



Colorado River District

Protecting Western Colorado Water Since 1937

Board of Directors Meeting Summary

Jan. 15-16, 2008

New Colorado River District Board officers elected

Pete Kasper, an educator and state water commissioner from Delta County, was elected as the new president of the Colorado River District Board of Directors at its January 15-16, 2008, regular quarterly meeting. Andy Mueller, an attorney from Ouray County, was elected board vice president.

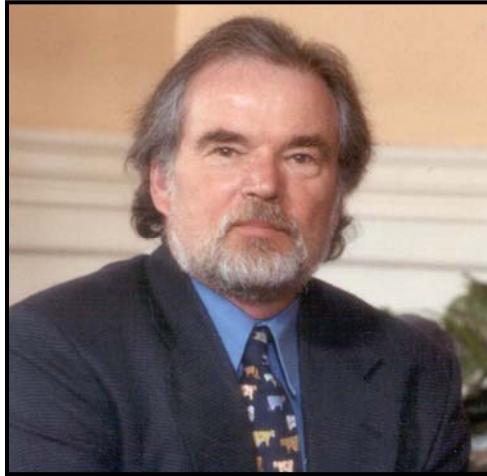
Board officers are elected annually and are term-limited to two annual terms.

Kasper replaces Bill Trampe, a rancher from Gunnison County. During his term as president, Trampe was heavily involved in negotiations regarding future Colorado water supplies and resolution of the Black Canyon of the Gunnison federal reserved water rights case. The board designated him to continue his pivotal role in these talks as he continues his board service but no longer as an officer.

"I appreciate your vote of confidence," Kasper said upon his unanimous election as president. "I take this position seriously as we continue to engage in high level and complex discussions in Colorado about future water supplies for growing communities, drought and the Colorado River Compact."

Kasper thanked Trampe for his leadership. "He will be a tough act to follow. I want to thank him for his two years of stewardship and his professional manner in conducting the Colorado River District's business," Kasper said.

In other business, the board welcomed a new member from Moffat County, Tom Gray. Gray is a rancher and a member of the Moffat County Board of County Commissioners. Gray replaces fellow Moffat County Commissioner Saed Tayarra on the District Board.



President Pete Kasper



Vice President Andy Mueller

The Board accepted the credentials of reappointed board members Tom Sharp (Routt County), Rebie Hazard (Saguache County), Dick Proctor (Mesa County) and John Ely (Pitkin County). River District directors are appointed by the Board of County Commissioners of their respective counties to serve three-year terms.

Water supply planning updates

As part of House Bill 05-1177, "The Colorado Water for the 21st Century Act," nine basin roundtables were created, of which three are within the Colorado River District's boundaries (Colorado, Gunnison and Yampa/White).

One of the major responsibilities of the roundtables is to develop basin-wide water needs assessments, both consumptive and non-consumptive. Gunnison Basin Roundtable representative and Colorado River District Board Director Bill Trampe reported that his roundtable is working on an

approach for identifying the basin's non-consumptive uses (e.g., desired environmental and recreational flows). He also noted that delegations from the Gunnison Roundtable will visit Front Range roundtables to share information about water supply and to begin a dialog.

Yampa/White Roundtable member and River District Deputy General Manager Dan Birch reported that a joint meeting was held in September with the South Platte Roundtable to discuss the proposed Yampa pumpback project that would pump water from the lower Yampa River to Colorado's Front Range. He added that they would be meeting again soon. Birch noted that he attended a joint meeting of the South Platte, Metro and Arkansas roundtables that highlighted the Yampa project

"We see issues with the Yampa pumpback, but the Front Range, with few options for big projects, thinks it is straightforward. I think the Front Range is interested in a big project so I suspect that in the Yampa, this project is not going away," Birch said.

Continued on page 2



Colorado River District

Protecting Western Colorado Water Since 1937

Board of Directors Meeting Summary

Jan. 15-16, 2008

River District General Counsel Peter Fleming noted that the Colorado River District Board shares the same concerns with the Yampa Pumpback as with Aaron Million's Flaming Gorge Reservoir pumpback proposal – that either could conceivably use the last remaining portion of developable water under the Colorado River Compact.

River District General Manager Eric Kuhn reported on a state study to determine how much water is left to develop in the Colorado River system.

He said the first phase of the study is planned for completion in July 2009 and phase 2 in July 2010. The selection of a contractor to conduct the study is due in March 2008. Kuhn said many interests are harboring competing expectations for the study — all of which cannot be met — as the study seeks to deal with impacts of climate change and how development of conditional water rights may be handled. He also raised the issue of whether the state has the patience to wait for the study. Meanwhile, he said it is the legislative direction to the roundtables to determine the amount of water that still can be developed in their basins.

Colorado River District Chief Engineer and Colorado Basin Roundtable Chairman Dave Merritt reported that in December his roundtable discussed, among other topics, the Preferred Storage Options Plan (PSOP) and proposed bills to increase the storage capacity and diversions to the Arkansas River basin. The PSOP is a proposal to provide additional Arkansas basin water storage employing the Frypan-Arkansas Project. He also said a number of projects were recommended to the Colorado Water Conservation Board for funding. Among the projects are the Grand County Streamflow Management Plan, a watershed protection plan for the Roaring Fork Valley, enlargement of Old Dillon Reservoir in

Summit County and a project to reduce sediment loading in the Fraser River at Winter Park.

Kuhn reported that state Department of Natural Resources Director Harris Sherman is widely discussing the question of what the state's role should be in water development. Kuhn noted that part of the debate is whether the state should endorse incremental projects currently on the drawing board or wait for the roundtable processes to develop a statewide "game plan." Another question is whether the state should sponsor its own project.

