Interbasin Compact Committee (IBCC) Meeting
Colorado Café Process
March 5, 2013

Minimize Statewide Agricultural Acres Transferred and Implement Alternative Transfer Methods (ATMs)

1. Establish Basin Goals and Track Ongoing Progress

Moderator Summary

The group did not express a great deal of confidence about the ability of the free market to meet basin goals for traditional agricultural dry-up. There was more interest in applying incentives than applying regulation to meet these goals. A fair amount of discussion regarding potential funding sources for these incentives took place, as well as a discussion about potential legislative action. Pilot projects endorsed by the IBCC emerged as a potential way forward in meeting basin goals for keeping more agricultural land in production.

Notes

Group 1

Once the basin goals are established for traditional agricultural dry-up, do you think the free-market system can accommodate these goals?

Yes, the free market can accommodate goals. But, we may not like the outcome.

Do you see a need for incentives or a regulatory process to get there?

- Yes, incentives, but we may not like the outcome.
    - Presents the issue of picking winners and losers
    - Could focus on certain crop types?
- Regulatory processes and incentives must be connected.
- Incentives should focus on financial aspects.

If so, how could these be established?

Incentives could include:

- Leasing
- Water banks
- Need easier regulatory process than buy-and-dry
- More joint agricultural/urban projects
- Targeting less productive lands
- Tax considerations
- Flexibility year to year

What are some immediate action steps?

- Identify funding options
- Identify potential incentive options that are selective and systematic
- Creative, flexible, innovative, discretionary water administration
- Identify administrative obstacles
- Potential legislative action
- Pilot projects – endorsed by the IBCC and Colorado Water Conservation Board (CWCB)

Group 2

Once the basin goals are established for traditional agricultural dry-up, do you think the free-market system can accommodate these goals?

No, free market does not accommodate these goals.

Do you see a need for incentives or a regulatory process to get there?

Yes, incentives, but not regulatory.

- Funding for conservation easements (with leasing options, but water rights tied to land)
- May need regulatory process of some sort
- Immediate action – political support

If so, how could these be established?

Political support

Group 3

Do you see a need for incentives or a regulatory process to get there?

Yes, incentives, but can the carrot be big enough?

- Must be large enough and have flexibility
- Water court system as *de facto* regulatory system
- Basin or Farm Bureau pilot projects on keeping land in production

If so, how could these be established?

Need larger pilot project with follow through and education

- Not just ATM – keeping land in full production

Group 4

Once the basin goals are established for traditional agricultural dry-up, do you think the free-market system can accommodate these goals?

No, free market does not accommodate these goals

Do you see a need for incentives or a regulatory process to get there?

Yes, incentives

If so, how could these be established?

- Create an agricultural district to voluntarily prevent transfers
- Lack/removal of regulatory action as incentive
- Need larger pilot project with follow-through and education

What are some immediate action steps?

- Issue of whether there is "new"/additional water to be developed from agriculture
- Continue funding CWCB ATM Program
- Selective dry-up of pending lands (e.g., basin plans)
- San Luis Valley (SLV) subdistrict example – lessons learned

2. Implement ATM Program

Moderator Summary

The groups felt that there should be a more proactive ATM program than what has been identified. They identified pilot projects as a method to develop buy-in from the agricultural community and to develop and understanding of policy and water law issues surrounding agricultural transfers. They also concluded that current water law might be too restrictive and that legislation might be needed to make the agricultural transfer process more flexible and acceptable to farmers.

