. Please note that costs incurred prior to execution of a contract or purchase order are not subject to reimbursement.

Please provide a detailed statement of work using the following template. Additional sections or modifications may be included as necessary. Please define all acronyms. If a grant is awarded an independent statement of work document will be required with correct page numbers.

Statement of Work

WATER ACTIVITY NAME - ASSESSMENT OF VIABILITY AND PROTOCOL TO CONVENE THE INITIAL MEETING OF A FLAMING GORGE TASK FORCE

GRANT RECIPIENT – El Paso County Water Authority

FUNDING SOURCE – Proposed Cost approximately $45,000.00.

Sources: $5,000.00 from the El Paso County Water Authority
$20,000.00 from the Arkansas Basin Roundtable basin account
$20,000.00 from the Metro Basin Roundtable basin account

If the South Platte Basin would like to participate in funding the Assessment, the basin fund accounts could be adjusted.

INTRODUCTION AND BACKGROUND

Provide a brief description of the project. (Please limit to no more than 200 words; this will be used to inform reviewers and the public about your proposal)

Identify, interview and engage key stakeholders, Colorado Basin Roundtables and sponsoring entities to assess the viability of a Flaming Gorge Task Force. The Assessment will review constituent agendas, supply alternatives, demand management, environmental impacts and project development strategies to determine if a collaborative task force model (see below) is viable. Keystone Center will prepare a written Assessment Summary, including a recommendation whether to proceed to the convening of a task force. If the recommendation is not to convene, the Summary will identify the obstacles to a successful convening or suggest alternatives to a task force approach. If the recommendation is favorable, Keystone Center will develop a protocol for the task force and convene the preliminary Task Force session (Optional Task 7). The cost of the convening meeting, to facilitate the organization and commencement of a vision task force, is included in this grant request. All subsequent task force meetings, shown here as a possible Phase Two, will proceed under a separate funding methodology, which may or may not include a future WSRA basin or statewide grant application.

OBJECTIVES

List the objectives of the project Assessment of the viability of convening a Flaming Gorge Task Force similar to the Fountain Creek Vision Task Force (funded by a $75,000 WSRA basin grant). If deemed viable, as provided in an Assessment Summary, development of task force protocols, including funding strategies and commitments. Convene initial (1st) Task Force meeting.

TASKS

Provide a detailed description of each task using the following format

TASK 1 – [Name]

Description of Task

Task 1A: Preparation for Assessment

Method/Procedure
Attend basin roundtable meetings (3), interviews with selected agencies (DNR, CWCB), prepare list of stakeholders with contact info, review list with executive cmte

Deliverable
List

TASK1 – [Name]

Description of Task
Task 1B: Stakeholder Interviews

Method/Procedure
Interview Stakeholders individual and/or in small focus groups; record & collate information

Deliverable
None.

TASK 1

Description of Task
Task 1C: Draft summary of results

Method/Procedure
Draft text, deliver draft (electronically) to interviewees for review

Deliverable
None.

TASK 1 – [Name]

Description of Task
Task 1D: Review Summary and revise based on Stakeholder input

Method/Procedure
Contact Stakeholders, review input edit as appropriate

Deliverable
None.

TASK 1 – [Name]

Description of Task
Task 1E: Prepare Assessment Summary

Method/Procedure
Includes Executive Summary with
Recommendations/Protocols for convening a Task Force

Deliverable
Assessment Summary with Recommendations; Publication cost estimated at $2,500 for 250 copies at $100 per copy. One each for Roundtable members, stakeholders, CWCB/IBCC staff in other interested parties

TASK 1 – [Name]

Description of Task
Task 1F: Joint Roundtable presentation

Method/Procedure
Joint Roundtable Meeting with Stakeholders and Interested Parties invited

Deliverable
Slide show, graphics and details from the Assessment Summary

TASK 2 – [Name]

Description of Task
Task 2: Convene Task Force for Initial Meeting if Appropriate

Method/Procedure
Logistics for meeting venue and support, organization of protocols and invitations, structure of follow-on funding plan for the Task Force. Actively facilitate the meeting

Deliverable
Meeting Notes, Slide show, graphics and other detail used in the meeting.

REPORTING AND FINAL DELIVERABLE
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 statement 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.

BUDGET

Provide a detailed budget by task including number of hours and rates for labor and unit costs for other direct costs (i.e. mileage, $/unit of material for construction, etc.). A detailed and perfectly balanced budget that shows all costs is required for the State's contracting and purchase order processes. Sample budget tables are provided below. Please note that these budget tables are examples and will need to be adapted to fit each individual application. Tasks should correspond to the tasks described above.

THE KEYSTONE CENTER - SITUATION ASSESSMENT AND CONVENING

Task Name	Estimate Hours	Associate with Admin Support	Sr. Associate	Description of Activities
Task 1: Step A. Preparation for Assessment	32	24	8	Attend basin roundtable meetings (3), interviews with selected agencies (DNR, CWCB), prepare list of stakeholders with contact info, review list with executive cmte
Task 1: Step B. Stakeholder Interviews	112	80	32	Interview Stakeholders individual and/or in small focus groups; record & collate information
Task 1: Step C. Draft summary of results	32	24	8	Draft Text, distribute draft
Task 1: Step D. Review summary & revise based on Stakeholder feedback	36	24	12	Contact Stakeholders, review input, edit as required
Task 1: Step E. Prepare final summary	32	24	8	Includes Executive Summary with Recommendations/Protocols for convening a Task Force
Task 1: Step F. Roundtable presentation	16	12	4	Joint Roundtable Meeting with Interested Parties
Not to Exceed Task 1 Hours , hours adjusted between Steps as req.	**260**	**188**	**72**	**Deliverable: Task Force Assessment with Recommendation**
Task 2 is Optional depending on the results of the assessment				If the Recommendation is to proceed to convening a Task Force, proceed. Otherwise, **STOP**.
Task 2: Convene Task Force for Initial Meeting if Appropriate	36	28	8	First Task Force meeting--New Process going forward
Total Labor Hour Estimate	***296***	***216***	***80***	

Estimated Costs	***Hours***	***Rate***	***Rate***	***Cost***
Labor - Associate	144	$100		$14,400
Labor - Senior Associate	80		$245	$19,600
Administrative Assistant/Drafting	72	$85		$6,120
Expenses - Travel and Printing Estimate				
Travel				$1,500
Printing Assessment Document	100 copies at $25 each (estimate)			$2,500
Meeting support (coffee)				$750
Subtotals				
Labor				**$40,120**
Expenses				**$4,750**
TOTAL:				**$44,870**
$44,870	Without Task 7 Convening Meeting			**($4,970)**
	Net Costs Through Task 6 if STOP			**$39,900**

SCHEDULE

Provide a project schedule including key milestones for each task and the completion dates or time period from the Notice to Proceed (NTP). This dating method allows flexibility in the event of potential delays from the procurement process. Sample schedules are provided below. Please note that these schedules are examples and will need to be adapted to fit each individual application.

