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Member, CLUB 20 Water Subcommittee

Testimony
Before the Subcommittee on Water and Power of the
House Committee on Resources
United States House of Representatives

Colorado: Options to Increase Water Supply and Improve Efficiencies

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Denver, Colorado

Subcommittee on Water and Power of the House Committee on Resources
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I want to thank Subcommittee Chairman Calvert, Congressman Beauprez and the other members of the House Resources' Subcommittee for this opportunity to share the views of the Colorado River Water Conservation District and CLUB 20 on the important water issues facing the State of Colorado.

For the record, my name is Richard Eric Kuhn.

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I am here representing the Colorado River Water Conservation District (River District) and the CLUB 20 Water Committee. I am employed by the River District as the General Manager. I have been an employee of the River District since 1981 and General Manager since 1996.

The Colorado River Water Conservation District is the principal policy body for the Colorado River within Colorado. We are a political subdivision of the State of Colorado responsible for the ~~conservation, use and development of the water resources of the Colorado River Basin, which the~~

CLUB 20 was founded in 1953. For over five decades, this organization of businesses, local governments and individuals has been the voice for western Colorado. A board of directors makes CLUB 20 policy, which includes voting membership for each of the 22 counties and the Ute Nations in Colorado West.

For the benefit of the Committee, I would like to briefly address three important water matters. First, I want to call your attention to the Colorado 64 Water Principles. Second, I want to emphasize that the Colorado water community is very busy. While Colorado certainly faces tough challenges with meeting its future water needs, individual water agencies within Colorado have probably never been as busy, innovative or cooperative with their efforts to meet Colorado's future water needs. Finally, I want to address some of the new challenges we face and the evolving role of Federal government on water issues.

"Colorado 64" Water Principles

I want to call your attention to a set of principles developed through a consensus process by CLUB

20, similar regional organizations such as Action 22 and Progressive 15 and government and business leaders from Colorado's urban Front Range. The ten principles were overwhelmingly endorsed by the Colorado General Assembly through its adoption of House Joint Resolution 1019 this year.

As is often the case with development and construction of large civil works, the political and institutional challenges associated with water projects are often much more difficult to solve than the technical challenges. In our view, these ten principles represent a consensus list of "behaviors" that, if followed, will increase the likelihood that new or expanded water projects can attain the necessary public support, especially at the local level.

While these principles on their face appear straightforward and simple, the devil, of course is in the details of implementation. Western Colorado and other rural Colorado residents are obviously very concerned that the growing demand for water along the urban Front Range corridor will take away our existing economic base, be it recreation or agriculture, our quality of life and our future. The fact that many Colorado counties outside the Front Range, be they in Western Colorado, the San Luis Valley, or in the Arkansas River Valley, voted against the recent Referendum A by margins of eight or nine to one is compelling evidence that water solutions designed to meet the needs of the Front Range at the expense of Colorado's rural areas are in all likelihood, a road map for failure. The ten principles presented in "Colorado 64" are, in our view, the road map toward success.

Current Projects Under Development

From an outsider's view, based on press reports addressing such issues as the continuing drought in Colorado and the Western United States, the problems with over reliance on groundwater use in the Southern Metropolitan Denver Area and the recent controversy over Referendum A, it may appear that not much is being done to address Colorado's water needs. I believe that the reality is that nothing could be further from the actual truth. Throughout Colorado, water agencies are very busy with the development of new and innovative projects designed to meet Colorado's future water needs. Further, in my 23 years of experience, I've never seen more cooperative projects or cooperative efforts that are designed to develop cooperative or joint projects.

The following is a list of some of the projects currently under development that the West Slope is involved with:

1. The Enlargement of Elkhead Reservoir.

The River District, State of Colorado and the Upper Colorado River Basin Endangered Species Recovery Program are working on a joint project to enlarge the existing Elkhead Reservoir by about 12,000 acre feet. Elkhead Reservoir is located on Elkhead Creek, a tributary to the Yampa River near Craig. The remarkable aspect of this project is the fact that

the needs of endangered fish are being met through a cooperative project where the Federal agencies are stepping up to the plate and, through the Recovery Program, participating in a project with broad local support.