Notes

Group 1

- Yes, there should be alternative to buy/dry
- Regional, basin basis
- Education is critical for ATMs (goals, opportunities)
- Need for pilots/demonstration projects
- Show success
- South Platte (N. Sterling/interruptible water supply agreements (IWSA))
- How is it to be created?
- Difficulty with Super Ditch Pilot '12
- Should State (CWCB) help pay for legal costs?
- Pilot legislation HB-1248
- Agriculture community buy-in
- Markets
- Penalties with transfers
- Storage
- Funding – state partnerships

- Develop partnerships with agriculture and municipalities
- State legislation
- Simplified process

Group 2

- Pilots/demonstration are good
- Immediate need for technical information
- Need financial incentives (innovative/flexible administration)
- Disincentives for buy-and-dry
- Simplified
    - Historical consumptive use (HCU) analysis
    - No injury – return flows
- Roundtable/basin-initiated ATM program (e.g., South Platte Water Bank)
- Identify incentives, financing, infrastructure
- Remove barriers
- Technical hurdles (e.g., water quality, infrastructure)
- New South Platte Authority
- Ditch-wide assessments
- Conjunctive use/storage
- Funding – ongoing revenue stream
- Pilot programs

Group 3

- Agricultural community buy-in and ensure non-injury
- Simplifying approval process
- Pilots/demonstration projects
- Role for basin planning is assessing:
    - Irrigated lands
    - Exchange points
    - Open space
    - Existing infrastructure
- Agricultural district
- Conservation easements
- Incentive-based
- Land use with agriculture

Group 4

- 80/20 – 20% product, 80% value
- Differential incentives to remove less productive lands

    - Priced to incentivize marginal lands
- Multiple purpose (including environmental)
    - Example: Conservation Reserve Program (CRP), landscape analysis
- Partnerships:
    - Great Outdoors Colorado (GOCO), Ducks Unlimited (DU), CWCB, municipalities
- "Overlay district" that brokers deals = revenue stream
- Pilot project for preserving high-value agricultural lands and systems

3. Implementing Agricultural Efficiency Program

Moderator Summary

The group discussed how increasing agricultural efficiency might increase consumption. They discussed how working to increase markets can increase agricultural productivity and were supportive of initiating pilot projects that reduce consumptive use (CU) to help meet municipal and industry (M&I) needs, nonconsumptive (NC) needs, or address groundwater issues. An idea that emerged was utilizing State school board lands for pilot projects, which would have the advantage of not involving as many competing interests.

Notes

Groups 1 and 2

- Group one first sought to define agricultural efficiency versus conserved agricultural water, which is reducing consumptive use.
    - Agricultural efficiency:
        - Not transferrable water
        - More efficient use of water helps with water quality
        - Increases productivity
        - Potential NC benefits
        - Concern that without shepherding the saved water downstream, there won't be NC benefits because it will be diverted by the next downstream user.
        - Legally we can't shepherd water downstream that is not historical consumptive use downstream.
        - May need change in law
        - Decreased energy cost
        - Difficult if downstream user in a different state
        - Increased CU
        - Also non-beneficial CU ditch lining, phreatophytes
- Is the purpose to increase agricultural efficiency or decrease CU
- What to do to encourage agricultural markets for improving agricultural profitability
- Could decrease crop CU

- The IBCC can work to encourage Dept. Ag and Gov., etc. to move forward with supporting ag efficiency.
- IBCC encourage/ fund research and development, for instance deficit irrigation studies by the Colorado Water Institute (CWI)
    - Focus on canal lining and phreatophytes
- The IBCC should support both agricultural efficiency and decreased CU
- Currently, farmers can be penalized if CU decreases – need to fix
- We need pilot projects so farms are not penalized
    - These will need to include measures that tell how to tell if it works or not?
    - Go outside comfort zone
    - Small acreage
    - Study return flows
    - Multiple basins
    - Yampa work more focused on NC streamflows
    - Focus on nonbeneficial CU
    - Not addressing how to do it in legal system like rainwater harvesting
    - Baseline plot first

<u>Group 3</u>

- ATMs are "stinkin' expensive," especially if need a base supply
- Identify obstacles
- Drip – not necessarily need help because the market may drive the use of it
- Use basin roundtable (BRT) WSRA grants to fund ATM projects
- Test economics
- There are many different purposes to "ag efficiency" based on the basin needs and some needs don't' work for all basins. For instance, the Rio Grande needs to reduce demands on the Aquifer, the South Platte needs to reduce stress from buy-and-dry, the lower South Platte depends on pumping from upstream deep percolation, other basins may want to reduce deep percolation through ditch linings to keep water in the stream, etc.
- Identify incentive systems and funding (not just CWCB, but GOCO and conservation easement tax credits)
- Identify mechanisms and benefits, e.g., crop changes for farmers to get into veggies and melons, not alfalfa.
- Demonstration to show benefit.
- Identify legal hurdles to innovative and flexible administration of water; this would help projects to move forward, evolve for current circumstances.
- Not a lot of implementation ability in the IBCC
- Concern about changing law
- Want to get it to point where people who can implement, are able to do ATMs

