

Colorado Water Congress



Colorado Water Issues Briefing

April 9, 2018 Lunch at 11:30 am, Program at 12:00 pm U.S. Senate Visitors Center Room 200



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Colorado Water Issues Briefing Agenda Monday April 9, 2018 U.S. Senate Visitor Center, Room 200

- 1. Introductions
- 2. Review Agenda/Purpose
- 3. CWC Priority Topics
 - a. Water Infrastructure
 - b. Waters of the U.S.
 - c. Water Transfer Rule
 - d. Forest Health
 - e. Farm Bill and Conservation Programs
- 4. Delegation Priorities
- 5. Communications
 - a. Monthly Call
 - b. Where to Find CWC FA Information
 - c. CWC Summer Conference
- 6. Other Business
- 7. Adjourn



Additional 2018 Federal Priorities

Abandoned Mine Reclamation

Superfund Programmatic Funding for Abandoned Mines (ex. Gold King) Good Samaritan Legislation

Regulatory Changes due to Climate Variability

Endangered Species Recovery Implementation Programs and ESA Reform

Upper Colorado River

San Juan River Basin

Platte River

Hemp Irrigation from Federal Projects

USFS and BLM Management Plans

NEPA and Permit Streamlining

Water Rights Protection Act

Waters of the United States Rule-making

Other Colorado Priorities

U.S. Bureau of Reclamation Colorado River Basin Study Colorado River Drought Contingency Planning NRCS Funding for Manual Snow Course Measurement

Approved December 21, 2017



Water Infrastructure

The Colorado Water Congress joins others in strong support of more robust funding for water infrastructure, with resources dedicated to the unique needs of the semi-arid West.

Increased storage remains a top priority. Water providers for municipal, agricultural or industrial purposes require a firm supply of water, stored in wet years for use in the increasingly-frequent dry years in this region. Water is the key to sustainability of communities and their economies.

The federal government must give serious consideration to the funding of new projects when federal contributions can be matched by state, local and private investments. CWC recognizes the changing environment for federal funding for water resource development through the traditional appropriations process, with years-long repayment contracts providing reimbursement for at least some of the federal outlays. However, CWC disagrees with the notion that water resource development is not a federal interest.

A time and cost-efficient way of increasing storage is to expand the capacity of existing facilities. Expansions not only serve as a needed buffer against drought and flood events, but as an efficient and cost-effective means of utilizing existing facilities. The opportunities for project enlargement are many and streamlining the permit approval process for existing reservoirs should be easier than permitting and building new projects.

CWC also supports reasonable and responsible streamlining of federal regulatory processes that are a condition precedent to the construction of such projects. Federal agencies should improve the efficiency of their permitting procedures for the development of large infrastructure projects by establishing clear and binding timelines for completing required permit reviews, ensuring that projects are not subject to new reviews each time an agency policy changes and notifying permit applicants when applications are complete. Similarly, where multiple agencies are involved in the permitting process, they should clearly delineate the roles of the lead and supporting agencies, conduct sequential rather than simultaneous reviews of permit applications and supporting documents.

Finally, the Colorado Water Congress strongly supports a commitment at the federal level to lead an indepth collaboration with state agencies and local water managers to identify truly workable financing mechanisms for water resource development. We are encouraged by the significant increases in the State Revolving Funds for safe drinking and clean water programs. However, those programs do not meet all resource development needs. Nor does WIFIA, even with its recent boost in funding. Those funding opportunities are welcomed but need to be part of a broader financing toolkit for large and small projects; projects in urban and rural communities; and projects with multiple purposes.



Waters of the U.S.

The Obama administration 2015 "waters of the U.S." rule, as found at 40 CFR 230.3(s), has been the subject of litigation since its enactment. In addition, In February 2017, President Trump issued E.O. 13778 calling for a review and revision of the rule. Administrative action was subsequently commenced as part of a two-step process to repeal the existing rule and promulgate a new one. On January 22, 2018, the U.S. Supreme Court ruled that federal district courts, not federal courts of appeal, had jurisdiction over rule challenges, effectively lifting a stay of the Obama rule that the Sixth Circuit had previously put in place. Nat'l Ass'n of Mfrs v. Dept. of Def., 2018 WL 491526. Renewed efforts to stay the rule pending the adoption of a replacement are now the subject of district court actions in the Southern District of Texas and the Southern District of Georgia. In the meantime, EPA has attempted to administratively "suspend" the Obama rule by delaying its "applicability" date. That effort is the subject of litigation in the Southern District of New York.

Pending some direction from judicial rulings or the promulgation of a new rule, EPA and the Corps of Engineers are generally relying upon the pre-Obama rules and guidance (1986/88 rule, 2008 guidance) in making jurisdictional jurisdictions. Concerns remain that need to be eventually addressed in the formation of a revised rule or through legislation, e.g., treatment of dry ephemeral and intermittent drainages, compensatory mitigation requirements, treatment of ditches and canals, aggregation of similarly situated waters).