Estimated Schedule to Complete Assessment Summary and Convening of Task Force

Task	Start Date	Finish Date
1	Upon NTP	NTP + 90 days
2	Task 1+ 60-90 days	Appx October, 2010

NTP = Notice to Proceed

PAYMENT

Payment will be made based on actual expenditures and invoicing by the applicant. Invoices from any other entity (i.e. subcontractors) cannot be processed by the State. The request for payment must include a description of the work accomplished by major task, and estimate of the percent completion for individual tasks and the entire water activity in relation to the percentage of budget spent, identification of any major issues and proposed or implemented corrective actions. The last 5 percent of the entire water activity budget will be withheld until final project/water activity documentation is completed. 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 help promote the development of a common technical platform.

The above statements are true to the best of my knowledge:

Signature of Applicant: 

Print Applicant's Name: Gary Barber

Project Title: **ASSESSMENT OF VIABILITY AND PROTOCOL TO CONVENE THE INITIAL MEETING OF A FLAMING GORGE TASK FORCE**

Return this application to:

Mr. Todd Doherty
Intrastate Water Management and Development Section
COLORADO WATER CONSERVATION BOARD
1580 Logan Street, Suite 600
Denver, CO 80203

To submit applications by Email, send to: todd.doherty@state.co.us
To submit applications by Fax, send to: (303) 894-2578
For questions, call Telephone No.: (303) 866-3426

Attachment 1
Reference Information

The following information is available via the internet. The reference information provides additional detail and background information.

Colorado Water Conservation Board (http://cwcb.state.co.us/)

Loan and Grant policies and information are available at – http://cwcb.state.co.us/Finance/

Interbasin Compact Committee and Basin Roundtables (http://ibcc.state.co.us/)

Interbasin Compact Committee By-laws and Charter (under Helpful Links section) –

http://ibcc.state.co.us/Basins/IBCC/

Legislation

House Bill 05-1177 - Also known as the Water for the 21st Century Act –

http://cwcbweblink.state.co.us/DocView.aspx?id=105662&searchhandle=28318

House Bill 06-1400 – Adopted the Interbasin Compact Committee Charter –

http://cwcbweblink.state.co.us/DocView.aspx?id=21291&searchhandle=12911

Senate Bill 06-179 – Created the Water Supply Reserve Account –

http://cwcbweblink.state.co.us/DocView.aspx?id=21379&searchhandle=12911

Statewide Water Supply Initiative

General Information – http://cwcb.state.co.us/IWMD/

Phase 1 Report – http://cwcb.state.co.us/IWMD/SWSITechnicalResources/SWSIPhaseIReport/

Attachment 2
Insurance Requirements

NOTE: The following insurance requirements taken from the standard contract apply to WSRA projects that exceed $100,000 in accordance with the policies of the State Controller's Office. Proof of insurance as stated below is necessary prior to the execution of a contract.

13. INSURANCE

Grantee and its Sub-grantees shall obtain and maintain insurance as specified in this section at all times during the term of this Grant: All policies evidencing the insurance coverage required hereunder shall be issued by insurance companies satisfactory to Grantee and the State.

A. Grantee

i. Public Entities

If Grantee is a "public entity" within the meaning of the Colorado Governmental Immunity Act, CRS §24-10-101, et seq., as amended (the "GIA"), then Grantee shall maintain at all times during the term of this Grant such liability insurance, by commercial policy or self-insurance, as is necessary to meet its liabilities under the GIA. Grantee shall show proof of such insurance satisfactory to the State, if requested by the State. Grantee shall require each Grant with Sub-grantees that are public entities, providing Goods or Services hereunder, to include the insurance requirements necessary to meet Sub-grantee's liabilities under the GIA.

ii. Non-Public Entities

If Grantee is not a "public entity" within the meaning of the GIA, Grantee shall obtain and maintain during the term of this Grant insurance coverage and policies meeting the same requirements set forth in **§13(B)** with respect to sub-Grantees that are not "public entities".

B. Sub-Grantees

Grantee shall require each Grant with Sub-grantees, other than those that are public entities, providing Goods or Services in connection with this Grant, to include insurance requirements substantially similar to the following:

i. Worker's Compensation

Worker's Compensation Insurance as required by State statute, and Employer's Liability Insurance covering all of Grantee and Sub-grantee employees acting within the course and scope of their employment.

ii. General Liability

Commercial General Liability Insurance written on ISO occurrence form CG 00 01 10/93 or equivalent, covering premises operations, fire damage, independent Grantees, products and completed operations, blanket Grantual liability, personal injury, and advertising liability with minimum limits as follows: **(a)**$1,000,000 each occurrence; **(b)** $1,000,000 general aggregate; **(c)** $1,000,000 products and completed operations aggregate; and **(d)** $50,000 any one fire. If any aggregate limit is reduced below $1,000,000 because of claims made or paid, Sub-grantee shall immediately obtain additional insurance to restore the full aggregate limit and furnish to Grantee a certificate or other document satisfactory to Grantee showing compliance with this provision.

iii. Automobile Liability

Automobile Liability Insurance covering any auto (including owned, hired and non-owned autos) with a minimum limit of $1,000,000 each accident combined single limit.

iv. Additional Insured

Grantee and the State shall be named as additional insured on the Commercial General Liability and Automobile Liability Insurance policies (leases and construction Grants require additional insured coverage for completed operations on endorsements CG 2010 11/85, CG 2037, or equivalent).

v. Primacy of Coverage

Coverage required of Grantee and Sub-grantees shall be primary over any insurance or self-insurance program carried by Grantee or the State.

vi. Cancellation

The above insurance policies shall include provisions preventing cancellation or non-renewal without at least 45 days prior notice to the Grantee and the State by certified mail.

vii. Subrogation Waiver

All insurance policies in any way related to this Grant and secured and maintained by Grantee or its Sub-grantees as required herein shall include clauses stating that each carrier shall waive all rights of recovery, under subrogation or otherwise, against Grantee or the State, its agencies, institutions, organizations, officers, agents, employees, and volunteers.

C. Certificates

Grantee and all Sub-grantees shall provide certificates showing insurance coverage required hereunder to the State within seven business days of the Effective Date of this Grant. No later than 15 days prior to the expiration date of any such coverage, Grantee and each Sub-grantee shall deliver to the State or Grantee certificates of insurance evidencing renewals thereof. In addition, upon request by the State at any other time during the term of this Grant or any sub-grant, Grantee and each Sub-grantee shall, within 10 days of such request, supply to the State evidence satisfactory to the State of compliance with the provisions of this **§13**.

Attachment 3
Water Supply Reserve Account Standard Contract

NOTE: The following contract is required for WSRA projects that exceed $100,000. (Projects under this amount will normally be funded through a purchase order process.) Applicants are encouraged to review the standard contract to understand the terms and conditions required by the State in the event a WSRA grant is awarded. Significant changes to the standard contract require approval of the State Controller's Office and often prolong the contracting process.

It should also be noted that grant funds to be used for the purchase of real property (e.g. water rights, land, conservation easements, etc.) will require additional review and approval. In such cases applicants should expect the grant contracting process to take approximately 3 to 6 months from the date of CWCB approval.

