

WINTER WATER STORAGE PROGRAM
Board of Trustees Annual Meeting
Minutes
Friday, October 18, 2013

10:30 a.m. Otero Junior College *Student Center*
2001 San Juan Avenue
La Junta, CO 81050

Acting Chairman, Bob Hamilton, called the annual meeting of the Board of Trustees of the Winter Water Storage Program (Board) to order at 10:35 a.m. Introductions were made and roll call of voting members was taken.

Winter Water Board of Trustees Voting Members Present:

Glenn Wilson, Amity Mutual Irrigation Company; Justin DiSanti, Bessemer Irrigating Ditch Company; John Schweizer, Catlin Canal Company; Scott Campbell, Colorado Canal Companies; Wesley Eck, Fort Lyon Canal Company; Dan Henrichs, High Line Canal Company; Donny Hansen, Holbrook Mutual Irrigating Company; Jeff Baylor, Las Animas Consolidated Canal Company; Ray Smith, Oxford Farmers Ditch Company; Steve Anselmo, West Pueblo Ditch. There was no representative from the Riverside Dairy Ditch.

Others in Attendance: Carl McClure, Southeastern Colorado Water Conservancy District - Director; Kalsoum Abbasi, Colorado Springs Utilities; Roy Vaughan, U. S. Bureau of Reclamation Pueblo Field office; Greg Williams, Catlin Canal Company; John Tonko, Colorado Parks & Wildlife; Rick Kienitz, Rocky Ford Ditch/Aurora Water; Blair Wells, and Michael Hill, Bessemer Irrigating Ditch Company; Kim Siefkas and Phil Hemphill, Fort Lyon Canal Company; Bob Barnhart, Holbrook Mutual Irrigating Company; Colin Thompson, Terry Howland, and Lane Malone, Amity Mutual Irrigation Company; Steve Witte, Lonnie Spady, Jeanette Myers, John Van Oort, and Phil Reynolds, Colorado Division of Water Resources; Von Lieber and Kirk Lamphier, Oxford Farmers Ditch Company; Kevin Salter, Kansas Division of Water Resources, Dept. of Agriculture; Sharon Carleo Board of Water Works of Pueblo, Colorado; Jim Brannon, Brannon Developments; and Jim Broderick, Lee Miller, and, Bob Hamilton Southeastern Colorado Water Conservancy District.

Minutes:

Mr. Hamilton asked if everyone had received the Minutes of the October 19, 2012 Board meeting and asked for a motion to approve those minutes. Scott Campbell made the motion, seconded by Glen Wilson, to approve the minutes of the October 19, 2012 Board of Trustees meeting as presented. Motion passed unanimously.

Fry-Ark Operations – U. S. Bureau of Reclamation

Roy Vaughan reported in his PowerPoint presentation on the Fryingpan-Arkansas Project (Project) that as of October 14, 2013 there was:

- 129,393 a/f stored in Pueblo
- 103,604 a/f of Project water
- 24,494 a/f of excess capacity water
- 1,211 a/f of Winter water
- 153,345 a/f of Project space in Pueblo
- 32,416 a/f of Project space in Twin and Turquoise
- 147,146 a/f of space available for Winter water

Project reservoir levels as of October 14, 2013 were - Turquoise - 92%, Twin Lakes - 79 % and Pueblo Reservoir – 95 %. The Bureau of Reclamation on October 18, 2013 was moving 3.0 cfs of Project water from Turquoise and 6 cfs through the Leadville Fish Hatchery to Pueblo Reservoir. Reclamation will continue to meet minimum flow requirements. Reclamation will be moving 9 to 12 thousand acre-feet to Pueblo Reservoir from October through March. Movement of water will be adjusted according to the forecasts and customer's needs.

Division of Water Resources – Division Engineer' Office

John Van Oort of the Division Engineer's Office made a PowerPoint presentation reviewing the final report for 2012–2013 Winter Water Storage Program (WWSP). Mr. Van Oort showed a graph showing the 2012-2013 WWSP, with the exception of 1977-1978 when there was not a WWSP, having total storage of 67,167 acre-feet in 2012-2013 was the lowest in program history.