- IBCC could create a template, which leads to CWCB, BRT, and local project proponent implementation, and BRTs, local project proponents
- Immediate next steps:
    - Depending on amount of ATM grants, provide more money for these
    - Identify other pots of money, State tax credits ($45 million), with land trusts, GOCO

Group 4

- Pilot projects
- Efficiency may need to be linked with storage to help with return flows
- Some detriments to this, especially in Gunnison area.
- Line canals? Depend on underground percolation in lower South Platte
- Market focus; is there a market for crop?
- Makes a lot of difference where you are
- Encourage agreements between M&I and agriculture
- Policy?
- Because of the limited benefit, keep these efforts at the bottom of tool box but don't throw out.

4. Identify and Implement Infrastructure and Storage

Moderator Summary

The groups discussed how infrastructure and storage are needed for both agriculture and M&I interests, and are important in allowing for flexibility in terms of supply and demand, drought cycles, delayed return flows, and the like. In the conversation about storage for ATM projects, the groups discussed the Flex Market Pilot Project occurring in the South Platte Basin and thought it could be a valuable exercise in sharing water while keeping ownership of the water in the hands of agriculture. The groups spent time discussing funding sources for storage and infrastructure projects, and felt that these projects should be a funding priority since none of the four legs of the stool will work without them.

Notes

Group 1

For what purposes do we want infrastructure and storage? Identify multipurpose opportunities? Move and store water from a large ATM project? Maintain and improve agriculture? Prepare for climate change? Others?

- Need storage for timing, seasonally, drought cycles, delayed return flow. Reliability.
- Get water to where/when it is needed
- Wells
- Large pipe pump, treatment, blending water, reverse osmosis (RO)

- Return flows are important for environment
- How do we preserve agriculture with ATMs?
- Multipurpose (environment, recreation, wildlife habitat, compact) – ATMs need to help remaining agriculture
    - On West Slope storage is needed for agriculture and municipal supply
- How you share water rights between junior and senior rights
    - Traditional system may lose efficiencies

If for a large ATM project, how do we implement the infrastructure and storage associated with it?

- Flex Market (Pilot Project)
- Ditches regulate system
- On-ditch storage
- Center pivot vs. flood vs. drip
- Brine disposal is huge issue on water quality side. RO.
- Large ATM project – how?
- Who has control and equity?
- Enough certainty?
- Have we preserved options?
    - Right of ways
    - pump station locations
    - maintaining flexibility
- No mechanism for farm to M&I
- Farmers would like to keep ownership of water rights

If for any other purposes, what statewide specific actions are needed?

- Can agriculture help pay for storage – dependent on market conditions
- Do you have ownership in the future?
- Joint project idea – owned operated by group entity/authority extending to agricultural partners
- Flex markets. Municipalities would fund, but ownership by agriculture
- Program size will drive decisions
- Financing will be important
- Fund pilot studies

<u>Group 2</u>

- Multiple system sources make the infrastructure question difficult.
- Tailwater (head or tail) storage need.
- Is there a common distribution?

- Superditch – Pueblo Reservoir is important.
- Exchange/return flow analysis is important – complicating factors.
- Recharge ponds are important.
- Statewide changes:
    - Legal issues that have been discussed as part of past efforts
    - ATM – have pilot projects surfaced – yes.
    - Fischer bill

Group 3

- Past funding could be used (modeled after environmental protection)
- Water Supply Reserve Account (WSRA) funds, loans. Seed money may be needed.
- Don't need additional constraints/rules. Work with existing rules.
- Identify storage spots; look at river as a whole system.
- Unknown is going to water court for large change case.
- Coordinate with State Engineer Office (SEO), if correctly done, state will support.
- Can large-scale ATMs be done within current legal framework?
- If agreement can be made on the municipal side, that provides certainty.
- Aurora needs agriculture water right now for drought supply.