Attachment 4
W-9 Form

NOTE: A completed W-9 form is required for all WSRA projects prior execution of a contract or purchase order. Please submit this form with the completed application.

Appendix H

COLORADO WATER CONSERVATION BOARD

WATER SUPPLY RESERVE ACCOUNT
2009-2010 GRANT APPLICATION FORM

Basin RT Project Exploration Committee: Flaming Gorge

Name of Water Activity/Project **Approving Basin Roundtable**

$190,000.00	**Amount from Statewide Account**	$150,000.00*
Total Amount of Funds Requested	**Amount from Basin Account**	Arkansas $10K Metro $30K* S Platte $10K*

*Note : The Metro RT approved $150,000 from statewide funds on 7/6/11, and the S. Platte RT approved the statewide request and provided $10,000 in matching funds on 7/12/11. Other RTs may provide additional matching funds at upcoming meetings, which may reduce the statewide request and/or be used to cover travel expenses for their RT representatives to the group. The final amounts for statewide and RT accounts remain in flux, but the maximum amount requested from statewide funds will be $150,000.

Application Content

Instructions

To receive funding from the Water Supply Reserve Account (WSRA), a proposed water activity must be approved by the local Basin Roundtable AND the Colorado Water Conservation Board (CWCB). The process for Basin Roundtable consideration/approval is outlined in Attachment 1.

Once approved by the local Basin Roundtable, the applicant should submit this application, a detailed statement of work, detailed project budget, and project schedule to the CWCB staff by the application deadline.

The application deadlines are:

- Basin Account – 60 days prior to the bi-monthly Board meeting
- Statewide Account – 60 days prior to the March and September Board meeting

Board Meeting Dates	Basin Account Deadlines	Statewide Account Deadlines
3/17 - 3/18/2009	1/16/2009	1/16/2009
5/19 - 5/20/2009	3/19/2009	n/a
7/21 - 7/22/2009	5/21/2009	n/a
9/15 - 9/16/2009	7/15/2009	7/15/2009
11/17 - 11/18/2009	9/17/2009	n/a
January 2010	11/15/2010	n/a
March 2010	1/15/2010	1/15/2010
May 2010	3/15/2010	n/a

When completing this application, the applicant should refer to the WSRA Criteria and Guidelines available at: http://cwcb.state.co.us/IWMD.

The application, statement of work, budget, and schedule must be submitted in electronic format (Microsoft Word or text-enabled PDF are preferred) and can be emailed or mailed on a disk to:

Mr. Todd Doherty
Colorado Water Conservation Board
Intrastate Water Management and Development Section
WSRA Application
1580 Logan Street, Suite 600
Denver, CO 80203
Todd.Doherty@state.co.us

If you have questions or need additional assistance, please contact Todd Doherty of the IWMD Section at 303-866-3441 x3210 or todd.doherty@state.co.us.

Part A. - Description of the Applicant (Project Sponsor or Owner);

1. Applicant Name(s): Pikes Peak Regional Water Authority

Mailing address: P.O. Box 1976, Colorado Springs, CO 80901
Attn: Gary Barber, Manager

Taxpayer ID#: 84-1428849 Email address: barbergl@aol.com

Phone Numbers: Business: 719-660-0948
Home:
Fax: 719-329-1444

2. **Person to contact regarding this application if different from above:**

Name:

Position/Title

3. **Eligible entities that may apply for grants from the WSRA include the following. What type of entity is the Applicant?**

[X] Public (Government) – municipalities, enterprises, counties, and State of Colorado agencies. Federal agencies are encouraged to work with local entities and the local entity should be the grant recipient. Federal agencies are eligible, but only if they can make a compelling case for why a local partner cannot be the grant recipient.

[X] Public (Districts) – special, water and sanitation, conservancy, conservation, irrigation, or water activity enterprises.

[ ] Private Incorporated – mutual ditch companies, homeowners associations, corporations.

[ ] Private individuals, partnerships, and sole proprietors are eligible for funding from the Basin Accounts but not for funding from the Statewide Account.

[ ] Non-governmental organizations – broadly defined as any organization that is not part of the government.

4. Provide a brief description of your organization

The Pikes Peak Regional Water Authority, as successor to the El Paso County Water Authority, is organized under an Establishing Contract as a water authority, a body corporate and politic, a separate governmental entity, a political subdivision and a public corporation of the State of Colorado, pursuant to Section 18(2)(a) and 2(b) of Article XIV, Constitution of the State of Colorado, and to § 29-1-204.2, Colorado Revised Statutes approved on or about November 4, 1996. The document is recorded at Reception No. 097075620 of the records of the El Paso County Clerk and Recorder's Office.

The Authority currently has twelve members, including metropolitan districts, water and sanitation districts, towns and cities within El Paso County. The Authority meets the first Wednesday of each month in the Board of County Commissioners Hearing Room, 3rd Floor, El Paso County Administration Building, 27 East Vermijo, Colorado Springs, Colorado. The monthly meetings are open to the public and carried over the internet by the El Paso County Information Technology Department.

5. If the Contracting Entity is different then the Applicant (Project Sponsor or Owner) please describe the Contracting Entity here.

Peak Facilitation is currently a vendor to the CWCB as the facilitator of the InterBasin Compact Committee. The Keystone Center is a non-profit facilitation firm based in Summit County. Peak Facilitation will be the primary contractor on this project, with The Keystone Center providing facilitation and project planning support.

Heather Bergman, Peak Facilitation Group
720-299-8796
heather@peakfacilitation.com
Heather facilitates and mediates complex public policy deliberations on a variety of substantive issues, such as water quality, water quantity, watershed protection and restoration, land use planning, public lands management, and public health. These collaborative negotiations and discussions involve multiple and diverse stakeholders including federal and state agencies, local municipalities, advocacy organizations, ranchers, farmers, and other community residents. Heather's work portfolio focuses on facilitation of high-conflict collaborative processes, and her strength is helping diverse and often opposing participants find common ground and work together to solve problems in a way that meets each entity's interests.

Michael Hughes, Keystone Center
Vice President, Science and Public Policy Division
mhughes@keystone.org
Mike leads Keystone's Science and Public Policy program, managing 23 professional staff. He is a mediator with 18 years of experience in public policy mediation in all three of Keystone's practice areas – environment, energy and health. In recent years, he has mediated long-standing, seemingly intractable conflicts over land use, transportation, air quality, climate change and chronic disease reduction. He has conducted regulatory negotiations, policy dialogues, site-specific mediations and public engagement processes at local, state, regional and national levels.

6. Successful applicants will have to execute a contract with the CWCB prior to beginning work on the portion of the project funded by the WSRA grant. In order to expedite the contracting process the CWCB has established a standard contract with provisions the applicant must adhere to. A copy of this standard contract is included in Attachment 3. Please review this contract and check the appropriate box.

[X] The Applicant will be able to contract with the CWCB using the Standard Contract

[ ] The Applicant has reviewed the standard contract and has some questions/issues/concerns. Please be aware that any deviation from the standard contract could result in a significant delay between grant approval and the funds being available.