Mr. Van Oort's presentation also showed a graph of the Arkansas River gauge at Portland comparing 2010, 2011, 2012, and 2013 and noted that for 2013 the flows are holding up very well when compared to the earlier years and was encouraged by these numbers. Mr. Van Oort also requested that the entities please send a letter to the Division Engineer's Office stating where they would like to store their Winter water and how much water they would store in each "Bucket". He also requested copies of any agreements for storage of Winter water in off-channel reservoirs.

Mr. Van Oort then stated the Division Engineer's Office would be using the Livingston Transit Loss Application Program (TLAP) model to calculate the transit loss from the Arkansas River gauge at Las Animas to John Martin Reservoir for the Winter Water Storage Program as approved by this Board at the 2012 annual meeting.

Mr. Van Oort then introduced Mr. Jim Brannon, of Brannon Developments, who made a PowerPoint presentation using on-line real time data demonstrating the results of additional programming he has done to TLAP, especially in the areas of incremental adjustments of canal headgates when picking up and shutting down reservoir releases to ensure the diversions closer match the river conditions, and that senior downstream diverters are not injured.

Aurora Rocky Ford Ditch Water Estimate of Return Flow Storage Availability

Mr. Hamilton reported that he has received a letter from Rick Kienitz of Aurora Water informing the group the amount of the delivery of Rocky Ford Ditch's and Leadville Ranches' historic winter return flows by the City of Aurora that will be delivered at Pueblo Reservoir. Aurora's preliminary calculations indicate a total winter return flow obligation (2013-2014) is currently estimated to be at least 1,618 acre-feet compared to 1,490 acre-feet in 2012-2013. The amount may increase because Aurora's accounting won't be complete until October 31, 2013.

Mr. Steve Witte, Water Resources Division 2 Engineer, reported the owners of the Baldwin-Stubbs Ditch inquired about what they would have to do to exercise the Baldwin-Stubbs decree during the Winter Water Storage Program. The Baldwin-Stubbs November 30, 1907 water right is senior to the Winter Water Storage program. If the Baldwin-Stubbs begins diverting water in a manner similar to the Otero Ditch it could diminish the amount of water available for storage.

Mr. Jim Broderick, Executive Director of the Southeastern Colorado Water Conservancy District, (District) made a PowerPoint presentation informing the Board that the District has in its 2014 Proposed Budget for 2014 an Environmental Stewardship Surcharge (ESS) of \$0.75 per acre-foot for all waters and storage related to the Project. This ESS will be applied to Winter water stored in Pueblo Reservoir and this new surcharge will increase the storage fees from \$3.05 to \$3.80 per acre-foot. Mr. Broderick went on to explain that the ESS involves those portions of the Project that are specifically designed to protect and enhance the environment associated with the Project and mitigate negative impacts of the Project. Without these programs the Project would not be allowed to divert and/or store water.

There are four programs addressed in the ESS:

- 1) Upper Colorado River Endangered Fish Recovery Program (10,825 Program which cost the District \$2,046,181, which when paid back over 20 years at two percent (2%) interest equals \$126,640 per year;
- 2) The value of the 3,000 acre-feet of imported Project water exchanged for fishery flows in tributaries to the Roaring Fork River amount to \$22,500 per year;
- 3) The value of the 200 acre-feet of imported Project water used by the Leadville and Pueblo Fish Hatcheries amount to \$1,500 per year; and
- 4) United States Geological Survey Water Resources Monitoring amount to \$35,000 per year.

These costs when divided by the total water and storage involved breaks down to approximately \$0.75 per acre-foot. The ESS will be implemented in 2014. The ESS and all other District surcharges will be reviewed every five years. The District is scheduled to do a financial rate study, which would include all surcharges. The Northern Colorado Water Conservancy District (Northern) is currently doing a rate study and the District is planning to utilize Northern's study as a template.

Mr. Hamilton asked if there was any additional business to come before the Board, hearing none, Mr. Hamilton reminded the Board the next annual meeting will be at the same location, on October 17, 2014 (the third Friday of October) at 10:30 a.m.

There being no further business before the Board, the meeting was adjourned at 11:45 a.m.

Respectfully Submitted:

Robert W. Hamilton, Director of Engineering and Resource Management, Southeastern Colorado Water Conservancy District.

Date Approved: October 17, 2014