

Minutes of NPBRT Meeting: 1-27-15
USFS Conf. Room (3-5 PM) 100 Main Street, Walden, CO

Members/Liaisons Present

*Mike Allnutt
Deb Alpe
Mike Alpe
*Jimmer Baller
*Kent Crowder
Michael Dixon
*Blaine Evans
Debbi Heeney
*Randy Miller
*Carl Trick II
*Doug Waldron
*Rick Wyatt
*Barbara Vasquez

Members/Liaisons Absent

Paula Belcher
Jason Brey
Russ Gross
*Mike Honholz
*John Rich
Ann Timberman
*Ty Wattenberg

Others Present

Caid Waldron
Erin Light

I. Agenda Review

The agenda was accepted as published.

II. Approval of Roundtable Minutes: Approval of the minutes from 12/16/14 NPBRT meeting were postponed until the next meeting.

III. Report of Basin-wide Augmentation Plan Committee and Roundtable Discussion Regarding Next Steps - Carl Trick II, Committee Chair

Carl reported the results of the meetings of the Augmentation Plan Committee. The committee's conclusion is that they believe it would be a benefit to the basin to pursue it. It would support economic development. But there are a number of issues and the Committee ended up with more questions than answers. An augmentation plan would need a Conservation District to manage it. The Committee met with the Jackson County Water conservation District. JCWCD agreed to move forward with the planning phase for a North Platte augmentation plan. Kent brought information forward from other Conservation Districts across Colorado that have put augmentation plans in place. He estimated that it would take at least \$100k, split between the engineering and legal work required to determine where the storage would be most advantageous for the basin and the water rights issues involved.

JCWCD plans to apply for a WSRA grant for this phase 1 work.

Even after spending this money, however, there is no guarantee the plan would be implemented.

Minutes of NPBRT Meeting: 1-27-15
USFS Conf. Room (3-5 PM) 100 Main Street, Walden, CO

For example, Middle Park did the planning work but didn't implement an augmentation plan. Carl mentioned it would be helpful to have a conservation district that has put an augmentation plan in place to come give a presentation to help us understand the pros, cons and issues. Districts suggested included the Upper Yampa, the Dolores and San Luis. Most CD that have done this in the past already own water rights. Many augmentation plans have been put in place in part due to InStream Flows. Kent said JCWCD could buy water rights for storage in existing or new reservoirs that were located in sub-basins for which there are anticipated future water development needs. Barbara asked whether the augmentation plan could be structured such that the initial costs could be recouped. Carl commented that the future payments by applicants for augmentation water would never cover these phase 1 costs. He went on to say that a lot of questions won't be answered until the engineering study is completed.

But the need for augmentation in this basin is there. The pellet mill is again in 'trouble' with their well, pumping for industrial uses with a permit for domestic use. They have again approached Walden Reservoir with a request to purchase augmentation water. Currently, the only use allowed for the storage rights in Walden Reservoir is irrigation. Jimmer commented that once the engineering study is done, the CD will need to approach the reservoir companies to see if they are interested and willing to sell water rights. Erin talked about Stagecoach Reservoir. The augmentation rights are 2001 with some rights retaining older dates. Most likely when you go to water court for augmentation rights, they will be junior. Randy asked if the project can be phased, to be able to limit spending if it is determined not to be feasible. Blaine commented that most ditches in the basin have stock watering rights, but in the winter the cattle drink from the river...wondering if augmentation would be required for this use.

IV. Experience with Basin-wide Augmentation Plans – Discussion & Questions

Erin Light, Division Engineer, Division 6, Colorado Division of Water Resources

Erin said she doesn't want fear to develop over the junior right for augmentation. If the river isn't under administration, you can 'paper fill'; that is, fill junior augmentation first rather than filling the senior right first if the Division and senior water right owners agree. The reservoir gives up capacity to accommodate augmentation unless it increases physical capacity. Rick and Kent asked whether it's possible to define augmentation broadly enough to include irrigation. Erin explained that Senate Bill 41 changed rules around abandonment of storage rights. As long as you're storing water for future use, it can't be abandoned and timing of release can be negotiated. Assuming the CD owns the water rights, they have the right to decide whether to approve applications for augmentation. Release of augmentation water must be into the sub-basin to cure injury to senior water right owners. The JCWCD will need to identify all areas of the basin where there might be future augmentation needs. Erin used the Upper Yampa as an example. They started the work in 2006 and the augmentation plan was decreed in 2008. There were several opposers. Since 2008 there have been about 12 augmentation contracts issued. They charge \$400 per application and \$20 per acre foot of augmentation water. Prices are negotiable. For wells, they only need to augment actual use, which is approximately 10-15% of the consumption with 85-90% returned. She drew a diagram of the Upper Yampa basin to explain the geographical limitations of augmentation. "Area A" reaches down the Upper Yampa to include the tributaries Walton Creek and Fish Creek but does not include Steamboat Lake and Elk River. For

Minutes of NPBRT Meeting: 1-27-15
USFS Conf. Room (3-5 PM) 100 Main Street, Walden, CO

example, Dr. Dudley's property is in "Area A" and could buy augmentation water to cover evaporative losses from his ponds. But SkiCorp, which is exceeding permitted use of a well, cannot buy augmentation water from the Upper Yampa because their well is outside the area. Excel and CPW, the water right owners in Steamboat Lake, are working on an augmentation plan that would serve the Elk River Basin, which includes the SkiCorp well. Regarding the size of the augmentation plans, the Upper Yampa is 2000AF and the draft Steamboat Lake plan is 500AF. Carl said that the advice from other CD they spoke with was not to 'short yourself' because it's so much work and cost to increase a plan once it's in place.