Water Transfer Rule

The water transfer rule, 40 CFR 122.3(i), allows water to be transferred from one waterbody to another without the need to obtain a point source discharge permit so long as the transferred water is not subjected to intervening industrial, municipal or commercial use. The rule is a significant protection for those western water providers who engage in trans-basin or intrabasin water transfers. In January 2017, the Second Circuit Court of Appeals found that the rule was a reasonable agency interpretation of the Clean Water Act. That decision was subsequently appealed to the U.S. Supreme Court, which declined to accept certiorari, effectively upholding the lower court ruling. Hence, the rule remains the law of the land for the time being. That said, future legal challenges may arise, or the rule could be administratively modified. A provision has been placed in the Senate's "Water Supply Infrastructure and Drought Resilience Act of 2018" which would legislatively close the debate by codifying the rule.



Forest and Watershed Health

Healthy forests protect the headwaters of the West. Securing favorable water flows is a foundational purpose of the National Forest System. Such flows:

- Mitigate droughts and floods
- Create and protect soils
- Remove and decompose pollutants
- Cycle and move nutrients
- Maintain biodiversity
- Offer natural beauty
- Provide sustainable, high quality water

Unhealthy forests and wildfires threaten the sustainability and quality of drinking water for tens of millions of residents of the western United States, causing:

- Increased erosion
- Sedimentation
- Water quality problems
- Negative impacts upon water storage and delivery infrastructure.

CWC supports and appreciates the recently passed omnibus spending package and the inclusion of several forestry provisions:

- Forestry Reforms: This legislation provides for incremental forest management reforms to help
 reduce catastrophic forest fires. Such reforms include environmental permit streamlining,
 reduced litigation, timber harvest contract certainty, and vegetative management along electric
 rights- of-way. More effective timber management will ultimately help protect communities and
 the environment by reducing dangerous fuel growth on National Forest and other federal lands.
- Fire Borrowing: The legislation includes a "fire borrowing fix" by creating a new wildfire suppression cap adjustment under the Budget Control Act.
- Vegetation Management: The language included in the bill will enable energy grid reliability, improve grid and system resiliency, and reduce wildfire risks by providing an improved framework for vegetation management and other maintenance of electric infrastructure that crosses federal lands.



2018 Farm Bill and FY '19 Funding for USDA Conservation Programs

A major part of Colorado's Water Plan, and of the ongoing efforts by agricultural producers in Colorado to make most efficient use of finite surface and groundwater resources, is conservation.

The USDA's conservation programs serve Colorado well, from the Regional Conservation Partnerships Opportunity (RCPP) partnerships to the Farm Service Agency's Conservation Reserve Enhancement Program (CREP). However, conservation programs were put on the chopping block in the Administration's FY '19 proposed budget, and their future in the pending 2018 Farm Bill is unknown.

The Colorado Water Congress strongly supports these programs, which are implemented with or significantly supported by federal dollars with contributions from states and local water jurisdictions. In the case of the Republican River and Rio Grande Water Conservation Districts' CREPs, the required cost share comes from assessments paid by each participating producer and contributions from the District.

Both CREPs have measurably reduced irrigated acreage through the voluntary sign-up of farmers and ranchers. CREP requires a 15-year curtailment of production and reclamation of the lands with ground cover. In both cases, the depletion of precious groundwater is reduced significantly, and soil conservation measures are put in place. Producers receive payments from the combined contributions of federal and local dollars (their own assessments), all for the purpose of long term water supplies, soil conservation, and the long-term sustainability of the agricultural economy of these two regions.

Elimination of the acreage cap and the increase in the threshold for Congressional "notification" in the omnibus FY '19 budget for Watershed Act (P.L.566) funding are both positive outcomes and significant steps forward. Additionally, Colorado Water Congress stands ready to offer improvements to the RCPP program to facilitate grant implementation and fulfillment of the RCPP program's goals.

Continued authorization in the Farm Bill, including potentially expanding CREP's acreage cap, and appropriations to support the authorization are priorities of CWC.

The Colorado Congressional delegation's support is appreciated.



The Honorable Jeff Flake, Chairman
The Honorable Catherine Cortez Masto, Ranking Member
Water and Power Subcommittee
U.S. Senate Committee on Energy and Natural Resources
304 Dirksen Senate Building
Washington, D.C. 20510

Re: Codify Water Supply Infrastructure and Drought Resilience Act

Dear Chairman Flake and Ranking Member Cortez Masto:

On behalf of the Colorado Water Congress, we are writing to express our support for the codification of the Water Supply Infrastructure and Drought Resilience Act. The Colorado Water Congress is the principal voice of Colorado's water community.

The Colorado Water Congress supports the codification of the legislation on three points of Title III: (1) Water Rights Protection Act, (2) treatment of water rights, and (3) the extension of authorization to use Upper Colorado River Basin Fund Revenues for Annual Base Funding of Fish Recovery Programs and removal of certain reporting requirements.

(1) Water Rights Protection Act

The Colorado Water Congress recognizes the supremacy of state water law. No water user should be required to acquire a water right in the name of the United States under state law. Neither should the United States place limits on a water user's right or ability to acquire or use any land use or occupancy agreement.

