

Arkansas Basin Roundtable
April 11, 2012
Meeting Notes

Roundtable Business

Chairman Barber called the meeting to order at 12:30 pm. Members and visitors introduced themselves. Twenty one (21) members were present. There are 39 active roundtable members at this time - 18 is a quorum.

Public Comment

Perry Cabot – Arkansas River Water Forum is April 25-26th in Leadville. Registration forms are available on the side table.

March Minutes

A motion was made and seconded to approve the minutes of the March meeting. The motion passed unanimously.

Reviewed agenda

Membership and Vacancies

Industrial Rep – At-large members are chosen by the Roundtable. A couple of people have expressed interest in becoming the Industrial Rep. We encourage interested parties to attend the May and June meetings, and then the Roundtable will vote at the August meeting.

Recharge Colorado - Ann Seymour

This is a group that came out of the Governor's Energy office. It was created to link to and process energy rebate funds provided by the American Recovery Act. This group is now a stand-alone organization. They have added water efficiency to their outreach effort and are looking at the nexus between energy and water. They're reaching out to stakeholders in the State of Colorado about how to identify new opportunities to save water and energy, using work sessions. After the workshops, they will have gathered data around the State of Colorado. They would like a letter of support from the Roundtable. They are applying for a CWCB Efficiency Grant in the amount of \$30,000. CS Utilities will supply in-kind support for the workshops.

After discussion, the Roundtable agreed to wait until the next Roundtable meeting to ask for consensus.

Sub-Committee Reports –

Ag Gap Subcommittee

Next, we will have a meeting of various consultants and try to create a hub for many spokes that are related to agriculture and the economy and how that conversation goes forward. We're going to pick it up at the Executive Committee level and bring the Ag Committee folks into the conversation. We will need to include other economic drivers to get a full picture. We can start the data gathering research piece right away, then expand from that hub in several directions.

Flaming Gorge Task Force (report on side table)

Betty Konarski – March 27th, in Glenwood Springs. The two proponents of Flaming Gorge projects made presentations. The presentations led the committee to explore what kinds of things would happen if a project happened, for instance, how would such a project be permitted? They realized that they need information from the Bureau of Reclamation in addition to more legal information.

The next meeting will be in Grand Junction on April 25th. This meeting will include presentations on the legal issues. They've also been given the opportunity by the two proponents to see some of the data that they have already gathered. Both proponents indicated that they would allow their water rights to be junior.

Reed Dils – Environmental Representative. Aaron Million mentioned the possibility of collaboration. Mr. Million agreed to release the Boyle Study to the public. There's a Sportsman's group in Wyoming now that is aggressively opposing the Million project. They do speak about issues above the reservoir that we may not have considered; issues regarding a National Wildlife Refuge.

Presentation

USDA Rural Development Program – Lennece Saracino, Las Animas Rural Development Office

WATER AND WASTE LOAN AND GRANT PROGRAM: RURAL DEVELOPMENT - USDA

PURPOSE – to provide funds for water and waste projects in communities with the most financial need

Projects Participated In:

- Fort Lupton
- Hudson
- Walsenburg
- Snyder
- Fort Morgan
- Cripple Creek
- Florence
- Florissant
- Las Animas
- Granada
- Manassa
- Alma
- Gilcrest
- Crowley Cty
- Sunflower
- Sheridan Lake
- Lochbuie
- Pierce

ELIGIBILITY

- Legal Entity
- Public Body
- Non-profit
- Indian tribe
- Population of 10,000 or under
- Unable to get credit elsewhere at reasonable rates and terms

ELIGIBLE PURPOSES

- Construction
- Improvements
- Reasonable fees and costs
- Land, water rights
- Interest during construction

INELIGIBLE PURPOSES

- Facilities which are not modest in size, design, and cost
- Loan or grant finder's fees
- Construction of any new combined storm and sanitary sewer facilities
- Any portion of facility not serving a rural area

SERVICE AREA REQUIREMENTS

- Area with a population of under 10,000
- Servicing mainly rural businesses and residents