7. The Tax Payer Bill of Rights (TABOR) may limit the amount of grant money an entity can receive. Please describe any relevant TABOR issues that may affect the applicant.

None.

Part B. - Description of the Water Activity

1. Name of the Water Activity/Project: ***Basin RT Project Exploration Committee: Flaming Gorge***

2. What is the purpose of this grant application? (Please check all that apply.)

[ ] Environmental compliance and feasibility study

[ ] Technical Assistance regarding permitting, feasibility studies, and environmental compliance

[X] Studies or analysis of structural, nonstructural, consumptive, nonconsumptive water needs, projects

Study or Analysis of:

- [X] Structural project or activity
- [X] Nonstructural project or activity
- [X] Consumptive project or activity
- [X] Nonconsumptive project or activity

[X] Structural and/ or nonstructural water project or activity

3. Please provide an overview/summary of the proposed water activity (no more than one page). Include a description of the overall water activity and specifically what the WSRA funding will be used for.

On June 29, 2011, a meeting was held of a preliminary working group as the final task under the Flaming Gorge Task Force Situation Assessment WSRA grant. (The meeting draft notes are attached to this application as Attachment 5.) The Assessment grant asked independent facilitators to assess the timeliness and merit of a larger stakeholder dialogue on the topic of Flaming Gorge. Since a dialogue was perceived to have value to the majority of the individuals interviewed, the Final Assessment Report summarized the value and potential structure of a stakeholder dialogue or task force and seated an initial working group to shape a path forward. The initial WSRA grant also asked the facilitators to define a functional protocol for a future task force or stakeholder group and charge the preliminary working group with a methodology for funding the group. This WSRA grant application provides a component of that funding for the future process, seeking to involve as many roundtables as care to participate along with Statewide funds and in-kind donations.

The Basin Roundtable Project Exploration Committee is envisioned as a process that could serve as a venue for discussing other potential water supply projects, with the Flaming Gorge discussion serving as a test case or starting point for such discussions. For the Flaming Gorge discussion, the Project Exploration Committee will identify and discuss threshold issues, identify and discuss potential project criteria or components, and engage basin roundtables, stakeholders, and the public to keep the broader community of interest informed. Basin roundtables (RTs) and stakeholder groups will select their own representatives for the following seats:

- 2 members each: Colorado RT, Yampa/White/Green RT, Gunnison RT, Southwest RT, Arkansas RT, Metro RT, and South Platte RT.
- 1 member each: Rio Grande RT and North Platte RT
- 2 members each, one from each side of the Divide if possible: environmental community, recreation community, and agricultural community (The June 29 meeting did not include a discussion about how to select these 6 members. The first task of the 16 RT representatives will be to determine how to proceed in filling these seats.)
- Up to 3 members from the State: Director of CWCB, representative from DNR, and Director of IBCC
- *Note:* Federal and Colorado State regulatory entities, as well as State representatives and stakeholders from Wyoming and Utah, are welcome and encouraged to attend meetings and participate as invited experts and/or guests to provide insights and information, but will not be seated members.

The process will be facilitated and will be based on a "no-hats" approach in which individuals will be encouraged to consider the statewide and broader water community interests in addition to the perspective(s) of the entities or constituencies they represent. Committee members will not be asked to find consensus on whether to build a Flaming Gorge project or which such project to build, but rather to seek agreement on the issues involved in the project, the challenges or barriers to such a project, and potential criteria for maximizing benefits and minimizing negative impacts of such a project if it is built.
The process will include consultation with roundtables, stakeholder groups, the IBCC, and CWCB. Meetings will be held in different locations throughout the state to share the burden of traveling as equally as possible among Committee members. Meeting agendas and summaries will be made widely available and meetings will be public. If funding is approved, the first meeting will be held in October or early November 2011. The process is anticipated to take about 18 months.

Part C. – Threshold and Evaluation Criteria

1. <u>Describe how</u> the water activity meets these Threshold Criteria. (Detailed in Part 3 of the Water Supply Reserve Account Criteria and Guidelines.)

a) The water activity is consistent with Section 37-75-102 Colorado Revised Statutes.[1]

b) The water activity meets the eligibility requirements of Part 2 of the criteria and guidelines because:

The original driver for the Task Force Assessment was the Executive Summary of *"A Resource Document: Projects and Methods to Meet the Needs of the Arkansas of the Arkansas Basin"* states:

> Much of water supply "Gap" of the Arkansas basin, nearly 20,000 acre-feet, could be addressed in the near term if, and only if, the Rotating Agricultural Fallowing method is coupled with regional cooperation on new infrastructure. However, the future of sustainability for both consumptive and non-consumptive needs in the Arkansas is tied to the future of the Colorado's entitlement under the Colorado River Compact. Presentations and reports by the Roundtable's Interbasin Compact Committee Representatives makes clear the interdependence of Colorado River imports, both existing and future, with the longevity of irrigated agriculture within the Arkansas basin.
>
> The Roundtable member's ranking of identified Statewide Projects might suggests that the Gunnison basin is the most logical starting point for investigation. The Green Mountain pumpback, while having the highest composite score, does not bring new water to the Arkansas basin, but likewise perhaps a Gunnison alternative may not immediately benefit the Metro or South Platte basins. The next ranked project, Flaming Gorge, would seem to be worthy of an inter-basin dialogue by and between the various Roundtables as a continuation of attempting to meet the needs of the Arkansas basin.
>
> Reaching satisfactory conclusions to negotiations about regional cooperation on agricultural fallowing and construction of delivery infrastructure will be challenging but necessary to meet the near term "Gap." A broader dialogue on the statewide allocation of Colorado River Compact entitlement goes beyond the sole purview of the Arkansas Roundtable and should involved all basins within the state. So, the Roundtable may elect, as it has done in past with difficult topics like the Ag-to-Urban Transfers Committee, **to enlist the aid of the Colorado Water Conservation Board and /or neutral facilitators to bring these important processes to successful completion.** We look forward to the feedback of other Roundtables, the Interbasin Compact Committee and the greater public. Our hope is to both continue and extend our dialogue toward bringing projects and methods that meet the needs of the Arkansas River Basin to fruition. (emphasis added)

[1] 37-75-102. Water rights - protections. (1) It is the policy of the General Assembly that the current system of allocating water within Colorado shall not be superseded, abrogated, or otherwise impaired by this article. Nothing in this article shall be interpreted to repeal or in any manner amend the existing water rights adjudication system. The General Assembly affirms the state constitution's recognition of water rights as a private usufructuary property right, and this article is not intended to restrict the ability of the holder of a water right to use or to dispose of that water right in any manner permitted under Colorado law. (2) The General Assembly affirms the protections for contractual and property rights recognized by the contract and takings protections under the state constitution and related statutes. This article shall not be implemented in any way that would diminish, impair, or cause injury to any property or contractual right created by intergovernmental agreements, contracts, stipulations among parties to water cases, terms and conditions in water decrees, or any other similar document related to the allocation or use of water. This article shall not be construed to supersede, abrogate, or cause injury to vested water rights or decreed conditional water rights. The General Assembly affirms that this article does not impair, limit, or otherwise affect the rights of persons or entities to enter into agreements, contracts, or memoranda of understanding with other persons or entities relating to the appropriation, movement, or use of water under other provisions of law.