(2) Treatment of Water Rights

We wish to express our long-standing support for the Environmental Protection Agency's (EPA's) Water Transfers Rule (Rule), and request that this well-reasoned protection of water management by states be enacted into federal legislation as part of infrastructure legislation. The Rule clarifies the EPA's historic exclusion of water transfers from the requirements of the National Pollutant Discharge Elimination System (NPDES) of the Clean Water Act (CWA). The Rule represents a well-reasoned approach to water delivery while ensuring that the quality of the nation's waters will not be diminished. The effective management of our water is critical to the infrastructure needs of our nation and securing the future of these operations should be included in any infrastructure efforts of Congress. We ask that Congress protect our existing regulatory structure for the future by cementing the existing Rule into federal law.

The Colorado Water Congress also supports section 122.3(i) of Title 40 as it requires no water permit transfers on water rights. Requiring the issuance of NPDES permits for water transfers would severely interfere with water management across the nation, on the states' well-established authority over their water resources, and on private property rights in the use of water granted by the states.

(3) Upper Colorado River Basin Fund Revenues

We support Subtitle C – Endangered Fish Recovery Programs (S. 2166) to provide for continued use of Colorado River Storage Project for annual funding of the Upper Colorado River Endangered Fish Recovery Program and the San Juan River Basin Recovery Implementation Program through 2023 at the



current authorized levels. Substantial cost sharing and in-kind contributions are also provided by the States of Colorado, Wyoming, New Mexico, and Utah, water users, tribes, environmental organizations, and CRSP power customers.

These programs intend to recover four fish species listed as endangered under the federal Endangered Species Act (ESA) while water development proceeds in accordance with state water and wildlife law, U.S. Bureau of Reclamation water project authorizations, and interstate compacts approved by Congress.

The recovery programs take actions to recover the endangered fish species. Those actions provide ESA compliance for approximately 2,500 water projects in Utah, Colorado, Wyoming, and New Mexico in the Upper Colorado River basin upstream of Lake Powell. There have been no lawsuits on ESA compliance provided by the recovery programs. The programs have streamlined administration of the ESA for federal agencies, tribes, and water users.

Colorado River Storage Project revenues provide critical annual funding for the programs for operation and maintenance of facilities to recover the species, including fish screens, fish passages, bottomland habitat, and hatcheries, research and monitoring, and program management.

We appreciate the Subcommittee's past support for the programs and request your support for the codification of the Water Supply and Infrastructure Resilience Act.

Sincerely,

Doug Kemper Executive Director

Andy Colosimo

Federal Affairs Committee Chair

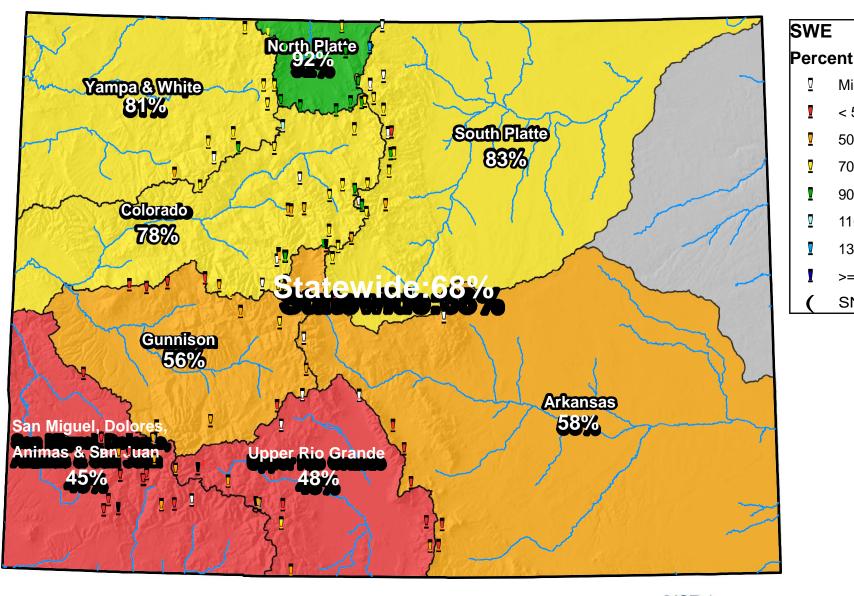
Vice Chair

Chris Treese

Federal Affairs Committee

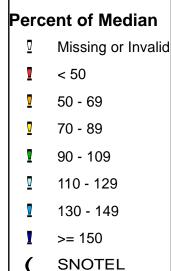
Colorado SNOTEL Snow Water Equivalent (SWE) Update Map with Site Data