Immediate past president Bill Trampe said Sherman is searching for input on how the state should proceed. "He is very open and takes comments and suggestions to heart," Trampe said.

Chief Engineer resigns from staff

After 23 years on staff with the Colorado River District, Chief Engineer Dave Merritt has tendered his resignation. Among Merritt's accomplishments was spearheading the permitting and construction of Wolford Mountain Reservoir, located on Muddy Creek in Grand County. This reservoir represented a new era in water projects — one that features cooperation, not competition, among Colorado's water users. The reservoir provides water supply for the Colorado River Basin as well as popular recreational facilities. Merritt is taking a position with the HDR engineering firm and will be opening the firm's Western Colorado office. His last day in the District office is Feb. 15.

Seven States update

On December 13, 2007, Secretary of the Interior Dirk Kempthorne signed an agreement between the seven basin states

that rely on water from the Colorado River. The Record of Decision (ROD) will implement new and interim operational guidelines to meet the challenges of low-water conditions caused by the current eight-year, basin-wide drought or other future causes. The ROD will be in place through 2026 and adopts four key elements for river management: 1) Specifications of how and when shortages will take place for users below Lake Mead; 2) Coordinated rise and fall of Lake Powell and Lake Mead levels to better share the risk of drought; 3) Encouragement of new initiatives for water conservation; and 4) A comprehensive agreement among Lower Basin states that will foster cooperation rather than confrontation.

District goals and objectives

A discussion led by General Manager Eric Kuhn on the District's goals and objectives for 2008 included a review of the district's historical mission, current Colorado River issues, enterprise and water supply activities, personnel and administration, the various organizations staff has leadership roles and participation in, federal and state legislative priorities, basin-by-basin issues and district-wide activities and initiatives.

District policies reviewed

Directors initiated their annual review of District policies with an analysis and discussion of existing policies concerning: Interstate Water Marketing, Transmountain Water Diversions, Colorado River Storage Projects Act and Colorado River Compacts.

Minor changes were suggested and incorporated to these policies during the meeting. Recognizing that the current Transmountain Diversion policy addresses potential future transmountain diversion



Colorado River District

Protecting Western Colorado Water Since 1937

Board of Directors Meeting Summary

Jan. 15-16, 2008

projects, the Board requested staff to draft a new policy addressing operation of existing transmountain water projects. This draft will be presented to the Board at its April meeting.

Pursuant to the Board's bylaws requiring policy consideration at two or more quarterly meetings, these policies remain under review and the public is encouraged to comment. Policies under consideration are available at: http://www.crwcd.org/page_9.

Legislative affairs update

The Board reviewed the 10 water-related bills that have been introduced in the Colorado Legislature to date. Since the Legislature convened just five days prior to the Board meeting, relatively few bills have been officially introduced.

The Board voted unanimously to support House Bill 1026 to revitalize the Colorado Water Resources Research Institute and to support in concept House Bill 1044, a highly technical bill concerning legal ownership and use of excess water augmentation credits.

The Board also provided direction to staff on other water-related legislative issues that are anticipated in this year's legislative session. Further, the Board resolved to meet biweekly during the Colorado legislative session to adopt positions and ensure timely direction to staff regarding state legislative positions and priorities.

A number of federal issues are also expected to loom large in 2008. River District staff reviewed anticipated federal priorities that include seeking a \$5 million appropriation for selenium-related water quality studies in Colorado, authorization for water efficiency programs in the Farm Bill of 2007 and

opposition to Congressman Oberstar's extreme "Clean Water Restoration Act."

10,825 status update on endangered fish

The Programmatic Biological Opinion for the Upper Colorado Endangered Fish Recovery Program requires that West Slope and Front Range water interests supply 10,825 acre-feet of water to the 15-Mile Critical Reach near Grand Junction in August through October of each year.

The water helps to augment flows to aid recovery of the Colorado pikeminnow, the humpback chub, the razorback sucker and the bonytail. A temporary agreement to supply this water runs out in 2010 and work is underway to find a permanent source.

This water delivery obligation is split equally between the West Slope and the Front Range water interests.

Alternatives for meeting this requirement were presented in a memo from Grand River Consulting and included water from William Fork Reservoir, Sulphur Gulch, Ruedi Reservoir and Lake Granby or a combination of these sources.

For detailed technical information visit: www.grandriver.us/10825 and select "memos and reports."

More water from Ruedi

Chief Engineer Dave Merritt reported that the Colorado River District has successfully contracted for an additional 5,000 acre-feet of water from federally owned Ruedi Reservoir for future marketing by the District. Increasing the District's marketing pool of available water will enhance the District's ability

to respond more timely to water supply needs in the Colorado Basin.

Public education

Part of the Colorado River District's mission is to raise public awareness about western water issues.

To that end, the board agreed that video production would be emphasized in 2008 as a means to reach the public with water education through cable television public access channels. Videos can also be posted on the District's website. Other public education materials will continue to support the theme: "Consider the Source. Protect Our Water."

The board also approved an effort to expand a newsletter summary of board meetings to a wider audience via e-mail.

You are reading our first effort. Citizens can subscribe to the newsletter by e-mailing a request to the Colorado River District at edinfo@crwcd.org.

Future meetings

Second Regular Quarterly Meeting — April 15-16, 2008, Glenwood Springs, CO

Third Regular Quarterly Meeting — July 15-16, 2008 Glenwood Springs, CO

Colorado River District Annual Water Seminar — September 19, 2008, Grand Junction, CO

Fourth Regular Quarterly Meeting — Oct. 14-15, 2008, Glenwood Springs, CO