

ALLOCATION & STORAGE COMMITTEE

MINUTES

August 7, 2025

A meeting of the Allocation & Storage Committee held on Thursday, August 7, 2025 at 10:01 a.m. at the District Office 31717 United Avenue, Pueblo, Colorado 81001 and via Zoom virtual conference.

Vice-Chairman Matt Heimerich announced a quorum was present.

COMMITTEE MEMBERS PRESENT:

Matt Heimerich - Vice-Chairman, Tom Goodwin, Justin DiSanti (remote), Curtis Mitchell (remote), Alan Hamel (remote), Mike Bartolo (remote) Bill Long (remote) and Leann Noga

COMMITTEE MEMBERS ABSENT AND EXCUSED:

Andy Colosimo – Chairman, Greg Felt

OTHERS PRESENT:

Roy Vaughn, H2O Consultants; Nick Knapp, Otero Ditch; Brett Sabott, Bessemer Ditch (remote); Stacey Sober, Colorado Canal (remote); Darren Grap, High Line Canal (remote); Chris Woodka, Gordon Dillon, Patty Rivas (remote), Margie Medina, Lee Miller (remote), Peter Levish (remote), Trevor Singleton and Robert Banham, District staff.

APPROVAL OF MINUTES:

Mr. Heimerich confirmed that members of the Committee received their copy of the July 3, 2025 Allocation & Storage Committee minutes and asked if there were any corrections or discussions. Tom Goodwin moved, Alan Hamel seconded to approve the minutes. Motion passed unanimously.

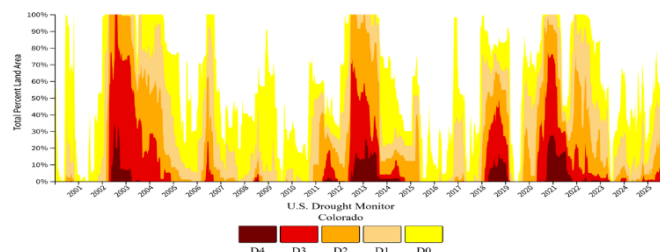
PRESENTATIONS:

Water Resources and Operations Report

Current Water Year Conditions

Robert Banham reviewed water conditions in the Colorado River and Arkansas River basins so far in 2025. Conditions remain dry, with the West Slope in a more severe position than the Arkansas Basin. He also presented a graph (at right) that shows historic drought conditions for the entire state.

Historical drought conditions in Colorado 2000-2025



Abnormally Dry (D0) indicates a region that is going into or coming out of drought, according to the U.S. Drought Monitor
Exceptional Drought (D4) is the most intense drought category, according to the U.S. Drought Monitor.

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Mr. Banham also asked the Committee what type of materials they would like to see in the Committee report, and several suggestions were made.

Leann Noga advised the Committee that Mr. Banham will be working with Mike Holmberg of the Bureau of Reclamation to avoid duplication of information at Board meetings.

ACTION ITEMS

Late Payments for Allocation, Irrigation

The District Allocation Policies require payment for allocated Project Water by the date stated in the application. Otherwise, the water will revert to unallocated Project Water. The Board may choose to accept late payments. Several entities were late in paying by this year's deadline, which was July 15 for Irrigation Water. Four entities were late, and two ditches chose not to accept water it had been allocated.

Tom Goodwin made the following motion, seconded by Bill Long: "I move to recommend the Board approval of late payments for Irrigation Project Water allocations in 2025." Motion passed unanimously.

Agricultural Fryingpan-Arkansas Project Water Carryover

The 80/20 rule requires that 80 percent of Project Water is used by November 15, with the remaining 20 percent out by May 1 of the following years.

The District ran a pilot program for agricultural Project Water from 2022-2025. That led to staff investigating when it was advantageous to waive the 80/20 rule. In addition, staff talked to several ditch companies and agricultural experts to determine parameters for a program.