Having completed the Assessment, the discussion by and among the initial working group was the determination of whether and how to proceed with an actual stakeholder dialogue or task force. After a lengthy but fruitful dialogue, the group reached consensus on three elements for a successful stakeholder dialogue: 1) a "bottom-up" process driven by participation of roundtables and roundtable members; 2) liaison and interaction with the New Supply Subcommittee of the IBCC; and 3) participation by representatives of the environmental, recreational, and agricultural communities, whether they are active roundtable members or not. As a general statement, the group perceived a dialogue on a project was a productive next step in keeping the roundtable process moving forward to address the non-consumptive and consumptive needs of the State of Colorado.

As mentioned above, the Project Exploration Committee will identify and discuss threshold issues, identify and discuss potential project criteria or components, and engage basin roundtables, stakeholders, and the public to keep the broader community of interest informed.

c) The water activity underwent an evaluation and approval process and was approved by the Basin Roundtable (BRT) and the application includes a description of the results of the BRTs evaluation and approval of the activity. At a minimum, the description must include the level of agreement reached by the roundtable, including any minority opinion(s) if there was not general agreement for the activity. The description must also include reasons why general agreement was not reached (if it was not), including who opposed the activity and why they opposed it. Note- If this information is included in the letter from the roundtable chair simply reference that letter.

Letter(s) to be attached

d) The water activity meets the provisions of Section 37-75-104(2), Colorado Revised Statutes.[2] Specifically describe how the water activity <u>either</u> furthers the Roundtable's basin-wide water needs assessment or meets a consumptive or non-consumptive water supply need identified in the Roundtable's working needs assessment.

Non-consumptive water needs in the Arkansas Basin are dependent on imports from Colorado River Basin. In ranking the Methods available to meet the needs, the Voluntary Flow program was ranked highest. This application to complete an Assessment supports that method. The Assessment also directly ties to meeting the consumptive use demand in the basin, currently estimate at more than 20,000 acre-feet. The See *"A Resource Document: Projects and Methods to Meet the Needs of the Arkansas of the Arkansas Basin, November, 2009"*for details.

The most recent CDM Need Report for the Arkansas Basin indicates a consumptive water gap in 2050 now lower than 36,000 acre-feet and possibly as high as 100,000 af. The outcome of any major import project, like Flaming Gorge, has a direct impact on the Arkansas basin's ability to meet is consumptive supply gap. The municipal supply gap in the S. Platte is much larger than the Arkansas.

Methods Ranked by Composite Score

Summary of Methods Scores	Viable	Bearable	Equitable	Composite
Voluntary Flow Agrmt.	4.62	4.54	4.31	13.46
Muni conservation	4.44	4.11	4.33	12.89
Phreatophyte rem.	4.10	4.40	4.10	12.60
Rotating Ag Fallow	4.21	4.14	3.86	12.21
Ind. Efficiency	4.00	4.00	3.78	11.78
Trans-cont. diversion	3.88	3.44	3.67	10.88
Visioning Task Force	3.31	3.85	3.62	10.77
Undrgrnd Water Stor.	3.31	3.69	3.46	10.46
Deep Aquifer Stor.	3.21	3.64	3.43	10.29
In-Stream Trust	3.64	3.36	3.21	10.21
Change:Not use it or lose it	2.22	3.00	2.78	8.00

[2] 37-75-104 (2)(c). Using data and information from the Statewide Water Supply Initiative and other appropriate sources and in cooperation with the on-going Statewide Water Supply Initiative, develop a basin-wide consumptive and nonconsumptive water supply needs assessment, conduct an analysis of available unappropriated waters within the basin, and propose projects or methods, both structural and nonstructural, for meeting those needs and utilizing those unappropriated waters where appropriate. Basin Roundtables shall actively seek the input and advice of affected local governments, water providers, and other interested stakeholders and persons in establishing its needs assessment, and shall propose projects or methods for meeting those needs. Recommendations from this assessment shall be forwarded to the Interbasin Compact Committee and other basin roundtables for analysis and consideration after the General Assembly has approved the Interbasin Compact Charter.

e) Matching Requirement: <u>For requests from the Statewide Fund</u>, the applicants is required to demonstrate a 20 percent (or greater) match of the request from the Statewide Account. Sources of matching funds include but are not limited to Basin Funds, in-kind services, funding from other sources, and/or direct cash match. Past expenditures directly related to the project may be considered as matching funds if the expenditures occurred within 9 months of the date the application was submitted to the CWCB. Please describe the source(s) of matching funds. (NOTE: These matching funds should also be reflected in your Detailed Budget in Part D of this application)

The Keystone Center is providing a reduced hourly rate for Mike Hughes, generating an in-kind match of approximately **$5,200**. Peak Facilitation and The Keystone Center are contributing travel time as an in-kind contribution of approximately **$19,500** and **$22,000** respectively. PPRWA is contributing the time for contract administration and billing, approximately $2,500, along with $5,000 in cash, for a total of **$7,500**. Basin funds are anticipated to contribute at least **$40,000** of matching dollars. A contingency amount of **$5,000** will also be provided by the El Paso County Water Authority as needed.

Cash Match:	$ 40,000
In-Kind Match:	$ 54,200
Contingency:	$ 5,000
Total Match:	**<u>$ 99,200</u>**

2. For Applications that include a request for funds from the Statewide Account, describe how the water activity meets the Evaluation Criteria. (Detailed in Part 3 of the Water Supply Reserve Account Criteria and Guidelines.)

Tier 1: Promoting Collaboration/Cooperation
As witnessed by the attendees and their dialogue during the initial working group discussion, this grant will significantly promote collaboration and cooperation between roundtables, IBCC, CWCB and stakeholder groups. Engaging all the roundtables and other stakeholders is a key goal and outcome of this process.

Tier 2: Facilitating Water Activity Implementation
Defining threshold issues and project criteria from the perspective of a consensus-driven group will further the potential for a project to be implemented if appropriate and implemented in such a way as to minimize impacts and maximize benefits.

Tier 3: The Water Activity Addresses Issues of Statewide Value and Maximizes Benefits
By exploring both threshold issues and potential project criteria for maximizing benefits and minimizing impacts across the state and among multiple stakeholder interests, this project meets several of the statewide criteria, including: g) help sustain agriculture, and open space, environmental and recreational needs; h) assist in the administration of compact-entitled waters…and promote maximum utilization of state waters, and; j) provide a high level of benefit to Colorado in relationship to the amount of funds requested.

This grant offers an opportunity for multiple roundtables to meet and discuss the elements of an actual supply project. It is structured as a facilitate dialogue in which each participant is asked to "put on a statewide hat" as a protocol to make the conversation successful. Feedback to and from roundtables, the IBCC, and CWCB will provide a substantive foundation for a genuine conversation about the future of water in Colorado.