Current as of Apr 04, 2018



150

200



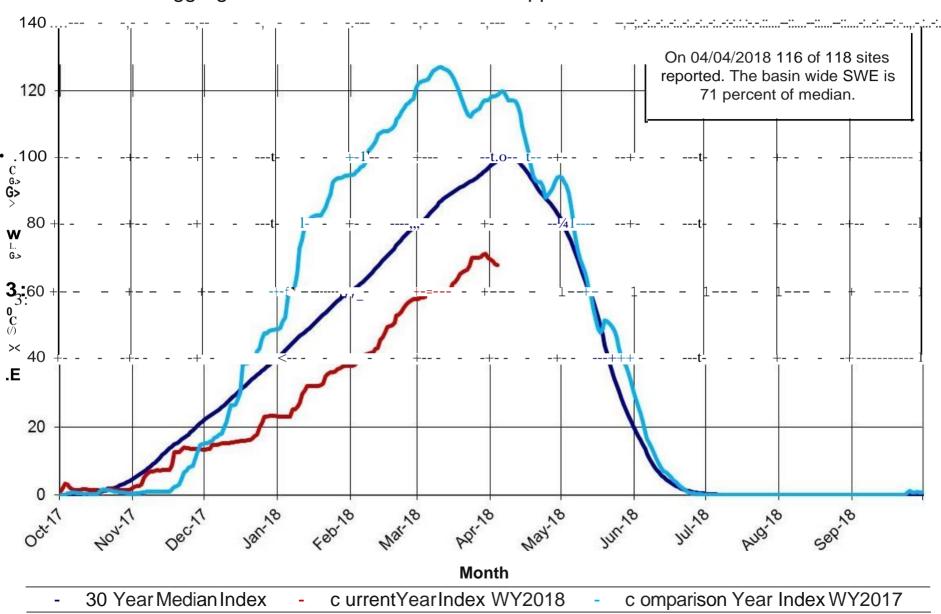


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Upper Colorado River Basin Snotel Tracking

Aggregate of 118 Snotel Sites in the Upper Colorado River Basin





WHAT IS THE WINDY GAP FIRMING PROJECT?

The Windy Gap Firming Project is a collaboration between 12 Northeastern Colorado water providers to improve the reliability of, or make firm, water supplies from the Windy Gap Project, which started delivering water in 1985 and is operated by Northern Water's Municipal Subdistrict.

The firming project proposes to build a new East Slope reservoir called Chimney Hollow to provide dedicated storage to supply a reliable 30,000 acrefeet of water each year for future generations. The new reservoir would be immediately west of the existing Carter Lake in southern Larimer County.



WHY DO THE PARTICIPANTS NEED THEPROJECT?

There are 12 participants: Nine municipalities, two water districts and one power provider. Northern Water's Municipal Subdistrict has coordinated the permitting process and will oversee design, construction and operation of Chimney Hollow Reservoir.

By 2050, the water providers' combined population will have far more than doubled what it was in 2005, to about 825,000. Projections show a shortage in supply of 64,000 acre-feet in 2030 and 110,000 acre-feet by 2050.

To address this shortage, participants are relying on multiple approaches: conservation, alternative transfer methods with farms, reuse,

- Broomfield
- Greeley
- Longmont
- Loveland
- Erie
- Fort Lupton
- Lafayette
- Louisville
- Superior
- Platte RiverPower Authority
- Central Weld County Water District
- Little Thompson
 Water District

and additional supplies – including the firming project.

HOW DOES CHIMNEY HOLLOW RESERVOIR FIT INTO THE COLORADO WATER PLAN?

In 2015, the Colorado Water Conservation Board released its Colorado Water Plan, which identified the need for more water for Colorado's growing population. The plan calls for increased water conservation, additional reservoir storage, temporary water transfer alternatives with farms and making full use of the water available to Colorado through its compacts with neighboring states.

Endorsed by Colorado Gov. John Hickenlooper, Chimney Hollow is a regional, cooperative storage solution, saving money and reducing environmental impacts by building one reservoir for the 12 providers to share.

The reservoir connects to existing infrastructure by storing water diverted into Windy Gap's system, which pumps water into Lake Granby and uses C-BT Project facilities for delivery to participants. The firming project would efficiently fill Chimney Hollow Reservoir using the original Windy Gap water rights decrees.

The reservoir is part of Larimer County's open space plan and will offer fishing and non-motorized boating. Larimer County owns the land next to the reservoir site – an ideal location for trails and initiatives to protect native habitat and vegetation.

Spring 2018 chimneyhollow.org

WHAT MITIGATION WILL BE PROVIDED?

"Northern Water and its many project partners have worked diligently, transparently and exhaustively in a collaborative public process that could stand as a model for a project of this nature."

- Colorado Gov. John Hickenlooper

"The Subdistrict and project participants are to be commended for their efforts to address our concerns and do the right thing for the river."

- Mely Whiting, counsel for Trout Unlimited

"Grand County has secured protections for water quantity and quality in the Colorado Riverthat never would have happened without the project and this permit."

- Nancy Stuart, former Grand Co. commissioner The Subdistrict, on behalf of project participants, is committed to mitigating environmental impacts and improving the Upper Colorado River habitat. Through collaboration with West Slope stakeholders and environmental groups, these efforts include a nearly \$100 million investment in the Colorado River.

The Subdistrict worked with biologists to develop the state fish and wildlife mitigation plan, which offers ways to address higher stream temperatures, increase flushing flows to clean sediment in the stream, and address the factors that impede water quality in Grand Lake and the Colorado River. Federal reviews incorporated the plan in the Final Environmental Impact Statement.

The particpants authorized a

voluntary enhancement plan to fund future stream restoration and habitat-related projects. The Subdistrict will provide other benefits outlined in a 1041 permit and agreements with Grand County, West Slope stakeholders, Trout Unlimited and others. They include water supply for the Middle Park Water Conservancy District and more water for stream habitat on the river below Windy Gap.

The Subdistrict also reiterated its support for Northern Water's long-term commitment to work with Reclamation and Grand County to address existing clarity concerns in Grand Lake.