In years past, the Allocation Committee recognized the need to allow all agricultural allocations to have the ability to be stored during the off-season storage until spring. The Agricultural 80/20 Rule is typically enacted to prevent excessive pressure on Pueblo Reservoir around the April 15 timeframe when the Joint Use Pool is evacuated. In previous years, there have been multiple instances where available space in Pueblo Reservoir has gone unused. Given the current storage levels and the increasing value of water during below-average hydrologic conditions, agricultural Project Water Carryover could enhance the efficient use of Project Water and make better use of available storage capacity.

Under the current "use it or lose it" policy, agricultural entities often choose to use their Project Water at less opportune times simply to maintain utilization. However, this approach does not allow them to optimize the value of the resource, especially during dry years when allocations are limited. The District has explored the potential benefits of the Agricultural Project Water Carryover pilot program for the past 3 years. District staff proposes to continue this program with the following parameters, ensuring that the program does not interfere with other Fryingpan-Arkansas Project operations.

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The initial framework for implementing an Agricultural Project Water Carryover program is outlined below:

- Agricultural Project Water may be stored after the end of the irrigation season and may be carried over after May 1 if the conditions outlined below are met. Participation may be limited to entities that can exercise the first right of refusal for Return Flows.
- Each year in April, District staff will evaluate whether the Agricultural Project Water Carryover Program should proceed for that water year. This assessment will be conducted following coordination and discussions with the Bureau of Reclamation and the Colorado Division of Water Resources. The outcome of this process will define the program's operating conditions for the year.
 - *The Board of Directors will make a formal determination on whether to waive the 80/20 rule at its September meeting, based on staff recommendations and the hydrologic outlook.*
 - *It is important to note that this determination is based on forecasts and operational conditions at the time of evaluation. As such, participation in the program and the ability to store water are not guaranteed and are subject to change based on evolving hydrologic conditions*
- Project Water will accrue evaporation after April 30 in the Carryover Storage account.
- Any Project Water balance in the Carryover account will be charged the Carryover Storage surcharge (currently \$4.52/AF).
- Conditions for Agricultural Project Water Carryover will be determined based on storage levels in Pueblo Reservoir and the assessed "risk of spill" per the Bureau of Reclamation operations:

1. Imminent Risk of Spill (Pueblo Reservoir spill likely)

- 80/20 Rule applies per policy.
 - i. 80% of Agricultural Project Water must be used by November 15 of the allocation year.
 - ii. 20% of Agricultural Project Water must be used by May 1 of the next allocation year.
- Requests for variance can be made by Agricultural entities by September 15 each year subject to Board approval in October.

2. Marginal Risk of Spill (Spill possible, but not likely)

- Annual Waiver of the 80/20 Rule.
- Agricultural Project Water may be stored from November 15 to March 15 but must be used by April 15.

3. Unlikely Risk of Spill (Spill unlikely as of May 1 following the allocation year)

- Annual Waiver of the 80/20 Rule.
- Agricultural Project Water may be stored from November 15 to March 15
- May be carried past May 1 but must be used by November 15 of the carryover year.

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District staff will have discussions with the Bureau of Reclamation, Division of Water Resources, and agricultural stakeholders to understand how the Agricultural Project Water Carryover Program parameters work in different hydrology.

The Committee discussed the timing of requests to waive the 80/20 Rule, and Mrs. Noga said this will be refined as the program is operated.

The Committee also discussed the differences between carryover storage for Municipal and Irrigation Project Water. Lee Miller explained Municipal storage is part of the Allocation Principles, which were set by a District Court decree.

Tom Goodwin made the following motion, seconded by Bill Long: "I move that the Allocation Committee recommend that the Board of Directors approve the implementation of the Agricultural Project Water Carryover Program for the 2026 water year, based on the proposed Project parameters and conditions, including eligibility requirements, annual program evaluation, and operational guidelines as outlined." Motion passed unanimously.

INFORMATION ITEMS

None

OTHER BUSINESS

None

NEXT MEETING

Thursday, September 4, 2025, 10:00 a.m.

ADJOURN

Mr. Heimerich adjourned the meeting at 11:04 a.m.

Respectfully submitted,

Chris Woodka

Senior Policy and Issues Manager