2. Upper Colorado River Basin Project.

The River District, Denver Water, Northern Colorado Water Conservancy District, Grand County, Summit County, the Northwest Colorado Council of Governments, Middle Park Water Conservancy District and other local entities are working on a joint effort to examine local water issues in the headwaters of the Colorado River in Grand and Summit Counties (the UPCO Project).

This study has two general areas of focus, the Upper Blue River in Summit County and the Fraser River Basin in Grand County. Denver Water is currently in the process of seeking federal permits to "firm up" and enhance the yield of its North End or Moffat Tunnel Collection System. Northern Colorado Water Conservancy District's Municipal Subdistrict is seeking federal permits to "firm up" the yield of the Windy Gap Project. Both of these projects will further impact the Colorado River Basin in Grand County, a region already heavily impacted by existing transmountain diversions.

The goal of UPCO is to identify and address the local Grand County water supply and ~~environmental needs and develop projects or project operational permits to meet these needs~~

Within Summit County, the UPCO efforts are focused on meeting the recreation and water supply needs of the communities surrounding Dillon Reservoir which includes four major Colorado ski areas.

3. The Eagle River Memorandum of Understanding.

~~Within the Eagle River watershed, the River District, Eagle County, local water districts~~

Aurora to obtain local permits for the original Homestake II Project.

4. Colorado Springs Substitution Agreement.

The River District, Colorado Springs, Denver Water, Summit County, Breckenridge and others recently completed a small but complicated agreement that firms up the yield of Colorado Springs' Upper Blue River water rights in very dry years. In return, Colorado

Springs provides a small (250 acre feet) amount of water for uses on the Blue River above Dillon Reservoir.

5. Douglas County Water Resources Authority Study.

The River District, Denver Water and the Douglas County Water Resources Authority are jointly studying options to address the water needs of the Southern Metropolitan Denver Area which is an area currently relying on deep groundwater use. Options include the development of a conjunctive-use project. This project would supplement groundwater use with water available from the Platte and Blue Rivers in wetter years.

6. Arkansas River Basin Projects.

While not a party to the Preferred Storage Option Project (PSOP) sponsored by the Southeastern Colorado Water Conservancy District, the River District is currently negotiating Memorandums of Agreement (MOAs) with Colorado Springs and the Twin Lakes Reservoir & Canal Company so that the River District Board of Directors can support, in concept, the reoperation of Pueblo Reservoir and a feasibility study to enlarge Pueblo Reservoir. The goal of the MOAs is preserve the historic compromises associated with the Congressional approval of the Fryingpan-Arkansas Project.

In addition to the above list, the following is a list of some of the other Colorado projects under development:

- 1) Enlargement of the existing Stagecoach Reservoir (Upper Yampa Water Conservancy District).
- 2) Animas-La Plata Project (U. S. Bureau of Reclamation).
- 3) Wolford Mountain Reservoir Enlargement (River District).
- 4) Colorado Springs Southern Delivery System (SDS).
- 5) Rueter-Hess Reservoir (Parker Water & Sanitation District).
- 6) Enlargement of Gerry Creek Reservoir (Ute Water Conservancy District).
- 7) Statewide Water Supply Initiative Study (Colorado Water Conservation Board).

New Challenges

Finally, I want to take a few moments to comment on some of the new challenges we face and make a few suggestions on the Federal role to help local agencies address Colorado's water future.

