



TO: Colorado Water Conservation Board Members

FROM: Linda Bassi, Stream and Lake Protection Section
 Michelle Garrison, Interstate, Federal, and Water Information Section

DATE: May 2, 2019

AGENDA ITEM: 17. Renewal of Ute Water Conservancy District Lease of Ruedi Water for Instream Flow Use in the 15-Mile Reach (Water Div. 5)

On August 27, 2015, the CWCB entered into a renewable short-term Water Lease Agreement 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. See attached Vicinity Map. The purpose of the lease is to supplement existing ISF water rights to preserve and improve the natural environment of the 15-Mile Reach of the Colorado River, benefitting endangered fish habitat in that reach. The CWCB and Ute Water renewed the lease annually through 2018. Volumes used and the resultant costs are summarized below:

Year	Volume Used, AF	Cost (\$7.20/AF)
2015	9,000	\$64,800
2016	12,000	\$86,400
2017	6,000	\$43,200
2018	6,000	\$43,200
Total	33,000	\$237,600

Ute Water has offered to renew the lease and make available up to 12,000 acre-feet of Ruedi Water for ISF use in the 15-Mile Reach this year at the cost of \$7.20 per acre-foot. In 2015, the General Assembly approved the expenditure of up to \$500,000 from the Species Conservation Trust Fund for this renewable lease of water for ISF use on the Colorado River for endangered fish recovery purposes (HB15-1277), of which \$262,400 remains available.

Staff recommendation: Staff recommends that the Board approve a one-year renewal of the lease of up to 12,000 acre-feet of Ruedi Water from the Ute Water Conservancy District for \$7.20 per acre-foot, and an expenditure of up to \$86,400 from the Species Conservation Trust Fund, subject to the following conditions:

1. 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 and the U.S. Fish and Wildlife Service shall coordinate with the Bureau of Reclamation to ensure that these conditions are met.



2. CWCB staff shall consult and coordinate weekly with Colorado Parks and Wildlife staff on proposed releases to minimize impacts to the fishery on the Fryingpan River below Ruedi Reservoir.

Discussion

The CWCB holds ISF water rights on the following reaches of the Colorado River on which leased water can be used:

Case No.	Stream	Segment	Length (miles)	Amount	Approp. Date
5-92CW286	Colorado River (15-Mile Reach)	Tailrace of Grand Valley Pumping Plant to confl Gunnison River	Approx. 15 miles	581 cfs (7/1-9/30)	3/5/1992
5-94CW330	Colorado River (15-Mile Reach)	27.5 Road Gage to confl Gunnison River	Approx. 2 miles	300 cfs (7/1-9/30)	11/4/1994

Use of the Leased Water

The CWCB will use the leased water to supplement the existing ISF water rights in the 15-Mile Reach to preserve the natural environment, and to provide water to help meet or reduce shortfalls to the U.S. Fish and Wildlife Service’s (“USFWS”) flow recommendation to benefit the endangered fish habitat in the reach. Based upon current hydrologic conditions, it appears that the August - October 15-Mile Reach flow recommendation will be 1,240 cfs. The CWCB’s use of the leased water above the decreed ISF rates to meet the USFWS flow recommendation will improve the natural environment to a reasonable degree. The CWCB, USFWS, and U.S. Bureau of Reclamation (USBR) will coordinate on the timing and amount of such uses.

In 2015, 2016, 2017, and 2018, releases 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. Additionally, the released water passed through the Ruedi Reservoir hydropower plant and Orchard Mesa Irrigation District’s power plant on its way to the 15-Mile Reach, providing some additional local benefits. Staff anticipates that the same benefits will result from the lease this year.

Term of Lease Agreement

Because the Water Lease Agreement with Ute Water provided for up to four renewals, this is the last year that the parties may renew that agreement. If the CWCB and Ute Water want to continue this lease next year, staff will work with Ute Water to negotiate a new lease agreement.

Public Outreach

Staff will give a presentation on the lease to local stakeholders at the USBR annual Ruedi Reservoir water operations meeting in August of this year. In previous years, stakeholders have expressed concerns about increased flow rates in the Fryingpan River limiting opportunities for recreational fishing. Consequently, the CWCB has coordinated with the USFWS and USBR to ensure that releases from Ruedi Reservoir do not exceed 300 cfs (a rate that maximizes hydropower benefits) and do not cause flows in the Fryingpan River below the Reservoir to exceed 350 cfs, and will continue that coordination this year.



