



# October 2020 NEWSLETTER

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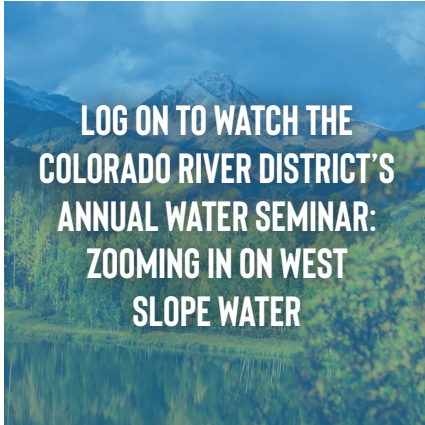
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## FROM THE GENERAL MANAGER

**T**he 2020 water year, which ended on September 30, was as erratic as everything else in 2020. What started as an average to slightly above average snowpack year in the early winter quickly went downhill with an exceptionally dry April and May, especially in the southern part of the River District. We depend on late spring and early summer runoff to recharge our groundwater, rivers and reservoirs. But this important water failed to materialize this year, threatening water supplies and the water security of communities across the Western Slope. Last fall's low soil moisture content combined with hot, dry conditions in early summer continued to reduce runoff. The West Slope then experienced yet another summer of extremely hot and dry weather, with the monsoon season being aptly labeled a "non-soon" and the hottest August ever recorded in Western Colorado, which led to large and explosive wildfires further threatening our water supply.

Unfortunately, the miserably hot and dry 2020 water year fits all too well in a developing pattern of heat-induced drought in the Colorado River Basin. As part of its effort to protect West Slope water supplies, the Colorado River District has been examining these trends and working with water users and communities throughout the District to adapt to this reality. This issue of our newsletter highlights some of our on-the-ground efforts addressing these issues and our recent events, including our Water With Your Lunch series and our virtual Annual Water Seminar, that highlighted several of these efforts.

Late this summer, just as family ranchers in the Yampa River valley were being forced to bring their cattle off of their summer pasture early due to lack of forage and water, the second-ever call on the Yampa River was put in place by the State Engineer's Office. This call had the potential to deprive multi-generational ranchers of the ability to feed and water their herds, possibly forcing them to reduce or eliminate their cattle. The Colorado River District convened a coalition of partners in the Yampa late this summer to put water in the river and take the call off thereby providing relief for the cattle operators.

In August, the Colorado River District and its partners in the Water Bank Work Group issued the Upper Basin Demand Management Economic Study in Western Colorado. The study is part of our efforts to make sure that water users and community leaders on the West Slope and officials throughout the Upper Basin have the best available data to understand the economic implications of a potential government-sponsored water market designed to reduce water consumption in the four Upper Colorado River Basin states. Water saved from this program would be "banked" in federal reservoirs to protect the Upper Basin from the severe consequences of a possible "compact call" on the Colorado River. The Upper Basin states call this potential water market a "demand management program." At the Colorado River District, we have concerns that such a program may have severe and unintended consequences on the economies and very fabric of many West Slope communities. We are devoting resources to examining these issues as part of our efforts to protect West Slope water users and represent their interests. For an examination of one of the possible consequences of demand management, I encourage you to watch our Water With Your Lunch webinar that focused on investments by a New York-based hedge fund in irrigated agriculture in the Grand Valley. It can be viewed [here](#).

Later in this issue, you can also learn about the many West Slope water projects that demonstrate the breadth and depth of involvement by District staff to protect and enhance productive agriculture and healthy rivers throughout the District. These serve as examples of multi-purpose projects with long-term benefits where our team of experts is leading the charge to protect all West Slope water users— another topic highlighted in our Annual Seminar.

If you were not able to log into our seminar or Water With Your Lunch events, I encourage you to view the recordings which can be accessed [here](#).

Sincerely,



Andy Mueller  
General Manager

# FOURTH REGULAR QUARTERLY BOARD MEETING AND 2021 BUDGET WORKSHOP OCTOBER 20, 2020

**D**ue to the ongoing COVID-19 pandemic and the resulting public orders, the Colorado River District's Fourth Quarterly Board meeting will be held virtually using Zoom.

You can register to listen to the meeting live [here](#).

If you are unable to attend the meeting, an audio recording will be uploaded to our YouTube channel after the meeting.

Please note that the first items on the agenda will be discussed in executive session at 8:35 a.m. The public session is scheduled to begin at approximately 10:10 a.m. If you join the meeting before the public session, you will be placed in a virtual waiting room and added to the meeting upon the conclusion of the executive session.

The notice, agenda, and board packet will be available [here](#) for the Fourth Regular Quarterly Meeting and 2021 Budget Workshop.

