



COLORADO

**Colorado Water
Conservation Board**

Department of Natural Resources

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TO: Colorado Water Conservation Board Members

FROM: Linda J. Bassi, Stream & Lake Protection Section
Michelle Garrison, Interstate, Federal & Water Information Section

DATE: March 23, 2017

AGENDA ITEM: 23. Ruedi Lease Renewal

Background:

After receiving Board approval at the May 2015 meeting, CWCB staff negotiated a short-term lease with the Ute Water Conservancy District (“Ute Water”) to use a portion of the water that Ute Water owns in Ruedi Reservoir (“Ruedi water”) for instream flow (“ISF”) use in the 15-Mile Reach of the Colorado River. The CWCB sought the leased water to supplement existing ISF water rights and preserve/improve the natural environment of the four endangered fish species present in the 15-Mile Reach of the Colorado River. The lease allowed the CWCB to utilize 6,000 AF of Ruedi water, with a potential increase to 12,000 AF, at a price of \$7.20 per acre-foot. 9,000 AF of water was released from Ruedi Reservoir in September and October 2015 at a total cost of \$64,800.

The lease expired April 2016, and was renewed for one year with the same terms regarding price and volumes. The entire 12,000 AF available under the lease was released from late August through mid-October 2016 at a total cost of \$86,400.

The release of leased water from Ruedi Reservoir resulted in higher flows in the 15-Mile Reach and provided some operational flexibility for the USFWS and operators of other reservoirs that release water in late summer to benefit the endangered fish habitat in the 15-Mile Reach. The released water was allowed to pass through Orchard Mesa Irrigation District’s power plant on its way to the 15-Mile Reach, providing some additional local benefits.

The lease expires April 30, 2017, with an option to renew. Ute Water has expressed interest in renewing the lease for one year at the current price of \$7.20 per acre-foot. The lease would again offer 6,000 AF with an optional increase up to 12,000 AF. Maximum cost to the CWCB would be \$86,400 if the full 12,000 AF were utilized. Over \$348,000 is available in the Species Conservation Trust Fund account for leasing of water for instream flow purposes.

Staff has notified local stakeholders of the possible renewal of the lease. Instead of holding a separate public meeting regarding the lease as done in previous years, stakeholders have



requested that CWCB staff participate in the Ruedi Reservoir Operations public meeting in 2017 to discuss renewal of this lease.

Staff recommendation: Staff recommends that the Board approve a one-year renewal of the lease of Ruedi water from the Ute Water Conservancy District subject to the following conditions:

1. Staff will present at a public meeting, and receive and consider comments and concerns regarding Ruedi Reservoir operations and the possible impacts of this lease.
2. Releases of Ruedi water under the Water Lease Agreement shall not cause the releases out of Ruedi Reservoir to exceed 300 cfs and shall not cause flows in the Fryingpan River below Ruedi Reservoir to exceed 350 cfs. Staff shall coordinate with the Bureau of Reclamation to ensure that this condition is met.
3. If CWCB and Ute Water desire to renew the Water Lease Agreement after this third year, CWCB staff will notify local stakeholders of the potential renewal and seek input, and will seek the Board's approval for any lease renewal at a regularly scheduled CWCB meeting.
4. CWCB staff shall consult and coordinate weekly with CPW staff on proposed releases to minimize impacts to the fishery on the Fryingpan River below Ruedi Reservoir.