First; within Colorado, the "easy to build" projects were built a long time ago. If one were to walk along the Continental Divide from Monarch Pass east of Gunnison to Muddy Pass, near Steamboat

Springs, (several hundred miles) all of the available water on the West Slope, from the Divide, west for 25 to 50 miles has been appropriated and developed, most, but not all, for transmountain uses. To develop Colorado's unused Colorado River water, we either need to devise projects that better manage existing supplies and use more wet year water or go farther west. The recently completed "Big Straw" study by the Colorado Water Conservation Board may seem like an extreme example of this concept. The project proposes to pump water from the Colorado River below Grand Junction to the Continental Divide. However, the reality is that in all of 2001, all of 2002, and most of 2003, one would have had to go all the way to Grand Junction to find any water that was available for use for a new appropriator.

Second; there is increasing concern among the water community that the basic water supply paradigm that the hydrology records of our streams from the past 50 years or so can be used to "predict" hydrology into the future may be WRONG. In a business where even the development of simple projects normally takes 15 to 20 years, climate variability could add major new uncertainties and conflicts over water supplies. At the recent NWRA convention, Reclamation Commissioner John Keyes made it clear that he believes something very significant may be happening to our weather patterns, but we're not yet smart enough to know exactly what or why. As a state that obtains most of its surface supply from snowmelt, Colorado may be especially at risk to climate change.

I often point out that one need not look to future global warming scenarios to be concerned. My personal opinion is that there is overwhelming evidence that the long term average (500 year) flow of the Colorado River system is as much as 10% less than the recent 90 year gauge records and, unfortunately, if this is true, the recent dry years which have drained Lake Powell to below 50% of capacity may be more the "rule" than the "exception."

Finally, I would urge the Water & Power Subcommittee members to continue their role of examining and questioning the Federal government role in addressing Western water issues. Clearly, the role of the Federal agencies in water development has changed. In 1937, when the River District was formed, Coloradans viewed the Federal government, especially the Bureau of Reclamation, as essential to the development and settlement of the West. Federal assistance was needed to fund and build water projects that would provide reliable water supplies for economies based on irrigated agriculture. The lynchpin of a reliable water supply was then, and still is, upstream storage. However, the reality of today is that in the initial press releases outlining the Department of the Interior's Water 2025 initiative, the words "new water storage" were not to be found.

Even though the days when Congressional appropriations were the primary source of water projects are long gone, federal agencies still have an important role. Almost every project needs Federal permits, right-of-ways or contracts. I would hope that, in the spirit of the 2025 initiative, Federal agencies will become active partners in working with local agencies to develop consensus based solutions to Colorado's water needs. The River District's Wolford Mountain Project and Elkhead

enlargement are good examples of a generally positive partnership between Federal agencies and local water agencies.

Attachments:

Colorado General Assembly Joint Resolution 1019 which includes Colorado 64 Water Principles
Colorado River Water Conservation District Background Information
CLUB 20 Background Information



HOUSE JOINT RESOLUTION 03-1019

BY REPRESENTATIVES Spradley, Berry, Borodkin, Boyd, Briggs, Brophy, Butcher, Clapp, Cloer, Coleman, Crane, Decker, Frangas, Carroll, Harvey, Hefley, Jahn, Johnson R., Larson, Lundberg, Madden, May M., McCluskey, Merrifield, Paccione, Plant, Pommer, Ragsdale, Rhodes, Rippy, Romanoff, Rose, Salazar, Sanchez, Schultheis, Smith, Spence, Stafford, Stengel, Veiga, Weddig, Wiens, Williams S., and Williams T.;

also SENATORS Kester, Entz, Fitz-Gerald, Groff, Grossman, Hagedorn, Hillman, Keller, Linkhart, Phillips, Sandoval, Tapia, Teck, Tupa, and Windels.

CONCERNING THE GENERAL ASSEMBLY'S ENDORSEMENT OF THE COLORADO 64 WATER PRINCIPLES.