Group 4

What are some immediate action steps?

- Funding has to be there, needs to come from people
- Don't raid severance tax
- None of the four legs of the stool work without storage
- Better uses of current storage (Pueblo and Chatfield)
- Existing transbasin – is there capacity for better utilization of existing storage?
- Innovative and flexible water administration
- IBCC endorse a project? Picking a project and move away from consensus?
- BRT to IBCC to CWCB provide recommendations. What is role of IBCC?
- State of Colorado needs to get behind funding projects. IBCC could help. Projects need to be multipurpose.
- Willingness and ability to pay?
    - Ratepayer discussion, it falls apart
- Education consistent statewide. Water isn't free.

Planning and Preserving Options for Existing and New Supply

1. Address Environmental and Recreational Needs

Moderator Summary

The IBCC small groups recognized that it's unlikely that there will be a new supply project taking additional water from the Colorado River headwaters, because the headwaters are already significantly affected as a result of existing transbasin diversions. Therefore, the groups considered a number of strategies to protect Environmental and Recreational (E&R) attributes were a new supply project to be built elsewhere. These strategies included:

- Designing a new supply project to incorporate pumpbacks, pipelines, and/or innovative management techniques in a way that benefits multiple uses, and mitigates or enhances E&R attributes.
- Developing metrics that quantify E&R needs to determine whether specific river reaches should be on or off limits for a new supply project. A starting point for quantification would be the attribute maps from the BRTs. For a qualitative approach, the IBCC could refine the considerations laid out in the IBCC's 2010 Letter to the Governors for determining nonconsumptive needs.
- An interbasin compact modeled on the Colorado River Cooperative Agreement (CRCA). This agreement would determine an amount of water to be reserved, define qualitative goals, and then send the water to a new supply project if certain conditions were met.
- Having the IBCC ask all BRTs to follow the lead of the Yampa/White Basin and conduct a projects and methods study to integrate both consumptive and nonconsumptive needs.
- Having the state filing for a water right for a new supply project, but only if paired with basin-of-origin protection.

Notes

Groups 1 and 2

- Evaluate environmental and recreation (E&R) at potential new supply project sites and preserve only those new supply options that "have a chance," i.e., can be built in a way that provides acceptable mitigation for adverse E&R effects.
- Any water use – there are trade-offs
- Some transbasin projects offer E&R benefits in delivery basin, and also the basin from which the water is being diverted. For instance:
    - Some pumpback projects return water to the headwaters, although they may cause other impacts, e.g., to water quality
    - Some projects incorporate innovative water exchanges and tradeoffs, e.g., the Colorado River Cooperative Agreement allows Denver to increase its transbasin diversions while also providing E&R benefits in Grand County.

    - There are other creative water management scenarios or options that also use existing infrastructure
- The Metro BRT water supply white paper suggested that to preserve options, there should be a water rights filing. Because such a filing might otherwise run afoul of the anti-speculation doctrine, making such a filing would likely require legislation, a requirement for basin of origin protection could be part of such bill or package of bills.
- In order to determine where water rights or other preservation of options should occur, may need to quantify E&R needs
    - Many headwaters reaches already have instream flow (ISF) quantifications
    - However, the CWCB instream flow rights rarely account for peak or shoulder flows needed for some E&R attributes.
    - Negotiations can augment basic CWCB instream flow decrees, as has been done in a few instances (e.g., the voluntary flow agreement in the Arkansas, Hanging Lake, Dominguez Canyon, San Miguel, Cascade Creek, etc.) Also flows for endangered fish species, as outlined in the programmatic biological opinions, also consider peak and/or shoulder flows.
    - When a needed amount of E&R water is not met at all times, a new water supply project might be able to improve flows (e.g., Elkhead Reservoir)
- Is meeting ISFs determinant for which new supply projects to preserve?
- Are there any attributes that would lead to any reach being off limits for the development of a new supply project?
    - Neither the Basin Roundtables nor the IBCC/CWCB have done such a prioritization yet
    - Obviously, to put anything off limits would require site-specific consideration.
    - Need agreed-upon criteria by which to evaluate projects and reaches.
    - Also need to consider trade-offs, i.e., whether E&R benefits of a multi-purpose new supply project could outweigh adverse E&R effects, either in the same reach or different reaches.
    - If a project met criteria like those associated with Wolford Mountain (see group 3 below), then identify it as a viable option
    - In summary, no project should be excluded from the outset. Instead, a strawman for each project should be developed with multi-purpose objectives in mind so that they can each be evaluated on those grounds prior to being eliminated.