The Subdistrict will provide \$2 million for construction of a bypass for Colorado River water around Windy Gap



Reservoir, and restore the one-mile reach of the Colorado River to a predeveloped condition.

The participants' commitments leave a legacy that goes far beyond the requirement to mitigate for the firming project alone. Their collaborative efforts take a much bigger step and will improve Colorado River conditions from what they are today.

CHIMNEY HOLLOW RESERVOIR TIMELINE

1985: Windy Gap Project construction completed

2003: Thirteen water providers enter the formal federal permitting process for Windy Gap Firming Project; The Subdistrict publishes an alternatives report detailing 170 methods to potentially accomplish project goals and how they were narrowed down to seven

2005: Reclamation publishes two reports, one describing the purpose of and need for the project, and one identifying a range of alternatives that could meet the needs

2008: Reclamation publishes the Draft Environmental Impact Statement

2009: The Subdistrict offers West Slope benefits to facilitate project implementation

2011: State officials approve the fish and wildlife mitigation plan and a voluntary enhancement plan; Reclamation publishes a Final EIS

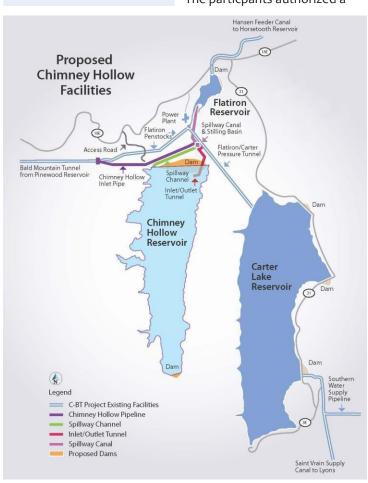
2012: Grand County and the Subdistrict board approve agreements to create improvements to the Colorado River

2014: Reclamation issues its Record of Decision and signs a carriage contract to transport water to Chimney Hollow Reservoir

2016: Colorado issues a 401 Water Quality Certification

2017: U.S. Army Corps of Engineers issues its final Record of Decision

2019 (projected): Construction of an asphalt-core dam will commence at the Chimney Hollow site in Larimer County





Two new reservoirs that will help Northern Colorado communities meet their future water needs

The Northern Integrated Supply Project will supply 15 Northern Front Range water providers with 40,000 acre-feet of new, reliable water supplies. Northern Water is pursuing permitting, design and construction of this estimated \$1 billion project on behalf of the participants, who will be providing water to nearly half a million residents by 2050. The project components include:

- Two reservoirs (Glade Reservoir northwest of Fort Collins, and Galeton Reservoir northeast of Greeley)
- · A forebay reservoir below Glade Reservoir
- Five pump plants
- Pipelines to deliver water for exchange with two irrigation companies and for delivery toparticipants
- Improvements to an existing canal to divert wateroff the Poudre River near the canyon mouth

Since 2009, more than 5 million acre-feet of water has flowed into Nebraska over and above legal requirements. NISP will help put some of that water to beneficial use here in Colorado, through a 1980 storage right on the Poudre River, a 1992 water right on the South Platte River, and exchanges with two local ditch companies.

Current Status & Upcoming Timeline

2017 - Approval of Fish and Wildlife Mitigation and Enhancement Plan

2018 - Release of a Final Environmental Impact Statement from the U.S. Army Corps of Engineers, and continued work on water quality certification

2019 – Anticipated Record of Decision, which is the Corps' final determination on whether NISP can proceed

2019-2021 - Project design to be finalized

2021-2025 - Anticipated construction dates

2025 - First water stored in Glade Reservoir

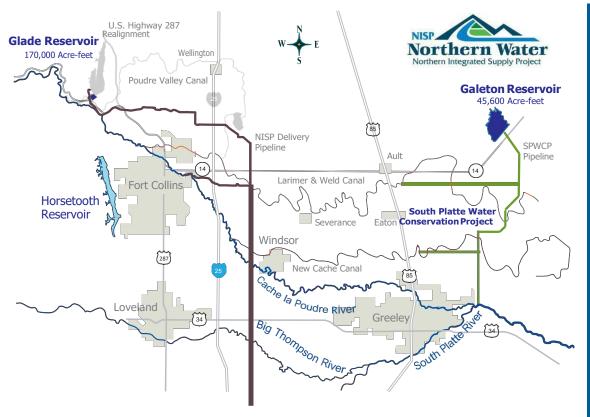
A project that will improve river flows and protect wildlife and our environment

The NISP Fish and Wildlife Mitigation and Enhancement Plan – approved by the Colorado Parks and Wildlife Commission, Colorado Water Conservation Board and Gov. John Hickenlooper in 2017 – includes an array of components that address issues raised during the permitting and public comment processes, such as:

- An operational configuration that releases 18 cubic feet per second to 25 cfs year-round from Glade Reservoir to the Poudre River, eliminating existing dry-up points in the river and improving streamflows
- A Poudre River peak-flow operations programthat results in little to no diversions during peak flow conditions during 90 percent of years
- · Wildlife habitat conservation
- · Water quality improvements
- Retrofitting four existing diversion structures to allow fish to migrate freely up and down river – and for flows to continue downstream
- Stream channel and habitat improvements
- Fishery and recreation benefits at Glade Reservoir



The future site of Glade Reservoir northwest of Fort Collins.



