



MEMORANDUM

July 7, 2011

TO: BOARD OF DIRECTORS
ERIC KUHN, GENERAL MANAGER
DAN BIRCH, DEPUTY GENERAL MANAGER

FROM: JOHN CURRIER, P.E., DON MEYER, P.E.

SUBJECT: WOLFORD MOUNTAIN RESERVOIR OPERATIONS

We want to update you on operations at Wolford Mountain Reservoir. We also have one action item:

- Approval of a contract with Eco-Rx for weed control services at Wolford in the amount of \$32,825.

A separate memorandum related to the unusual settlement of Ritschard Dam is also in your Board binder.

1. WEED CONTROL CONTRACT

This is our annual weed control contract at Wolford. The requested contract amount, \$32,825 is the same as last year. The contract covers treatment of Canada thistle and other noxious weeds along the shoreline and in the mitigation area. It also covers tamarisk eradication around the shoreline. The work is completed in the late summer and early fall. Last year, Eco-Rx's billing was \$29,206, slightly less than their contract amount.

2. FENCING TO KEEP OHVs OFF THE DAM

Additional fencing and signage has been added at the east end of the dam where an OHV trail comes near the dam. This is in response to increasing problems with OHVs on the dam and in the downstream mitigation area. The caretaker staff will be monitoring the success of the fencing to determine if it is adequate or if more needs to be done. It appears to have passed the 4th of July weekend test. The cost was about \$1,400 and was completed under the Continuing Services Agreement we have with Grand Fence Co.

3. MARINA FUEL

A 660 gallon fueling facility to fuel River District boats, rental boats, and the boats of those who rent slips is in the planning stages. It would not be used to sell fuel to day use boaters except in an emergency situation (e.g. someone runs out of fuel in the middle of the reservoir). Subject to legal review of spill liability associated with a permitted fueling facility compared to the status quo, installation is planned for the late summer.

Historically there has been no boat fueling facility at Wolford. Boats that are on the water all the time (River District's boats, rental boats provided by the concessionaire, Jeff Miller, and private boats at the concessionaire's rented slips) are fueled by carrying gas cans or from a fuel tank in the back of a pick-up truck.

Jeff Miller, the concessionaire, would pay for (~\$20,000) and own the fueling facility. In the event he sells his boat concession it would be conveyed to the next concessionaire or the River District. If boating is disallowed on the reservoir the fueling facility would be purchased by the River District.

The 660 gallon sizing is set by the level of permitting required. Above 660 gallons we understand the permitting to be quite onerous. That does not mean that safety precautions are eliminated at this lower size and level of permitting; an approved monitoring / emergency plan, an emergency shutoff, and spill containment measures are required. A larger facility would only be considered in the future if 660 gallons is found inadequate. This is unlikely given the length of time the facility has operated with no fueling facility.

Jeff Miller is obtaining site plan approval and the necessary permitting required by Grand County. On a parallel track the River District staff is reviewing our liability exposure associated with a permitted fueling facility as opposed to the status quo. If the risk is deemed acceptable the fueling facility can then be installed. If deemed acceptable, it is probable that the facility would be installed this August.