<u>Group 2</u>

- Implement first three legs of stool; otherwise West Slope won't let project proponents build a new supply project
- Identify what you want to preserve

- Determine if there are any places that are "on limits," "off limits", or new storage not objected to
    - Map not sufficient to determine which places a new supply project should or should not occur
    - Suggestion -- Focus on the attributes in IBCC letter to the Governors/BRT, e.g., threatened or endangered species.
- Exchanges and existing infrastructure alone are not enough to meet both nonconsumptive and consumptive needs. Pumpbacks may provide some opportunity, especially since there is nothing left in the headwaters.
- New storage may be needed. Examples where storage has helped the environment include:
    - Elkhead Reservoir
    - Wolford Mountain Reservoir
    - Windy Gap Expansion
- Identify most critical environmental reaches with quantitative metrics
- Group discussed funding for the protection of E&R attributes in the fact of a new supply project. Some members suggested creating a new state funding stream that would be available to mitigate the adverse E&R effects of a new supply project, or to enhance E&R attributes as part of such project. One member referred to this as Referendum A, version two.

<u>Group 3</u>

- Wolford Mountain provides a good example for how to develop a project. It had to meet three criteria, in order of importance, before the project could be built: 1) Protection of E&R attributes, 2) Acceptable to the neighbors, 3) the project purposes. After meeting these criteria, the project moved forward.
- When considering quantification for E&R attributes, some members of the group struggled with how that was different than the permitting requirements
- An alternative to quantification for E&R attributes would be to develop qualitative goals. A project or agreement that achieved these goals could proceed:
    - For instance, a general amount of water could be preserved or even at a site-specific location. Then the State would hold water rights and only be able to access it if the project is developed meets the benefits outlined in the qualitative goals
    - This is the general approach in the CRCA – joint East Slope/West Slope cooperative project
    - This approach could be sufficient preservation of the new supply option for the future

    - While not all group members were comfortable with the idea of the state applying for water rights to preserve new supply options, more group members agreed that rights of way necessary for new supply projects should be preserved.
    - Ultimately, this would be an interbasin compact/agreement
- Start to come up with project locations that are or are not options
- Preservation of new supply options does not mean abandoning protecting of E&R attributes. In fact, the group would expect projects or processes that benefit E&R attributes could and should proceed.

Group 4

- Agree on what a good project is, e.g., based on a list of attributes like the Flaming Gorge Task Force (FGTF) put together.
- Some members expressed concern that it is inappropriate to quantify the effects of a new supply project to E&R attributes with today's values, as these are likely to change by the time a new supply project is ready to be built.
- Some group members did not want to have the state or other entity winnow new supply options down too much based on the effects to E&R attributes.
- Agreements – something in it for every basin. Need to know what's in it for them.
- Colorado River Water Availability Study (CRWAS) II, Compact compliance, BRTs understand each other
- Any proposed successful project needs to take into account local needs (like Wolford Mtn example, above).
- Project will need operate in variable hydrologies and include considerations for endangered species, trout fisheries
- The Yampa/White Project and Methods Study is taking a comprehensive look at their agricultural, M&I, environmental and recreational needs to see what projects and methods can be developed to best optimize the interests for all these factors. The group suggested that all West Slope roundtables do optimization like the Yampa White Projects and Methods Study
- IBCC supports projects that are good for E&R

2. Risk Management Strategies

Moderator Summary

The groups discussed the risk involved in overdeveloping Colorado River resources, which could lead to Compact curtailment, as well as indirect risks to water supplies. They also talked about the need to maintain a dialogue with other Compact states while continuing to do parallel work on Colorado's specific interests and concerns. The groups discussed the need for signposts and triggers, touching on methods for how to define them and how to maintain flexibility while approaching an uncertain future.