WHEREAS, Drought is a naturally recurring part of Colorado's climatic cycle, and the past 4 years of drought, culminating in the record-setting parched conditions of 2002, have touched every region of the State of Colorado; and

WHEREAS, Water shortages throughout Colorado have reached crisis proportions, but every crisis offers opportunity—opportunity for cooperation, opportunity for understanding, and opportunity to unify diverse positions, and our current drought provides opportunity for all 3; and

WHEREAS, Colorado law recognizes the right to move water from where it flows to where it is needed and to change the historical use of water from one beneficial use to another; and

WHEREAS, In the 130 years since adoption of our constitution, Colorado has grown significantly, both in population and in expanded uses for water; and

WHEREAS, The volume of undeveloped water in Colorado has shrunk tremendously, and as our quest for solutions considers transferring water from one part of Colorado for new or different uses in other parts of the state, we must address the impacts such measures have on the people and economies where these waters originate; and

WHEREAS, We recognize that in the free exercise of private property rights, some water will continue to be transferred from willing sellers to willing buyers, and will continue to move away from traditional uses to new uses, and the goal of all parties should be to ultimately advance the economic, environmental, cultural, and recreational health of all Colorado communities; and

WHEREAS, The following principles are offered by "Colorado 64"—a coalition representing communities, water providers, and business interests across Colorado—to frame the debate about preparing for Colorado's water future; and

WHEREAS, These principles are intended to inform and assist decision makers and water managers in crafting fair and mutually beneficial water projects, as well as balanced water-related policy and legislation to address Colorado's water challenges; and

WHEREAS, The following principles begin our earnest efforts to find water supply answers that benefit all Coloradans, for this and future generations, and, in this spirit, these principles are intended to be a working document, and all parties in Colorado 64 have committed to remain at the table where these principals may be amended or expanded as times and conditions change; and

WHEREAS, The General Assembly desires to endorse these principles; now, therefore,

Be It Resolved by the House of Representatives of the Sixty-fourth General Assembly of the State of Colorado, the Senate concurring herein:

(1) All Colorado water users must share in solving Colorado's water resource problems.

(2) The State of Colorado should provide assistance, when requested, for local water supply planning and assist in the implementation of consensus-based water resource solutions that respect local authorities, private property, and water rights.

(3) During the process of planning to meet future needs, water suppliers and utilities should give preference to development of economically viable local water sources and demand management as they consider other options, including development of new water transfers.

(4) Additional water storage should be pursued through the improvement and rehabilitation of existing structures and the development of new structures. These activities should be accomplished with local consensus.

(5) The right of water rights owners to market their water rights must be protected in the following ways:

(a) Colorado must fully explore flexible, market-based approaches to water supply management, including interruptible water contracts, water banking, in-state water leasing, and groundwater recharge management.

(b) Those seeking to transfer agricultural water to another use should consider leasing or other temporary arrangements for transfer of water, rather than relying exclusively on the purchase of water rights. Leasing or other such temporary arrangements could allow for reversion of the water to agricultural purposes under certain conditions.

(c) In the event that agricultural water is transferred, the transaction must adequately address the need for maintaining the existing tax base, protecting the remaining water rights in the area, and maintaining the proper stewardship of the land, including revegetation and weed control.

(6) Appropriate recognition should be given to preservation of flows necessary to support recreational, hydroelectric, and environmental needs concurrent with development of water for beneficial consumptive uses.

(7) Adverse economic, environmental, and social impacts of future water projects and water transfers should be minimized; unavoidable adverse impacts must be reasonably mitigated; all communities involved should commit themselves to identifying and implementing reasonable mitigation measures as an integral part of future water projects or transfers.

(8) Future water supply solutions must benefit both the area of origin and the area of use.

(9) Water conservation measures that do not injure other water rights should be aggressively pursued.

(10) There must be an ongoing, concerted effort to educate all Coloradans on the importance of water, and the need to conserve, manage, and plan for the needs of this and future generations.

