

March 11, 2022

TO: Municipal Water Agencies within the confines of the Southeastern Colorado Water Conservancy District

FROM: Garrett Markus, P.E., Water Resources Engineer

SUBJECT: Allocation of 2022 Municipal Fryingpan-Arkansas Project Water Return Flows

In accordance with the District's Water Allocation Principles, contract with the United States Bureau of Reclamation (BOR), Operating Principles, the Policy Concerning the Sale of Return Flows from Project Water, and appropriate Colorado water laws, the Colorado Water Conservancy Act, and the Water Activity Enterprise Act, the Board of the Southeastern Colorado Water Conservancy District, by and through its Water Activity Enterprise ("District") does hereby notify you of your opportunity to apply to purchase Fry-Ark Project water return flows (Return Flows) in 2022. Return Flows are required to be supplemental only to adjudicated waters and used only within the confines of the District boundaries.

Requests to purchase Return Flows must be received by 4:00 p.m. Friday, April 15, 2022.

Purchase and payment for Return Flows will be made on a quarterly basis. If entity chooses to exercise their **FIRST RIGHT OF REFUSAL** to claim those Project water Return Flows, the entity must exercise that right for the entire allocation year.

Any and all waters purchased are subject to all terms and conditions of the Contract between the Southeastern Colorado Water Conservancy District and the United States, Reclamation law, and any applicable Reclamation policies, including any policy regarding the use of Reclamation water or facilities for activities prohibited by the Controlled Substance Act of 1970, in effect for 2022. Submission of an application for Return Flows constitutes acceptance of the price for Return Flows set forth in the **2022 MUNICIPAL RETURN FLOW SALES PROCESS**, and of all the terms and conditions of the "Enterprise Policy Concerning the Sale of Return Flows from Fryingpan-Arkansas Project Water." If you need to review a copy of any of these documents, please contact the District at (719) 948-2400 or go to www.secwcd.org, click on "Water Management" then "The Allocation of Fryingpan-Arkansas Project Water & Project Water Return Flows" and select "Project Water Return Flow Allocation" at the bottom of the page.

It is the intent of the Board of Directors that entities which do not buy Return Flows in any single year will not be precluded from doing so in the future, and will not be subject to prejudice thereby in the Board's review of the applications.

APPLICATIONS MUST BE RECEIVED BY 4:00 P.M. FRIDAY, APRIL 15, 2022

**SOUTHEASTERN COLORADO WATER CONSERVANCY DISTRICT
APPLICATION FOR MUNICIPAL USAGE
2022 MUNICIPAL FRYINGPAN-ARKANSAS PROJECT WATER RETURN FLOWS**

TO: Board of Directors, Southeastern Colorado Water Conservancy District, acting by and through its Water Activity Enterprise (“District”):

We/I, the _____ (entity), hereby request Fryingpan-Arkansas Project water return flows (Return Flows) in the 2022 allocation by First Right of Refusal. We/I understand the Board of Directors of the District will allocate, and sell available waters as equitably as possible, based upon the merits of each application. Waters will be delivered in accordance with, and we accept the terms & conditions of the District and the letter from the District dated March 11, 2022 which accompanied this application.

In support of our request, and to comply with the need for information by the Board to meet the terms & conditions of their contract with the United States, Operating Principles, and the District Return Flow Sales Policy, we submit the following information:

For Return Flows requested, we agree to pay \$13.25 per acre-foot, which includes \$12.00 per acre-foot for Project water Return Flows, a \$0.50 per acre-foot for the Water Activity Enterprise (WAE) surcharge and a \$0.75 per acre-foot Environmental Stewardship Surcharge (ESS). We/I will pay in accordance with the terms of the District’s notice dated March 1, 2022, which accompanied this application, and before use. This request to purchase Return Flows may be in addition to our 2022 request for Project water, as provided in Paragraph (11) ALLOCATION PRINCIPLES-FINDINGS, DETERMINATIONS, AND RESOLUTIONS.

In 2022 we will serve a population of _____. Census population is _____. Provide documentation if there is a noticeable difference in population serviced compared to census population.

Place of use is:

Pueblo _____ above Pueblo Res. _____ below Pueblo Res. _____ Fountain Valley _____.

Please list all municipal and domestic entities that you represent on a separate page.

Are you a member of a well users group such as AGRA or LAWMA?

YES _____ NO _____ If yes, please list the group _____

If yes, is this application for wells covered by the group’s augmentation plan?

YES _____ NO _____

Other uses: _____.

If supplementary information is required regarding our request, we agree to supply additional information as requested by the District.

**ALLOCATION APPLICATIONS MUST BE RECEIVED BY 4:00 P.M. FRIDAY,
APRIL 15, 2022**

By signing this application, we acknowledge the District owns the Return Flows from Fryingpan-Arkansas Project water, and the District has maintained dominion and control over these Return Flows and has the right to sell these Return Flows. We acknowledge the District has not abandoned its rights to use and sell Return Flows from Fryingpan-Arkansas Project water. We agree not to assert the District has lost dominion or control over, or has abandoned or surrendered, the Return Flows from Fryingpan-Arkansas Project water.

The District Board will estimate the amount of Return Flows available for sale in a given year. The District Board may request a purchaser to provide accurate information from which to estimate the amount, timing, and location of Return Flows which the purchaser has requested.

As a municipal entity, do you wish to exercise your “First Right of Refusal” for the Return Flows generated by your use of Fryingpan-Arkansas Project water delivered from May 1, 2022 through April 30, 2023? YES _____ NO _____

If you are requesting to utilize Fryingpan-Arkansas Project water Return Flows that you generate under your “First Right of Refusal,” you will be billed on a quarterly basis. This billing will be based on the amounts of measured and (where applicable) unmeasured Return Flows reported to the District and the Division Engineers office.

Please do not send payment until notified of the amount of water approved by the District’s Board of Directors.

The following is information we feel should be considered by the Board of Directors in their evaluation of our request, and to set out our unusual circumstances involving our entity in 2022 (attach additional pages, if necessary.)

This information will be used to send Project water applications and other correspondence to you.

Authorized Agent	Address	City	State	Zip
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Authorized Agent, Title	email	Phone
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Billing Address: This information will be used to invoice you for Project water and all other SECWCD billings. If you do not fill this portion out, we will default to the above information.

Billing Contact	Address	City	State	Zip
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email	Phone
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**ALLOCATION APPLICATIONS MUST BE RECEIVED BY 4:00 P.M. FRIDAY,
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