There were questions raised about the possibility of changing existing rights to augmentation rights without losing seniority. But Erin said that doesn't work. Blaine asked about conditional rights, whether you can change the assignment to augmentation. Erin said you must be able to go back and show it was an original contemplated use. If not, you'd need to go for a new right that would be junior. You can only make a conditional right permanent for uses previously contemplated. Carl asked about augmentation water for a well or a pond...whether it was a one-time purchase. Erin explained that payment for augmentation water is annual...you buy it whether you need it or not and there would be an ongoing annual release for that augmentation. Carl asked Erin if she thought an augmentation plan would have value for this basin. Erin said yes based on several requestors who have approached her about augmentation water. As an example, Brian Anderson wanted to set up a meat packing facility on their ranch. In the absence of augmentation water, it wasn't possible. Then Carl asked Erin what she thought would be an adequate amount for a North Platte augmentation plan. She said it depends what kind of development is envisioned. If just augmenting wells on the Illinois and Michigan, 100AF might be plenty. For the Grizzly, 20AF might be sufficient. But if a lot more oil development were to occur, the augmentation plan would need to be larger. Jimmer made the comment that the pellet mill's only options without augmentation water were to shut down or buy & dry agricultural water. Erin said they have a well permitted for domestic use only but use a portion for manufacturing. If the pellet mill used direct flow right for augmentation, she said, then it's 'buy & dry'. Erin said you need a 'firm yield' for reservoirs in the plan. Carl wondered aloud about the best way to identify potential objectors to an augmentation plan. Kent said he would work to get as many senior water rights owners involved as possible. Erin said the Division would formally object just to have standing in the case. But if she and the State Engineer had the opportunity to review and comment on the plan in advance, that might be avoided. Any entity or individual has to have a water right that might be impacted by the plan to object. So, the plan has to be framed before potential objectors can be identified. Carl asked how long a plan for the North Platte might take. Erin said to expect at least 2 years, but about a year if no objectors. Barbara asked what the drought scenarios would look like. Would senior right owners potentially be injured if a portion of the physical capacity of a reservoir was used for augmentation water? Erin said yes, or the Division would need to shut down the use.

Erin suggested that it might be helpful to have someone like Kevin McBride, who has responsibility for the Upper Yampa, to come to the NPBRT and give a presentation on their experience with the augmentation plan. Barbara asked Kent whether we could invite Kevin to present at the March meeting. Kent said that it would be taken care of by JCWCD.

Minutes of NPBRT Meeting: 1-27-15
USFS Conf. Room (3-5 PM) 100 Main Street, Walden, CO

Carl made a motion that the RT go forward to support an augmentation plan. It was seconded by Blaine. The vote was carried with B Vasquez abstaining.

V. CWCB/IBCC Update - Ty Wattenberg, John Rich and Mike Allnutt

CWCB: No Report.

IBCC: Mike reported that John Rich is attending the IBCC meeting this week. Mike discussed the "Conceptual Agreement" (see handout) about future Transbasin Diversions. Kent commented that our Basin Implementation Plan prioritizes the preservation of agriculture on the East Slope because of it's link to ag infrastructure important to the North Platte Basin. He asked whether this RT wanted to offer an opinion or statement about the "Conceptual Agreement" like the Rio Grande. They also have 'no dog in the fight'. Mike said he had no statement to add. After much discussion about why/if the NPBRT would offer a statement, it was left that Mike would draft a statement to propose at the next RT meeting.

VI. Old Business/New Business

Old:

Deb A. said she will call for an Education Committee meeting for the hour before the next NPBRT meeting March 24.

Blaine Evans explained that the McFarlane Reservoir project will be pushed out a year. The State of CO needs an additional 4 months to review the engineering design. Mike Dixon explained that he coordinated a meeting with water right owners in the reservoir (Blaine & ANWR) and Matt Reddy (DU). DU is interested in helping and may serve as the applicant for the WSRA grant. This would solve the problem Blaine has faced where the Guidelines for WSRA grants specifically precludes grants to individuals.

New: None

VII. Date for the next meeting

The next meeting was set for Tue, March 24, to be held from 3-5p.m. in the FS Conference Room at 100 Main Street, Walden.

VIII. Meeting Adjourned