Lola Spradley
SPEAKER OF THE HOUSE
OF REPRESENTATIVES

John Andrews
PRESIDENT OF
THE SENATE

Judith Rodrigue
CHIEF CLERK OF THE HOUSE
OF REPRESENTATIVES

Mona Heustis
SECRETARY OF
THE SENATE

COLORADO RIVER WATER CONSERVATION DISTRICT

Protecting Western Colorado Water Since 1937

Colorado River Water Conservation District

The Colorado General Assembly created the Colorado River Water Conservation District in 1937 to “safeguard for Colorado all water to which the state is equitably entitled under the Colorado River Compact.” The River District, as it is commonly known, was the first of Colorado’s three water conservation districts. It is a special governmental entity funded almost exclusively through its property tax mil levy which is assessed on all taxable property within the District’s 15-county jurisdiction (see map on reverse). The current mil levy is less than one-third of a mil.

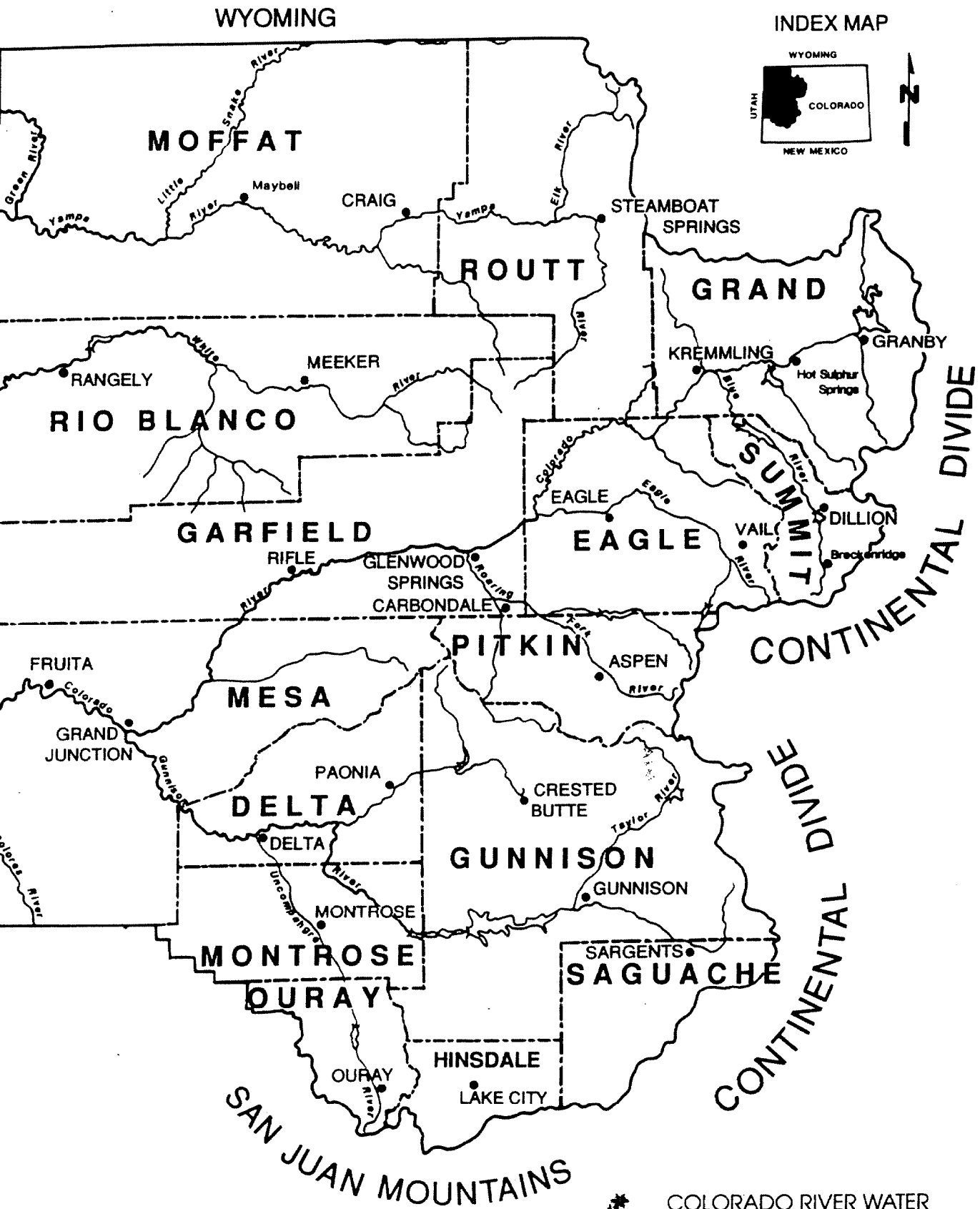
The Colorado River District provides the legal, technical, and political protection for Colorado’s entitlements to the Colorado River. The River District is western Colorado’s assured “seat at the table” whenever the Colorado River is the subject of debate. Whether this figurative “table” is before a water judge, a Senate committee hearing, or an interstate negotiating session, the River District represents western Colorado’s interests.