## UPCOMING EVENTS

### WATER WITH YOUR LUNCH RETURNS

**Join the Colorado River District for two upcoming Water With Your Lunch webinars**

Our "Water With Your Lunch" series is back exploring pertinent topics in water on the Western Slope with industry experts. While we are sad we cannot see you in person, we're glad that our virtual events mean that you can tune in from wherever you are! We're bringing awareness of the Colorado River District and West Slope water issues to constituents through these engaging educational programs.

**Water With Your Lunch: Protecting the Water Security of West Slope Communities  
Noon to 1:15 p.m. Wednesday, Oct. 14 on Zoom**

The Colorado River District will continue its Water With Your Lunch webinar series at noon, Wednesday, Oct. 14, 2020, with a discussion of three different regions in the District and how those communities view their drinking and agricultural water supplies, threats to them and how to plan for a water-secure future. Registration is required and can be completed here: [bit.ly/WWLsecurity](https://bit.ly/WWLsecurity). If you cannot tune in to the webinar live, register to receive a recording of the webinar in your email inbox. Water security means many things to the

Colorado River District, whose mission is to make sure western Colorado's water sources are protected for household use, agriculture, recreation and the environment.

River District General Manager Andy Mueller will moderate a panel of three speakers:

- Andrea Lopez, external affairs manager of Ute Water
- Jonathan Godes, mayor of Glenwood Springs
- Sue Hansen, county commissioner in Montrose County

**Save the date: Water With Your Lunch: The Owens Valley, Crowley County and the West Slope historic perspective on protecting water resources** will be noon to 1:15 p.m. Wednesday, Oct. 28. Look out for more information soon at [www.coloradoriverdistrict.org](http://www.coloradoriverdistrict.org) and on our social media!

If you're unable to attend our events live, register to receive a recording in your email inbox.

If you missed one of our past webinars, you can view recordings of previous events, including our Annual Water Seminar, State of the River meetings, and Water With Your Lunch webinars [here](#).



# NEW STUDY EXAMINES IMPACTS OF A POSSIBLE DEMAND MANAGEMENT PROGRAM ON WEST SLOPE COMMUNITIES

## STUDY FOUND DEMAND MANAGEMENT COULD RESULT IN FEWER AGRICULTURAL SUPPORT JOBS AND REDUCE LIVESTOCK PRODUCTION ON THE WEST SLOPE

**T**he Colorado River Basin is in the 21st year of drought, and major reservoirs on the river are sitting at less than half full. There is growing concern that agricultural economies on the West Slope might be harmed if Colorado and other Upper Basin states (Wyoming, Utah and New Mexico) are unable to meet their obligations under the Colorado River Compact. With these concerns in mind, the state of Colorado is looking at ways to prevent such a crisis from occurring. One of the ideas Upper Basin states are discussing is paying water users to consume less water. The water saved would then be banked in Lake Powell. The states are calling it demand management. The question is, if farmers and ranchers are paid to voluntarily fallow their fields, how would it change West Slope communities where agricultural businesses employ people, pay taxes and buy equipment? The recently released [Upper Basin Demand Management Economic Study in Western Colorado](#) sought to determine the secondary economic impacts that might occur if West Slope agricultural producers participate in a demand management program.



The Colorado River District's Board of Directors are scheduled to hear a presentation about the study from one of its authors, Doug Jeavons, a managing director at BBC Research. Jeavons will present at 12:20 p.m. Tuesday, Oct. 20.

Consistent with its charge to represent and protect the Western Slope's water interests, the Colorado River District has been actively engaged in statewide conversations about a potential Demand Management program. Through its participation in the [Water Bank Workgroup](#), the District led the call for additional economic analysis that would help to inform the state's decision whether or not to move forward with such a program.

"Our job is to protect West Slope water users. Studying the potential negative impacts of a new program such as demand management is vital to this work," said Colorado River District General Manager Andy Mueller. "This secondary economic impact study ensures that agricultural producers on the West Slope have the information they need to make decisions about their farms and ranches. It's part of the River District's ongoing efforts to ensure water security for our farms, ranches, and rural communities."

The Colorado River District's Board of Directors has not weighed in on whether such a program is good for the West Slope. However, the Board is gathering data from efforts like this study to determine if such a program will have negative impacts, and if so, what the scale of those impacts is likely to be.

While the study examined the impacts of fallowing West Slope agriculture if a demand management program is created in Colorado, Western Colorado agriculture will only be one piece of the solution. If such a program is implemented, all types of Colorado River water users in all regions of the state must contribute water to the program. This study is not an endorsement of demand management but a study of its potential impacts.

# NEW STUDY EXAMINES IMPACTS OF A POSSIBLE DEMAND MANAGEMENT PROGRAM ON WEST SLOPE COMMUNITIES (CONT.)

The study examined two scenarios, a moderate and aggressive demand management program. The moderate demand management scenario considered a 25,000 acre-feet per year reduction in consumptive use by Western Colorado agricultural users for five years, while the aggressive scenario considered 25,000 acre-feet per year within each Western Slope river basin over a 5-year timeframe.