Notes

Are the adaptive management triggers we addressed earlier in the day and the existing risk management activities sufficient to address risk and uncertainty?

- Compact certainty, we don't know supply
- Are the strategies sufficient – no
- Upper Basin State obligations demand management options
- Within the state:
    - Need to develop available water in wet years
    - Storage
    - Intentionally created surplus (ICS) pools in Powell
    - Administrative system needed
- Strategy:
    - Avoid call via sign post – operate bank
    - If curtailment, how to decrease economic impacts
    - Conditions for new project rules
        - operates in "safe state"
        - needs to be worked on with four Upper states and within Colorado
        - State of Colorado needs to lag behind.
        - Give CWCB

If not, what besides the actions that are already underway can be done without jeopardizing Colorado's compact entitlements?

- Don't need numbers
- Colorado needs to lead
- Need risk assessment (using tools we have)
- Need to leave flexibility for future generations
- Climate change
- Don't want to overdevelop yet
- Don't want to limit development of Colorado's Compact entitlements
- Potential trigger 10-year average
- New projects need to have insurance policy

What are some immediate action steps?

- How much would a 1 mil levy generate statewide? Sales tax ($.1, .2, .3)
- Risks – also include NC needs, rural communities, economies, more endangered species, decreased recreation opportunities
- Bureau Study ideas?
- Creation of Bureau administrative rules for water bank.

- Desalination plant for treaty obligations

3. Identify Potential Multipurpose Components of New Supply Projects

Moderator Summary

The groups discussed how multipurpose components to new supply projects can help in risk sharing but will take "big bucks." Many group members were in favor of identifying a project quickly and garnering support, since projects are occurring now while the IBCC tries to find consensus. The group also discussed how basin plans can be used to identify needs and wants for potential multipurpose water supply projects.

Group 1

The last time the IBCC talked about a multipurpose project, several multipurpose components were discussed, such as headwater enhancements, conservation, assurances for West Slope growth, and protection of endangered species. Is this still the case or are there other needed elements?

- Mitigation components for new supply?
- CU and NC
- Operational opportunities for multipurpose benefits
- Recreation as necessary component
- Multiple sources/storage opportunities
    - Systematic use to maximize efficiencies
    - Basin planning efforts (e.g., Yampa/White Projects and Methods Study)
- Energy components
- Compact curtailment/compliance components and legal analysis
- Understanding needs of all basins – integration with local supplies

What potential specific actions could incorporate these components into planning for and preserving of new supply options?

- Basin plans
- Decision Support System (DSS) enhancements and use – CRWAS continuation
- Identify specific project

Group 2

The last time the IBCC talked about a multipurpose project, several multipurpose components were discussed, such as headwater enhancements, conservation, assurances for West Slope growth, and protection of endangered species. Is this still the case or are there other needed elements?

Multiple locations and facilities

What potential specific actions could incorporate these components into planning for and preserving of new supply options?

- Cost sharing – brought by beneficiaries
- Interbasin compact
- Risk sharing among beneficiaries
- Preservation of options – not precluded in non-threatening way
- Define the partnership and rules under which it operates
- Preservation of West Slope irrigated agriculture (Compact risk issues)
- Presentation of Front Range agriculture (could include maximization of return flows)
- How can these questions be addressed in CRWAS continuation?
- Who and when? How to make a reality?
- State project? (Too big for one proponent)

Group 3

What potential specific actions could incorporate these components into planning for and preserving of new supply options?