RATES AND TERMS

- May go up to 40 years
- Different interest rates
- Census
- Decent, safe and sanitary

RATES

- Poverty rate
- Intermediate rate
- Market rate

PRIORITIES

- Population
- Health
- Other

SECURITY

- General obligation bond
- Revenue Bond
- Promissory Note and Deed of Trust

WORKING WITH OTHER AGENCIES

- DEPARTMENT OF LOCAL AFFAIRS (DOLA)
- DEPARTMENT OF HEALTH AND ENVIRONMENTAL SERVICES
- COLORADO WATER CONSERVATION BOARD
- COLORADO WATER RESOURCES AND POWER DEVELOPMENT AUTHORITY
- Web Site: <http://www.usdagov/rus/water/wwregs.htm>

Discussion

Portfolio Tool – Gary Barber

CWCB wants a clear definitive memo of where we're at as a roundtable. They've given us until the May 9th meeting to come up with our final Portfolio.

Elements of the Portfolio Tool

- Identified Projects and Process (IPP's)
- Conservation Passive and Active
- New Supply from the Colorado River
- Oil Shale Development
- Replace Denver Basin Groundwater
- Extent of ReUse
- Agricultural Transfers

IPP's: What is real?

100% IPP Success by Region

In our 2011 Needs Report, (available on CWCB website), we have two projects that are in the permitting process: Southern Delivery System and Arkansas Valley Conduit. These two represent 49,000 AFY. Other IPPs include non-tributary groundwater, full use of existing water rights, augmentation plans, Ag transfers, reuse plans, Eagle River Joint Use Project, Blue River Conditional storage, Fry-Ark Project M&I allocations, representing 46,000 AFY. The gap is 55,000 AFY. – (based on mid range new demand).

There will be an overall gap in our basin by 2035. There will be a gap in urban counties by 2020.

Remember that "CS Utilities and Pueblo Board of Water Works both indicated in recent interviews with CWCB that they have adequate existing water rights or are pursuing new projects to meet 2050 demands and beyond. Their "surplus" supplies in excess of 2050 demands are not available for permanent use by others, since these supplies will eventually be needed by CSU and PBWW. Given the lack of developable new supplies in the Arkansas Basin, agricultural transfers throughout the basin will continue via purchases, developer donations, and development of irrigated lands." ~ From "Projects and Methods to Meet the Needs of the Arkansas Basin".

The Balance of the Portfolio Tool

Need to look at what are real IPPs on the list. What is not on the list?

Conservation - Passive and Active

- attend the Gunnison RT on May 7th
- Discuss at the May 9 Ark RT

Wayne is the chairman of the IBCC Water Conservation Committee. They are attempting to put the conservation package together – laying out the parameters in order to quantify conservation and how much water that it can produce. They are trying to reconcile recommendations from the State and from the IBCC. For instance, in the Portfolio Tool, the difference between High, Medium and Low conservation is identified by the technical folks as "a continuum of technological and market-based penetrations as you increase conservation from low to medium and high, that are largely dependent on increasingly stringent regulations."

New Supply from the Colorado River?

- The Summit indicated a willingness to keep this on the table
- Denver/West Slope Agreement
- Flaming Gorge Task Force
- Oil Shale Development

Replace Denver Basin Groundwater?

- This is our Urban Counties Gap

Extent of ReUse

- We are headed toward 100% reuse in the future
- How does this impact agriculture in the Lower Valley? (augmentation)

Moving Beyond the Portfolio Tool

What is next?

- Our input to IBCC for their May meeting
- Move into Implementation

Recommendations

- Leave the current five (5) scenarios in place
- Provide a technical memo on specific items (Nicole's memo) sent to RT?
- Educate ourselves on the status of IPP's
- Bring Non-consumptive projects forward

Where does storage come in? Not included in the Portfolio Tool. Educate ourselves on storage?

Review of the next meeting's agenda – May 9th.

The meeting was adjourned at 2:20 p.m.

Respectfully submitted,
Terry Scanga