4. RESERVOIR OPERATIONS

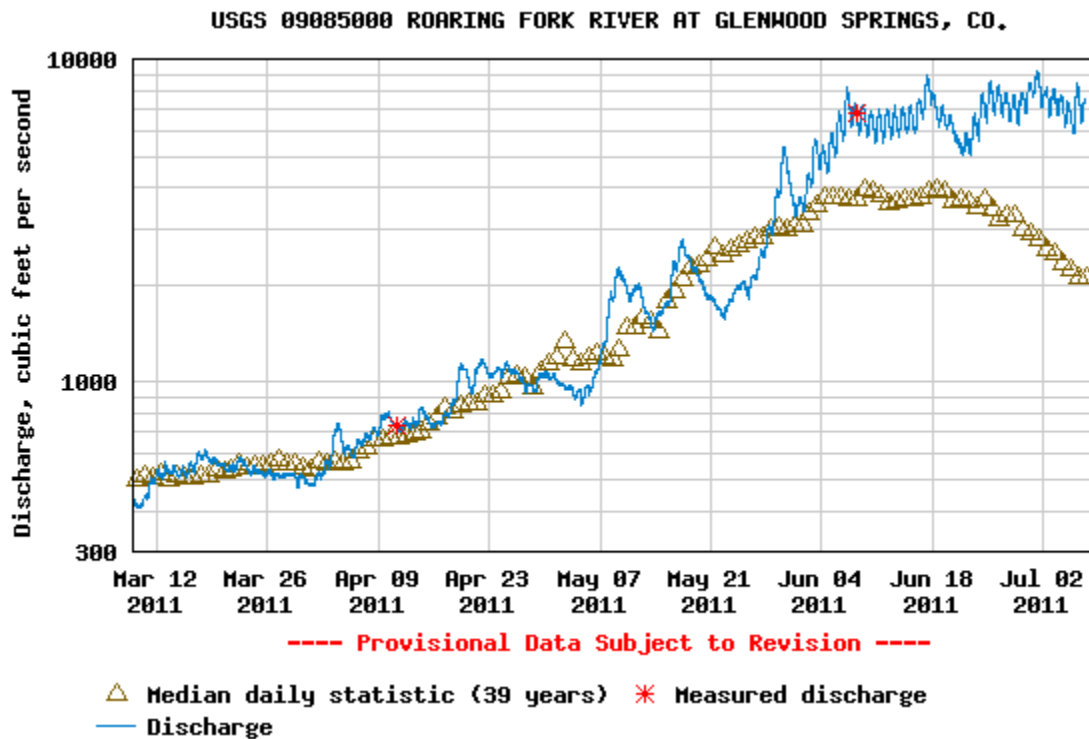
Basin-wide Conditions – Near Record Volumes

The 2011 runoff in the Colorado River Basin continues to amaze, due to an epic snowpack, moderate May temperatures with abundant moisture, and recent rains. The graph, top of page 3 shows the previous 4 month flows at the Roaring Fork at Glenwood Springs. The Roaring Fork runoff was typical of other sites in the Basin where near average flow conditions March through May were followed by near record runoff rates in June. The Grand Valley saw the Colorado River at or above flood stage for 22 days (25,350 CFS). Record total volume passing the CO-UT Stateline gage since January 1 was 4.5MAF.

WOLFORD RESERVOIR BOARD MEMORANDUM

July 7, 2011

Reservoirs in the Upper Colorado Basin bypassed large volumes of inflow to make room for runoff. CBT Facilities (Granby and Willow Creek Reservoirs) spilled well over 100,000 AF since late April; Green Mountain Reservoir increased releases today to 3000 CFS to bypass snowmelt, recent heavy rains, and increased releases from Dillon Reservoir; Ruedi Reservoir has been releasing over 900 CFS to try to avoid flooding in the Fryingpan River as the Reservoir tops off. Inflows to Lake Powell are raising the pool elevation by 9 inches a day.



No Shoshone Power Plant Call and No Windy Gap Pumping this Summer

Xcel Energy will not call for water at the Shoshone power plant this summer, due to concerns over unusual abutment seepage when the dam is operated at full head. A 2011 Shoshone Outage Protocol (SHOP) has been negotiated by operators of West Slope projects to mitigate the effects of a Shoshone outage on flows in the Lower Colorado River to the satisfaction of Grand Valley Entities. This commitment will allow for timely declaration of HUP Surplus in Green Mountain Reservoir, probably in early August. Windy Gap will not pump in 2011. All of the approximately 20,000 AF of Subdistrict water stored in Granby Reservoir spilled, as well as the approximately 400 AF that Grand County paid to have pumped into Granby Reservoir.