- Basin plans – identify stakeholders and opportunities for coordination
- Identify specific project and then funding options
- Augmentation needs – well mitigation
- Native species consideration – avoid new listing – species are viable
- Funding (including rate-payer support) –
    - Ref A version 2
    - Public sources
- Guidance on basin planning
- Happening now without IBCC
- Identify incentives for multipurpose projects (e.g., WSRA)
- Big bucks

Group 4

What potential specific actions could incorporate these components into planning for and preserving of new supply options?

- Primary project purpose – new supply – M&I
- Risk management
- Identify projects that can be built within the near term
- Education and communication
- Gather support and general consensus
- Start discussion with affected West Slope entities
- Compensatory projects
- Other basin "white papers"?

4. Project Identification and Preservation of Options

Moderator Summary

The groups discussed how any new supply project must be compensatory and that the basin of origin will need to be considered. There was a mixture of opinions among the groups about whether projects without proponents should be considered. Some group members thought projects without proponents should not be considered, while other thought this approach was too limiting and would preclude smaller-scale projects. The groups also discussed a concern that the new focus on immediate action was causing some walls to come up between members. Many members of the group supported the dialogue process and trust building created by the FGTG. They suggested bringing up an agenda item at the June IBCC meeting to decide how to restart this process when discussing new supply projects.

In summary, a Flaming Gorge Task Force / Comprehensive Framework Discussion should begin at the IBCC as a way to preserve future new supply options. It may include these components

- Need to implement low hanging fruit first – identified projects and processes (IPPs), ATMs, conservation. No chance unless these go first.
- Risk management needs to occur first
- Compensatory projects are required
- Recreational In-channel Diversions (RICDs), Wild and Scenic and other nonconsumptive flow projects in areas where a new supply project may be built need to have an allowance for the project
- Dialogue should develop incremental and immediate next steps
- Build on letter to the governors
- Project can be a multi-purpose package/portfolio

Notes

Group 1

- Need to implement low hanging fruit first – identified projects and processes (IPPs), ATMs, conservation. No chance unless these go first.
- Risk management needs to occur first
- Compensatory projects are required!!! (basin of origin)
- Water bank is insurance for future (new supply, compact)
- Ref A version 2
- State already has authority We can't afford to look/keep all options
- Identify new supply projects
- Identify project proponents for each new supply project
- Identify smaller, all size locations as part of larger projects, growth may be ok.
- If there is not a proponent, shouldn't go forward

Group 2

- Ref A version 2– need political support to proceed.
- State Bonding Authority already has authority
- Too limiting to only chose projects with proponents at beginning
- Should State identify proponents?
- Is too short-sighted to only identify projects with proponents
- The demand/gap might create proponents
- Someone actually needs to use the FGTF process
    - IBCC, CWCB, will it actually work?
- Incremental steps are important
- New, smaller projects are the only way to move forward

Group 3

- To preserve options for some, there needs to be operational certainty
- Operational certainty?
- How will these projects be built and operated?
- Recreational In-channel Diversions (RICDs), Wild and Scenic need to have allowance
- Just admit that State plan is that agriculture and conservation are it for now
- Conversation needs to be real/meaningful and timely fashion – you can have this without identifying a project
- IBCC is falling back on positions, need to get outside box, more candid conversations
- Should we look at smaller projects – maybe what was wrong with them is ok now
- Existing projects – should they be increased
- Don't need a project right now, need to be sure it will be there in the future
- Key to preserving options – Endangered Species Act (ESA)
- Use Flaming Gorge process to determine immediate next steps

Group 4

- Develop an interbasin compact that addresses these issues – build on Governor Letter.
- We need to be flexible on how we "define" project. Multiple components (new supply, ATM, etc.). It could be a portfolio of solutions.
- Start the Flaming Gorge process. How do we do this and feel safe? Why can't IBCC start this now? Will IBCC do it?
- Everything needs to be discussed, nothing off the table.
- By June: Use FGTF as a model – develop next steps (State put this together). CWCB/IBCC, next meeting.
- Have framework by June. Tweak it and then start at next meeting.