Part D. – Required Supporting Material

1. Water Rights, Availability, and Sustainability

This information is needed to assess the viability of the water project or activity that would potentially impact and/or benefit the Colorado River, The Yampa-White rivers, the Gunnison River, the San Juan and Dolores Rivers, the South Platte River, the Rio Grande River, and the Arkansas River basins.

2. Please provide a brief narrative of any related or relevant previous studies.

The Flaming Gorge Task Force Assessment Report is attached hereto (Attachment 6); this project served as the basis for this new effort to create the Basin Roundtable Project Exploration Committee. Additionally, this type of facilitated, collaborative approach to challenging discussions has proven successful in past efforts in the Arkansas basin as well:

- The Fountain Creek Vision Task Force successfully found agreement on their Strategic Plan for the Fountain Creek watershed.
- The Ag-to-Urban Transfers Guidelines document also represents a successful stakeholder dialogue.

3. Statement of Work, Detailed Budget, and Project Schedule

The statement of work will form the basis for the contract between the Applicant and the State of Colorado. In short, the Applicant is agreeing to undertake the work for the compensation outlined in the statement of work and budget, and in return, the State of Colorado is receiving the deliverables/products specified. Please note that costs incurred prior to execution of a contract or purchase order are not subject to reimbursement.

Please provide a detailed statement of work using the following template. Additional sections or modifications may be included as necessary. Please define all acronyms. If a grant is awarded an independent statement of work document will be required with correct page numbers.

Statement of Work

WATER ACTIVITY NAME - FLAMING GORGE TASK FORCE

GRANT RECIPIENT – Pikes Peak Regional Water Authority

FUNDING SOURCE – Proposed Cost approximately $190,000.00 plus $5,000 Contingency

Sources: $ 5,000 from the El Paso County Water Authority (Contingency)
$ 54,200 from In-Kind Contributions
$ 10,000 from the Arkansas Basin Roundtable basin account
$ 30,000 from the Metro Basin Roundtable basin account
$150,000 from the Statewide Account

If the South Platte Basin would like to participate in funding the Task Force, the basin fund accounts could be adjusted.

SCOPE OF WORK

Task 1: Convening the Committee

Meeting Preparation and Follow-Up

- Work with roundtable chairs and stakeholder community to ensure that the 20 members of the Committee are selected in a timely fashion (Committee structure: 2 members each of 4 West Slope Roundtables, 2 members Arkansas Roundtable, 2 members Metro Roundtable, 2 members South Platte Roundtable, 1 member Rio Grande Roundtable, 1 member North Platte Roundtable, 2 members Environmental Community, 2 members Recreation Community, Director CWCB, Representative from DNR, and Director IBCC if able.)
- Convene first meeting of the Committee and develop operational protocols, including the concept of "no hats at the table"
- Establish meeting schedule for Committee
- Establish an email distribution list for the Committee and for interested parties

Meeting Estimate and Outcomes

- Meetings estimated: 1
- Deliverables: Committee protocols, membership list, and meeting schedule, all distributed to Committee and interested parties distribution lists

Task 2: Interest Identification and Discussion of Threshold Issues

Meeting Preparation/Follow-Up

- Prepare meeting agendas and ensure distribution of agendas
- Ensure that participants receive all necessary materials electronically prior to meetings and provide additional copies at meetings
- Confer as necessary with participants prior to meetings to ensure a focused and productive discussion
- Prepare draft meeting summaries for group review; finalize meeting summaries and distribute to email distribution lists
- Prepare draft agreement documents for group review; finalize agreement documents and distribute to email distribution lists

Substantive Discussion

- Facilitate meetings to identify list of interests and values at stake in a discussion of Flaming Gorge and find agreement on list of interests and values
- Facilitate meetings to identify potential threshold issues or questions and find agreement on list of threshold issues or questions
- Work with participants to identify and schedule outside experts or thought-leaders regarding threshold issues
- Facilitate presentations, question/answer sessions, and discussions with experts and thought-leaders
- Facilitate meetings to find agreement on a) answers to threshold questions, and/or b) list of perspectives on threshold issues

Meeting Estimate and Outcomes

- Meetings estimated: 9
- Deliverables: agreed list of interests/values at stake in discussion of Flaming Gorge; agreed list of answers to threshold questions and/or perspectives on threshold issues; meeting summaries; all distributed to email list for the Committee and for interested parties

Task 3: Identification of Potential Project Criteria or Components

Meeting Preparation/Follow-Up

- Prepare meeting agendas and ensure distribution of agendas
- Ensure that participants receive all necessary materials electronically prior to meetings and provide additional copies at meetings
- Confer as necessary with participants prior to meetings to ensure a focused and productive discussion

- Prepare draft meeting summaries for group review; finalize meeting summaries and distribute to email distribution lists
- Prepare draft agreement documents for group review; finalize agreement documents and distribute to email distribution lists

Substantive Discussion

- Facilitate meetings to identify list of potential criteria or components of a Flaming Gorge project, if someone were to build it
- Work with participants to identify and schedule outside experts or thought-leaders regarding potential benefits, impacts, and mitigation methodologies
- Facilitate presentations, question/answer sessions, and discussions with experts and thought-leaders
- Facilitate meetings to find agreement on potential criteria for components for a Flaming Gorge project if someone were to build it
- Facilitate subcommittee discussions if/as needed and prepare summaries of subcommittee discussions

Meeting Estimate and Outcomes

- Meetings estimated: 16 (including possible subcommittee meetings)
- Deliverables: agreed list of potential criteria or components of a Flaming Gorge project, if someone were to build it; meeting and subcommittee meeting summaries

Task 4: Roundtable, Stakeholder, and Public Engagement

Meeting Preparation/Follow-Up

- Work with participants to identify roundtable, stakeholder, and public engagement needs in Tasks 1 & 2
- Plan meetings/agendas accordingly
- Prepare draft meeting summaries for review; finalize meeting summaries and distribute to email distribution lists

Meeting Estimate and Outcomes

- Meetings estimated: 9 roundtable, 2 public, 2 stakeholder
- Deliverables: summaries of ideas, perspectives, and considerations heard

BUDGET

Basin Roundtable Project Exploration Committee: Flaming Gorge
Cost Estimate

	Task 1 Convening	Task 2 Interests/Threshold	Task 3 Criteria	Task 4 Engagement	Total Hours	Total Cost
Staff Costs						
Bergman Hours	20	144	176	80	420	$ 54,600
Gregg Hours	20	180	208	110	518	$ 33,670
Hughes Hours	20	60	60	20	160	$ 30,000
Total Staff Hours	**60**	**384**	**444**	**210**	**1098**	**$ 118,270**
Direct Costs						
Materials	$ 80	$ 720	$ 640	$ 540		$ 1,980
Food/Beverage	$ 150	$ 1,350	$ 1,200	$ 600		$ 3,300
Facility Rental	$ 200	$ 1,800	$ 1,600	$ 800		$ 4,400
Final Report Production	$ -	$ -	$ -	$ -		$ 5,000
Total Direct Cost	**$ 430**	**$ 3,870**	**$ 3,440**	**$ 1,940**		**$ 14,680**
Travel Costs						
Travel Costs (No Time, Direct Only)	$ 1,050	$ 6,300	$ 6,300	$ 7,000		$ 20,650
Travel Costs (Non-RT Participants)	$ 1,400	$ 12,600	$ 11,200	$ 11,200		$ 36,400
Total Travel Costs	**$ 2,450**	**$ 18,900**	**$ 17,500**	**$ 18,200**		**$ 57,050**
TOTAL BASE COSTS						**$ 190,000**
Travel Costs (per RT Participant) (see note, below)						**$ 5,000**

Note: RT member travel costs can be covered through matching funds provided by each RT. RTs will have the same number of seats whether they provide matching funds or not, but travel costs are only covered if matching funds are provided.