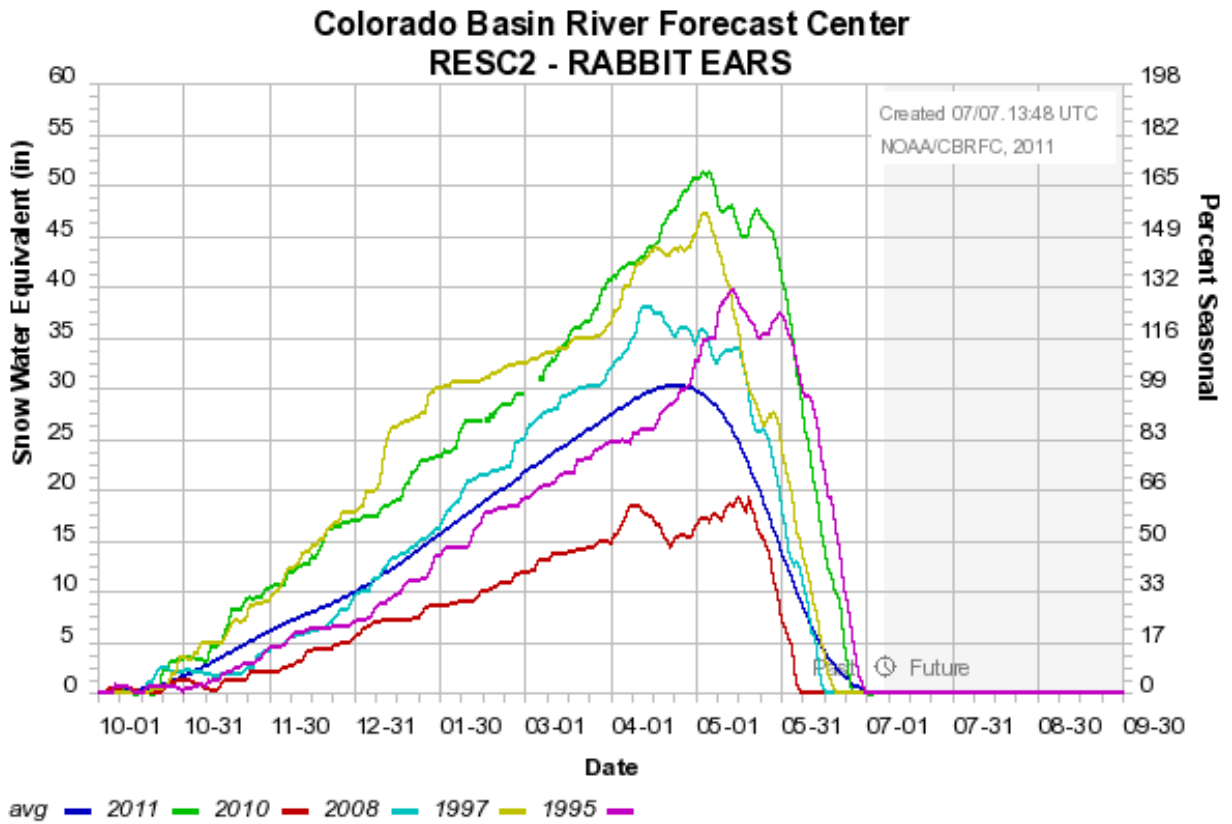
Wolford Operations

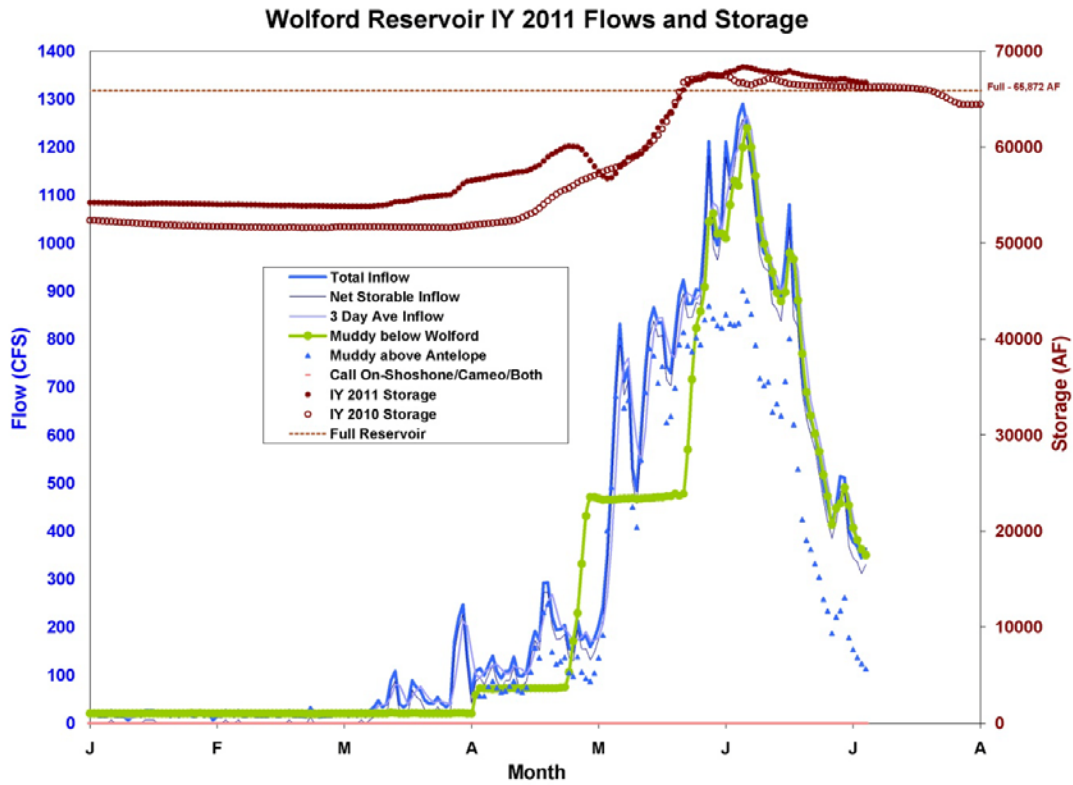
Wolford snowpack and outflow are shown in the following two graphs. Snowpack at the Rabbit Ears site reached a seasonal high of 51 inches of moisture, 170% of the seasonal average peak. The third graph depicts Wolford storage. April through June inflow was 104,650 AF. In late