PARTICIPATING WATER PROVIDERS

- Central Weld County Water District
- Dacono
- Eaton
- Erie
- Evans
- Firestone
- Fort Collins-Loveland Water District
- Fort Lupton
- Fort Morgan
- Frederick
- Lafayette
- Left Hand Water District
- Morgan County Quality Water District
- Severance
- Windsor

Glade Reservoir

Glade Reservoir will be located northwest of Fort Collins near the intersection

of U.S. Highway 287 and State Highway 14. It will be 5 miles long, 280 feet deep at its deepest, and have the capacity to store 170,000 acre-feet of water, slightly larger than Horsetooth Reservoir. Glade Reservoir will divert water from the Poudre River during mostly high flow times, using the already existing Poudre Valley Canal near the canyon mouth. As part of NISP, the PVC's diversion structure will be upgraded. The reservoir siteis divided by U.S. Highway 287, and therefore, aboutseven miles of the highway will be relocated to the east.

Galeton Reservoir

Galeton Reservoir will be located east of Ault and northeast of Greeley,

and store about 45,600 acre-feet at full capacity. To fill Galeton Reservoir, water will be diverted from the South Platte River downstream from Greeley at high flow times. Galeton Reservoir water will be delivered to two ditch companies in exchange for a portion of the Poudre River water they currently use – an effort called the South Platte Water Conservation Project. More than half of NISP's planned diversion from the Poudre River includes water that's already been diverted for decades by these two ditch companies.

Colorado Water Plan

The Colorado Water Plan reinforced the necessity of additional

water storage to help meet the state's future water gap. The gap is the difference between the estimated future water demands and existing supplies by theyear 2060. The plan identifies the need for 400,000 acrefeet of additional storage statewide. NISP can play a role in meeting a portion of the impending water gap in Colorado. The plan also identifies water conservation and increased water transfers between the agricultural and municipal sectors as additional solutions to help meet the impending gap.

NISP Participants

The 15 NISP participants include 11 fast-growing communities and four

water districts within the Northern Front Range. They currently serve water to about 250,000 residents, with that number expected to double by 2050. The NISP participants are pursuing an all-of-the-above strategy to meet their future water needs. In addition to NISP, they are embracing conservation efforts, alternative transfer methods with ag-water suppliers and reuse opportunities. The participants have already collectively reduced their water consumption by more than 20 percent in recent years through these efforts.





Gross Reservoir Expansion Project Update – Spring 2018

Prepared for Colorado Water Congress Federal Affairs Committee

Project Overview

The Gross Reservoir Expansion Project (also known as the Moffat Collection System Project) is a major component of Denver Water's long-term, multi-pronged approach (including conservation, recycled water and responsible sourcing of new supply) to deliver safe, reliable water to the more than 1.4 million residents in our service area today and many of the projected 7.7 million who will call Colorado home by 2040.

It will raise the current Gross Dam by 131 feet and increase the reservoir's capacity by 77,000 AF. Expanding Gross Reservoir will help protect Denver Water customers from future drought and projected shortfalls in the overall water storage system. The project improves water dependability for many along Colorado's Front Range by protecting against potential natural and human-caused disasters and climate change.

State and Federal Permitting

Denver Water expects the Federal Energy Regulatory Commission to approve our hydropower license amendment application this year, which is the final permitting requirement for the project. We've previously received a 401 Water Quality Certification from the Colorado Department of Public Health and Environment (CDPHE) in 2016 and a Record of Decision (ROD) and 404 Permit from the U.S. Army Corps of Engineers in July 2017.

Environmental

This project has earned the support of major environmental groups including Colorado Trout Unlimited and Western Resource Advocates. We are proud of the more than \$20 million in environmental mitigation and enhancements we've committed to that, according to CDPHE, will create a "net environmental benefit" for our state.

Schedule

Activity	'18	'19	'20	'21	'22	'23	'24	'25	'26
Final dam design									
Site development design									
Site development work									
Quarrying operations (Test quarry late-'18-'19, Full '20-'25)									
Install temporary recreation facilities									
Dam construction enabling – foundation, excavation, foundation grouting									
Dam raise – roller compacted concrete									
Reservoir tree clearing									
Hydropower modification and spillway work									
Reservoir begins filling									

For More Information

Visit the project website at www.grossreservoir.org.





Water Conservancy District

"Your investment in water"

Arkansas Valley Conduit Progress Report

April 10, 2018

The Arkansas Valley Conduit (AVC) will serve 50,000 people in 40 cities, towns and water districts in Southeastern Colorado.

Last year, the Southeastern Colorado Water Conservancy District asked Reclamation to consider a New Concept proposal to save time and money in building the AVC. The plan would use capacity in Pueblo Water's system to reach the eastern edge of Pueblo more quickly than the Preferred Alternative identified in the 2014 Record of Decision.

The New Concept would phase in connections to the AVC route from Pueblo Water over time. This allows clean water to more quickly reach communities in Otero County which are facing enforcement action because of radionuclides in their well water.

A study completed by the District in March (see box at right) was presented to the Bureau of Reclamation, which intends to evaluate the conclusions in the near future.