SCHEDULE

Provide a project schedule including key milestones for each task and the completion dates or time period from the Notice to Proceed (NTP). This dating method allows flexibility in the event of potential delays from the procurement process. Sample schedules are provided below. Please note that these schedules are examples and will need to be adapted to fit each individual application.

Estimated Schedule to Complete Assessment Summary and Convening of Task Force

Task	Start Date	Finish Date
1	Upon NTP	NTP + 60 days
2	2 months from NTP	9 months
3	Task 2 completion	8 months
4	Task 3 completion	1-2 month
5		
6		
7		

NTP = Notice to Proceed

PAYMENT

Payment will be made based on actual expenditures and invoicing by the applicant. Invoices from any other entity (i.e. subcontractors) cannot be processed by the State. The request for payment must include a description of the work accomplished by major task, and estimate of the percent completion for individual tasks and the entire water activity in relation to the percentage of budget spent, identification of any major issues and proposed or implemented corrective actions. The last 5 percent of the entire water activity budget will be withheld until final project/water activity documentation is completed. 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 help promote the development of a common technical platform.

The above statements are true to the best of my knowledge:

Signature of Applicant: 
Print Applicant's Name: Gary Barber

Project Title: **Basin RT Project Exploration Committee: Flaming Gorge**

Return this application to:

Mr. Todd Doherty
Intrastate Water Management and Development Section
COLORADO WATER CONSERVATION BOARD
1580 Logan Street, Suite 600
Denver, CO 80203

To submit applications by Email, send to: todd.doherty@state.co.us

Attachment 1
Reference Information

The following information is available via the internet. The reference information provides additional detail and background information.

Colorado Water Conservation Board (http://cwcb.state.co.us/)

Loan and Grant policies and information are available at – http://cwcb.state.co.us/Finance/

Interbasin Compact Committee and Basin Roundtables (http://ibcc.state.co.us/)

Interbasin Compact Committee By-laws and Charter (under Helpful Links section) –

http://ibcc.state.co.us/Basins/IBCC/

Legislation

House Bill 05-1177 - Also known as the Water for the 21st Century Act –

http://cwcbweblink.state.co.us/DocView.aspx?id=105662&searchhandle=28318

House Bill 06-1400 – Adopted the Interbasin Compact Committee Charter –

http://cwcbweblink.state.co.us/DocView.aspx?id=21291&searchhandle=12911

Senate Bill 06-179 – Created the Water Supply Reserve Account –

http://cwcbweblink.state.co.us/DocView.aspx?id=21379&searchhandle=12911

Statewide Water Supply Initiative

General Information – http://cwcb.state.co.us/IWMD/

Phase 1 Report – http://cwcb.state.co.us/IWMD/SWSITechnicalResources/SWSIPhaseIReport/

Attachment 2
Insurance Requirements

NOTE: The following insurance requirements taken from the standard contract apply to WSRA projects that exceed $100,000 in accordance with the policies of the State Controller's Office. Proof of insurance as stated below is necessary prior to the execution of a contract.

13. INSURANCE

Grantee and its Sub-grantees shall obtain and maintain insurance as specified in this section at all times during the term of this Grant: All policies evidencing the insurance coverage required hereunder shall be issued by insurance companies satisfactory to Grantee and the State.

A. Grantee

i. Public Entities

If Grantee is a "public entity" within the meaning of the Colorado Governmental Immunity Act, CRS §24-10-101, et seq., as amended (the "GIA"), then Grantee shall maintain at all times during the term of this Grant such liability insurance, by commercial policy or self-insurance, as is necessary to meet its liabilities under the GIA. Grantee shall show proof of such insurance satisfactory to the State, if requested by the State. Grantee shall require each Grant with Sub-grantees that are public entities, providing Goods or Services hereunder, to include the insurance requirements necessary to meet Sub-grantee's liabilities under the GIA.

ii. Non-Public Entities

If Grantee is not a "public entity" within the meaning of the GIA, Grantee shall obtain and maintain during the term of this Grant insurance coverage and policies meeting the same requirements set forth in **§13(B)** with respect to sub-Grantees that are not "public entities".

B. Sub-Grantees

Grantee shall require each Grant with Sub-grantees, other than those that are public entities, providing Goods or Services in connection with this Grant, to include insurance requirements substantially similar to the following:

i. Worker's Compensation

Worker's Compensation Insurance as required by State statute, and Employer's Liability Insurance covering all of Grantee and Sub-grantee employees acting within the course and scope of their employment.

ii. General Liability

Commercial General Liability Insurance written on ISO occurrence form CG 00 01 10/93 or equivalent, covering premises operations, fire damage, independent Grantees, products and completed operations, blanket Grantual liability, personal injury, and advertising liability with minimum limits as follows: **(a)**$1,000,000 each occurrence; **(b)** $1,000,000 general aggregate; **(c)** $1,000,000 products and completed operations aggregate; and **(d)** $50,000 any one fire. If any aggregate limit is reduced below $1,000,000 because of claims made or paid, Sub-grantee shall immediately obtain additional insurance to restore the full aggregate limit and furnish to Grantee a certificate or other document satisfactory to Grantee showing compliance with this provision.

iii. Automobile Liability

Automobile Liability Insurance covering any auto (including owned, hired and non-owned autos) with a minimum limit of $1,000,000 each accident combined single limit.

iv. Additional Insured

Grantee and the State shall be named as additional insured on the Commercial General Liability and Automobile Liability Insurance policies (leases and construction Grants require additional insured coverage for completed operations on endorsements CG 2010 11/85, CG 2037, or equivalent).

v. Primacy of Coverage

Coverage required of Grantee and Sub-grantees shall be primary over any insurance or self-insurance program carried by Grantee or the State.

vi. Cancellation

The above insurance policies shall include provisions preventing cancellation or non-renewal without at least 45 days prior notice to the Grantee and the State by certified mail.

vii. Subrogation Waiver

All insurance policies in any way related to this Grant and secured and maintained by Grantee or its Sub-grantees as required herein shall include clauses stating that each carrier shall waive all rights of recovery, under subrogation or otherwise, against Grantee or the State, its agencies, institutions, organizations, officers, agents, employees, and volunteers.