The River District encompasses all of twelve and parts of three counties in northwestern and west-central Colorado. The District includes the river basins of the Yampa, White, main stem Colorado, Gunnison and Uncompahgre Rivers within Colorado, as well as small portions of the Dolores River within Mesa County and Green River in Moffat County. The District includes 28 percent of Colorado’s total land area. Nearly two-thirds of the Colorado River’s total flow either originates in or flows through the District.

The District is governed by a 15-member board of directors. Each county included in the District has one director appointed to a three-year term by his or her Board of County

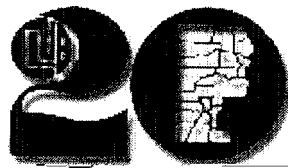
In 1995, the River District completed construction of Wolford Mountain Reservoir near Kremmling, Colorado. Wolford Mountain Reservoir is a shared water storage facility. The River District controls 60% of the reservoir’s stored water for the present and future benefit of western Colorado, and the Denver Water Department owns 40% of the water in the reservoir which it may use to operate its Dillon Reservoir-Roberts Tunnel facilities more efficiently. The reservoir and associated amenities are owned and operated by the River District. It was completely financed with funds from Colorado’s eastern slope.

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COLORADO RIVER WATER
CONSERVATION DISTRICT

GLENWOOD SPRINGS, COLORADO



Information About Us

Home

Founded in 1953 by Western Slope business leaders, CLUB 20 was originally organized for the purpose of getting rural roads paved. At the time, the State of Colorado had been spending only 10 percent of its highway funds west of the Continental Divide, even though more than half the roads were there. With each community lobbying for its own roads, small towns were simply drowning each other out. It finally became clear that only by agreeing on a single priority list could all the counties be heard. And the process worked. Within a few years, the State was spending 37 percent of its highway funds west of the Divide, and the end of the 1950s finally had paved most of the major highways on the West Slope.

The organization continued to grow, incorporating in 1955, and began working on other issues of mutual concern to all the Western Slope communities. Its activities included water, agriculture and natural resources, energy issues - uranium in the '50s, oil shale in the '70s - and more recently economic development, public lands, air service, tourism, energy, trails, recreation, and telecommunications.

A Board of Directors makes CLUB 20 policy, which includes voting membership for each of the 22 counties and the sovereign Ute Nations in Colorado West. All have an equal voice, their delegations elected by the members in each county or Tribe. Management decisions are made by the Executive Committee, which is composed of the elected officers of the Board of Directors.

The engines that drive CLUB 20 are the standing committees. Most Western Slope policy on key issues originates within one of the several standing committees, each with broad geographic representation. These panels include Natural

recommend policy to the full Board of Directors. A vote of the full Board is required for CLUB 20 to take a position on any issue.

For over four decades, this organization of all the communities of Colorado West has been providing a forum for the discussion of complex and controversial issues, and representing the interests of the Western Slope at all levels of government. The group's membership is broader and more diverse than at any time in history, and still growing each year. The CLUB 20 leadership is convinced that, by working together to achieve a stronger voice, the Western Slope can help shape the destiny of Colorado and the West, and continue to serve as the "Voice of the Western Slope".