If the New Concept is chosen as the way to build the AVC, construction could begin as soon as late 2021.

To keep the AVC on track, the project needs a minimum of \$6.1 million in FY 2019, and \$5 million in FY 2020 and 2021.

The District was disappointed that the President's 2019 Budget Message did not include funding for the AVC. Full funding of the AVC will result in long-term savings, as well as a solution to immediate water quality problems.

To date, \$28 million has been spent in planning for the AVC and it would be a shame to see that money go to waste.



New Concept Report issued

The District completed a report on the hydraulics, treatment and cost changes the New Concept would require compared to the AVC Preferred Alternative in the 2014 Record of Decision by the Bureau of Reclamation.

The report was funded by the District and the 40 participants in the AVC. The engineering firm of Black & Veatch was contracted to do the study for \$80,000.

The study found:

- \$30 million reduction in overall construction cost.
- \$90 million savings in deferred spending
- First delivery to customers 10 years sooner.

AVC PARTICIPANTS

Pueblo County

Boone

St. Charles Mesa Water

Crowley County

96 Pipeline Company Crowley County Water Association Crowley Olney Springs Ordway Sugar City

Bent County

Hasty Water Company Las Animas McClave Water Association

Prowers County

Lamar May Valley Water Assn. Wiley

Kiowa County

Eads

Otero County

Beehive Water Assn. Bents Fort Water Co. Town of Cheraw East End Water Assn. Eureka Water Co. Favette Water Assn. Fowler Hancock Inc. Hilltop Water Co. Holbrook Center Soft Water Homestead Improvement La Junta Manzanola Newdale-Grand Valley North Holbrook Water Patterson Valley Riverside Water Co.* Rocky Ford South Side Water Assn.

Valley Water Co.

Vroman

Swink

West Grand Valley Water
West Holbrook Water

South Swink Water Co.

How does the New Concept Save Money?

The New Concept saves federal appropriations in the following ways:

- Reduction of miles of pipeline needed for the AVC
- Eliminating several miles of pipeline
- Reduction of the time of construction by 10 years
- Reduction of water treatment facilities
- Reduction of pumping capacity needed

How is the New Concept more efficient?

While water quality is the most immediate issue, the AVC also serves future growth of the Lower Arkansas River basin.

By reaching the areas 10 years sooner, the AVC will provide relief to communities struggling with contamination now, while providing the infrastructure to complete the AVC in futture years.

What is the status of state enforcement orders?

The District has worked closely with the Colorado Department of Public Health and Environment and the Environmental Protection Agency to develop a timetable for mitigation.

Right now, 15 communities in the AVC program have active enforcement orders for radionuclides, while five others have orders for different sources of contamination.

The problems are not going to go away. In fact, other communities could face similar problems in future years.

The common thread for all the 40 particiapants is that they have chosen the AVC as their most effective remedy for water quality problems. Other alternatives are more costly, create waste, and reduce the overall water supply to the region.

Why should the federal government fund this?

Public Law 111-11 provides a mechanism to use miscellaneous revenues from the Fryingpan-Arkansas Project to pay or repay construction costs for the AVC.



SOUTHEASTERN COLORADO

Water Conservancy District

"Your investment in water"

Pueblo Dam Hydroelectric Project

Pueblo, Colorado



Construction began in 2017 on the Southeastern Colorado Water Conservancy District's \$20.3 million, Mountain States Hydro LLC to construct the plant, 7.5-megawatt hydroelectric generation plant at Pueblo Dam.

The plant is being construction as a result of a Lease of Power Privilege (LoPP) which was awarded to the District and its partners, Colorado Springs Utilities and the Pueblo Board of Water Works, in 2011. Since that time, Southeastern has become the sole signatory on the LoPP.

The District has signed a design-build contract with which should be commissioned in the fall of 2018.

The plant will use water from penstocks that connect to a municipal service line owned by the Bureau of Reclamation and is designed to produce electric power at flows ranging from 35-810 cubic feet per second.

Power will be purchased by the city of Fountain and Fort Carson, through Colorado Springs Utilities.

PROJECT DESCRIPTION

The proposed 7.5 megawatt (MW) facility will be located on the Pueblo Dam River Outlet. A powerhouse will be located at the downstream end of the existing outlet works that supplies water to the Arkansas River and will use the Dam's authorized releases to generate an annual average 28.0 million kilowatt hours and approximately \$1.4 million in average revenue per year. The project's total capital cost is estimated to be \$20.3 million, which is being provided by low-interest hydroelectric project financing available through the Colorado Water Conservation Board, and a loan from the Southeastern District's Enterprise Activity.