WOLFORD RESERVOIR BOARD MEMORANDUM

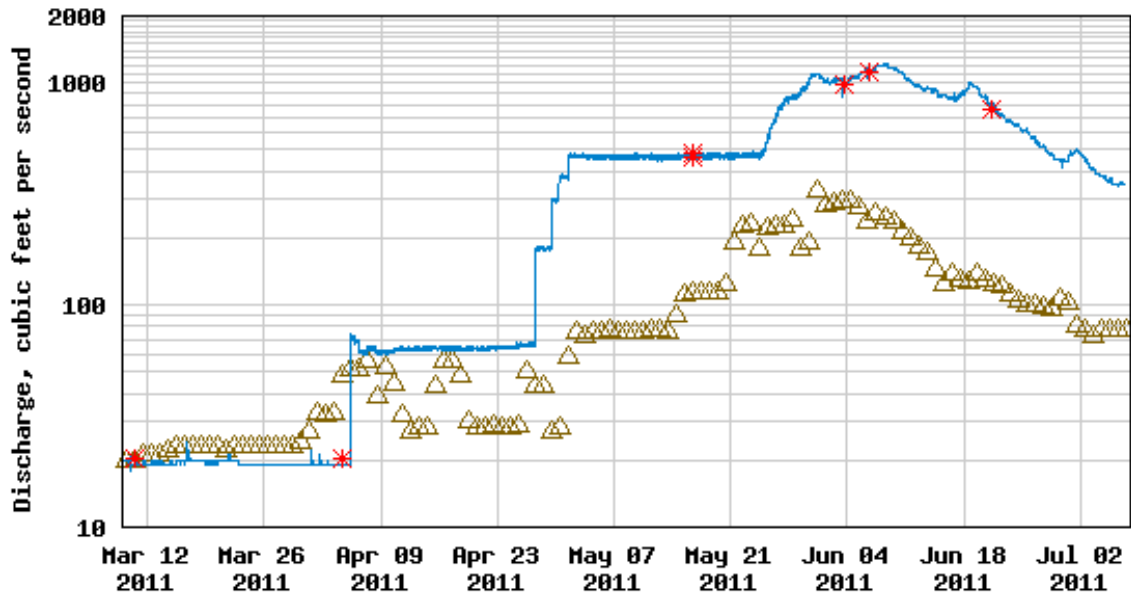
July 7, 2011

April releases were increased to 450 CFS to delay spill, but inflow overwhelmed the ability to bypass and the Reservoir spilled in mid-May, with a record inflow of 1289 CFS on June 7th.





USGS 09041400 MUDDY CRK BLW WOLFORD MTN RESER. NR KREMHLING, CO



----- Provisional Data Subject to Revision -----

△ Median daily statistic (15 years) * Measured discharge
 — Discharge