C. Certificates

Grantee and all Sub-grantees shall provide certificates showing insurance coverage required hereunder to the State within seven business days of the Effective Date of this Grant. No later than 15 days prior to the expiration date of any such coverage, Grantee and each Sub-grantee shall deliver to the State or Grantee certificates of insurance evidencing renewals thereof. In addition, upon request by the State at any other time during the term of this Grant or any sub-grant, Grantee and each Sub-grantee shall, within 10 days of such request, supply to the State evidence satisfactory to the State of compliance with the provisions of this **§13**.

Attachment 3
Water Supply Reserve Account Standard Contract

NOTE: The following contract is required for WSRA projects that exceed $100,000. (Projects under this amount will normally be funded through a purchase order process.) Applicants are encouraged to review the standard contract to understand the terms and conditions required by the State in the event a WSRA grant is awarded. Significant changes to the standard contract require approval of the State Controller's Office and often prolong the contracting process.

It should also be noted that grant funds to be used for the purchase of real property (e.g. water rights, land, conservation easements, etc.) will require additional review and approval. In such cases applicants should expect the grant contracting process to take approximately 3 to 6 months from the date of CWCB approval.

Attachment 4
W-9 Form

NOTE: A completed W-9 form is required for all WSRA projects prior execution of a contract or purchase order. Please submit this form with the completed application.

Appendix I

Basin Roundtable Project Exploration Committee: Flaming Gorge Project
Scope of Work
September 21, 2011

Task 1: Identification of Interests and Issues

- Prepare preliminary list of interests and issues based on SWSI 2010 analysis, Flaming Gorge Task Force Situation Assessment interviews, and public comment
- Send preliminary list of interests and issues to IBCC members and roundtable chairs and encourage roundtable discussion (in-person or via email) to identify interests and issues in advance of IBCC discussion
- Work with Director of the IBCC to schedule IBCC discussion to identify additional interests and issues
- Finalize preliminary list of interests and issues for first Project Exploration Committee meeting

Number of Meetings	Cost	Travel Pool for Non-RT Members	RT Member Travel Cost per Person	Deliverable
0	$500	$0	$0	Preliminary list of interests and issues

Task 2: Exploration of Current State of Knowledge Regarding Interests and Issues

- **Logistics**
  - Work with roundtable chairs to ensure that roundtable representatives are identified
  - Convene and facilitate initial meeting of the Committee to finalize participants, develop operating protocols, and determine how to understand a "Flaming Gorge project"
  - Schedule all subsequent meetings, including securing venue, food, and materials as needed
  - Communicate all meeting times and locations to participants and interested parties via email
  - Ensure that all agendas allow for public participation
- **Facilitation of Up to Six Committee Meetings to:**
  - Discuss preliminary list of interests and issues; revise as necessary
  - Prioritize interests and issues for discussion; combine interests and issues as needed
  - Identify and discuss existing documents, reports, and studies that address interests and issues
  - Engage additional stakeholders and experts as needed to inform discussion of existing documents, reports, and studies
  - Engage IBCC in discussion of existing documents, reports, and studies, and work with roundtable representatives to engage full roundtables in this discussion
  - Ensure good-faith effort to incorporate feedback from IBCC, CWCB, roundtables, and the public
  - Seek agreement on 1) list of interests and issues, and 2) range of perspectives/conclusions in existing documents, reports, and studies

- **Coordination**
  - Confer as necessary with participants prior to meetings to ensure a focused and productive discussion
  - Work with IBCC director, CWCB staff, roundtable representatives on Committee, and roundtable chairs to ensure regular and meaningful dialogue between Committee and IBCC, IBCC New Supply Subcommittee, and roundtable discussions
  - Work with roundtable representatives on Committee and roundtable chairs to ensure opportunities for feedback at roundtable meetings
  - Ensure regular updates to IBCC, IBCC New Supply Subcommittee, and roundtables and updates from those entities to the Committee as needed
- **Documentation**
  - Prepare draft summaries of all meetings in a timely fashion and distribute to meeting participants to ensure accuracy
  - Finalize meeting summaries to reflect feedback from participants; distribute final meeting summaries to participants and interest parties via email
  - Prepare final report of this task for distribution to IBCC, CWCB, and roundtables including findings that apply to Flaming Gorge only, to any new supply project, and to any source of water (including conservation or IPPs)

Number of Meetings	**Cost**	**Travel Pool for Non-RT Members**	**RT Member Travel Cost per Person**	**Deliverable**
6	$30,000	$1000	$1000	Report of 1) interests and issues, and 2) range of perspectives/conclusions in existing documents, reports, and studies

Task 3: Exploration of What Would Be Needed to Address Interests and Issues

- **Logistics**
  - Schedule all meetings, including securing venue, food, and materials as needed
  - Communicate all meeting times and locations to participants and interested parties via email
  - Ensure that all agendas allow for public participation
- **Facilitation of Up to Six Committee Meetings to:**
  - Discuss what would be needed to address interests and issues (including additional studies, processes, collaborative discussions, etc.)
  - Engage additional stakeholders and experts as needed to inform discussion of additional work that is needed
  - Engage IBCC to identify additional work that is needed to address interests and issues, and work with roundtable representatives to engage full roundtables in this discussion
  - Ensure good-faith effort to incorporate feedback from IBCC, CWCB, roundtables, and the public

- Identify pros and cons of using the Project Exploration Committee as the venue for discussions of specific projects
- Seek agreement on additional work that is needed to address interests and issues above and beyond Task 2
- Discuss ideas and options for next steps regarding the work of the Project Exploration Committee
- Seek agreement on recommended next steps for the Committee

- **Coordination**
  - Confer as necessary with participants prior to meetings to ensure a focused and productive discussion
  - Work with IBCC director, CWCB staff, roundtable representatives on Committee, and roundtable chairs to ensure regular and meaningful dialogue between Committee and IBCC, IBCC New Supply Subcommittee, and roundtable discussions
  - Work with roundtable representatives on Committee and roundtable chairs to ensure opportunities for feedback at roundtable meetings
  - Ensure regular updates to IBCC, IBCC New Supply Subcommittee, and roundtables and updates from those entities to the Committee as needed
- **Documentation**
  - Prepare draft summaries of all meetings in a timely fashion and distribute to meeting participants to ensure accuracy
  - Finalize meeting summaries to reflect feedback from participants; distribute final meeting summaries to participants and interest parties via email
  - Prepare final report of this task for distribution to IBCC, CWCB, and roundtables including findings that apply to Flaming Gorge only, to any new supply project, and to any source of water (including conservation or IPPs)

Number of Meetings	**Cost**	**Travel Pool for Non-RT Members**	**RT Member Travel Cost per Person**	**Deliverables**
6	$30,000	$1000	$1000	1. Report of additional work that is needed to address interests and issues 2. Recommended next steps for Project Exploration Committee (including moving forward or not)

TIMELINE

Complete Task 1	Notice to Proceed + 30 days
Complete Task 2	June 1, 2012
Complete Task 3	December 31, 2012