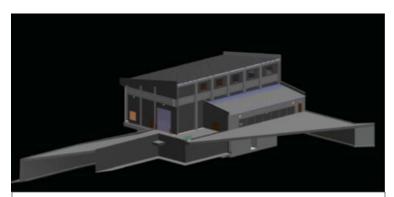












Project Features

Rated Flow
Rated Head
Squipment
Squi

Average Annual

Energy Production 28,000,000 kWh

Schedule

Preliminary LoPP Granted - Feb 2012
Feasibility Study Updated Mar 2014
Preliminary Design Complete Jul 2014
Execution of Final LoPP April 2017
Final Design Complete Jul 2016
Construction Contract
Award Feb 2017
Construction Started Sept 2017
Commissioning Fall 2018

Development Cost

Estimated \$ 20.3 M



For More Information Contact

Southeastern Colorado Water Conservancy District 31717 United Avenue Pueblo, CO 81001

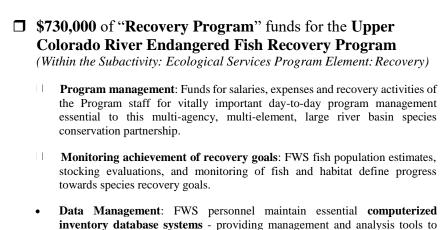
Phone: 719-948-2400 email: kevin@secwcd.com



Requested Fiscal Year 2019 Congressional Appropriations: Upper Colorado and San Juan Recovery Programs

The non-federal participants in the Upper Colorado River Endangered Fish Recovery Program and the San Juan River Basin Recovery Implementation Program request the support of Congress for fiscal year 2019 funding based on identified needs to meet the federal cost share of these programs. The requests are consistent with the President's budget proposal.

U.S. Fish and Wildlife Service



□ \$200,000 of "Recovery Program" funds for the San Juan River Basin Recovery Implementation Program (Within the Subactivity: Ecological Services, Program Element: Recovery)

assess species' response to Program activities and progress towards recovery.

- Program management and FWS participation: Funding will meet the salaries and expenses of the San Juan Program Coordinator and Assistant and other related FWS expenses in completing Program actions.
- □ \$600,000 for the Ouray National Fish Hatchery (Fish and Aquatic Conservation Activity; National Fish Hatchery System Operations Subactivity; within the item entitled "National Fish Hatchery System Operations")
 - Meeting the **ongoing operation, maintenance and upkeep expenses associated with this innovative Program hatchery** is essential to continuing to annually accomplish the Upper Colorado Program's stocking objectives.

Bureau of Reclamation

- □ \$4,302,000 for the Upper Colorado Region: \$4,152,000 for construction activities for the Upper Colorado River Endangered Fish Recovery Program and San Juan River Basin Recovery Implementation Program; and \$150,000 for construction management activities for the Upper Colorado River Endangered Fish Recovery Program and San Juan River Basin Recovery Implementation Program.
 - \$972,000 for construction of a fish barrier weir and fish return pipeline at
 Fruitland Diversion Dam in northwest New Mexico on the San Juan River to
 prevent entrainment of endangered fish.
 - \$1,080,000 for installation of a net on Ridgway Reservoir on the Gunnison River, Colorado to prevent escapement of illegally stocked nonnative fish into endangered fish habitat.
 - \$1,100,000 for construction of a fish barrier at the Green River Canal
 Diversion Dam in eastern Utah on the Green River to prevent entrainment of
 endangered fish.
 - \$500,00 for construction of a fish screen at Red Fleet Reservoir, Utah to maintain a sport fishery in the reservoir while preventing escapement of nonnative sport fish into endangered fish habitat
 - \$500,000 for construction of facilities to prevent fish escapement at
 Catamount Reservoir on the Yampa River, near Steamboat Springs, Colorado to
 maintain a sport fishery in the reservoir while preventing the escapement of
 nonnative sport fish into the endangered fish habitat.
 - \$100,000 for Upper Colorado Program Management for contracting, budgeting, reporting, contract administration, tracking expenditures, and addressing issues and concerns associated with capital project construction.
 - \$50,000 for San Juan Program Management for budgeting, contracting and contract administration, reporting, tracking expenditures, and transferring Capital Improvement Program funds to the appropriate entities.

Funding Support Letters Demonstrate Congressional and Grass Roots Support

Joint delegation letters demonstrating strong bipartisan support by Members of Congress representing Colorado, New Mexico, Utah and Wyoming were routinely submitted to the Congressional Appropriations Committees supporting the programs' funding in past years and Member funding requests have included funding for these programs.

Testimony supporting appropriations for the recovery programs has been submitted to Congress by:

Participating States

- State of Colorado
- State of Utah
- State of Wyoming
- State of New Mexico

American Indian Tribes

- The Navajo Nation
- Southern Ute Tribe
- Ute Mountain Ute Tribe
- Jicarilla Apache Nation

Cities, Water Users, Environmental, Power Customer and Energy Organizations

- The Nature Conservancy
- Colorado River Energy Distributors Association
- Arizona Public Service
- BHP Billiton
- Central Utah Water Conservancy District
- City of Aurora, Colorado
- City of Colorado Springs, Colorado
- City of Farmington, New Mexico
- Colorado River Water Conservation District
- Colorado Water Congress
- Denver Water
- Dolores Water Conservancy District
- Grand Valley Water Users Association

- Northern Colorado Water Conservancy District
- Orchard Mesa Irrigation District
- Pueblo Board of Water Works
- Public Service Company of New Mexico
- San Juan Water Commission
- Southwestern Water Conservancy District
- Tri-County Water Conservancy District
- Uncompangre Valley Water Users Association
- Upper Gunnison Water Conservancy District
- Utah Water Users Association
- Western Resource Advocates
- Wyoming Water Association