These are some of the key findings of the study:

- To pay producers at a level that they would incentivize participation in such a program, annual payments to irrigators are projected to range from an average of \$194 per acre-foot under the moderate scenario to \$263 per acre-foot under the aggressive scenario.
- For compensation payments and spending of those payments to benefit the regional economy, funding for those payments must come from outside of Western Colorado. If all that money was raised in Western Colorado, the payments would shift money around within the region, but it would not create a new economic benefit to offset the impacts.
- Growers producing forage crops including grass hay, alfalfa and corn are most likely to take part in such a program compared to fruit growers and small grain producers.
- Reduced production of forage crops, mostly hay, would require fewer purchases of items such as seed, fertilizer, labor, hauling and other services. This in turn could lead to a loss of an estimated 55 agricultural support jobs under a moderate scenario and 236 jobs under the aggressive scenario. Jobs supported by demand management payments could look very different from the jobs currently supported by hay production.
- Under an aggressive demand management scenario, a demand management program could increase local hay prices by about 6% and decrease the regional livestock inventory by about 2%. The potential price and livestock impact under the moderate demand management scenario would be much smaller.

To read the study, visit: [www.coloradoriverdistrict.org/supply-planning/studies-reports-2/](http://www.coloradoriverdistrict.org/supply-planning/studies-reports-2/)

You can watch a webinar about this study here: [www.coloradoriverdistrict.org/annual-seminars](http://www.coloradoriverdistrict.org/annual-seminars)

The study was completed by BBC Research and Consulting and commissioned by the Colorado River Water Bank Workgroup made up of the Colorado River District, Southwestern Water Conservation District, The Nature Conservancy, Tri-State Generation and Transmission, the Uncompahgre Valley Water Users Association, Upper Gunnison River Water Conservancy District and the Grand Valley Water Users Association.



**COLORADO RIVER DISTRICT**  
PROTECTING WESTERN COLORADO WATER SINCE 1937



# COLORADO RIVER DISTRICT PROJECTS THAT PROTECT WEST SLOPE WATER HIGHLIGHTED

**T**he Colorado River District works across the West Slope to improve infrastructure and restore rivers as part of its work to protect water supplies for all stakeholders.

During the District's Annual Water Seminar: Zooming in on West Slope Water on Sept. 22, speakers highlighted three projects that with the help of many partners, advance the District's mission to protect Western Colorado's water security.

- The Elkhead Reservoir expansion near Hayden and Craig, completed in 2006, provides water for irrigators and the power industry while ensuring water is available to maintain river flow for endangered fish in the lower Yampa River.

- The Lower Gunnison Project near Montrose, Delta and Hotchkiss, is a multi-benefit project spearheaded by the District to modernize irrigation delivery systems.
- The Windy Gap Bypass Channel Project in Grand County, still on the drawing board, will modify Windy Gap Reservoir to re-create a Colorado River channel and nearby flood plain.

A recording of the webinar and presentation slides can be found at

[www.coloradoriverdistrict.org/annual-seminars/](http://www.coloradoriverdistrict.org/annual-seminars/)

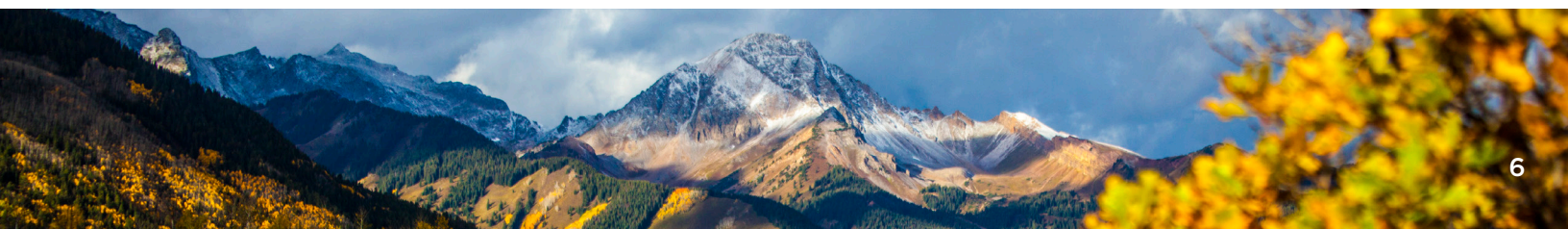
## LOG ON TO WATCH THE COLORADO RIVER DISTRICT'S ANNUAL WATER SEMINAR: ZOOMING IN ON WEST SLOPE WATER

**T**hough it looked a lot different this year, the Colorado River District was glad to host it's Annual Water Seminar: Zooming in on West Slope Water in late September. For the first time, the Seminar was presented as a free event and a series of webinars about West Slope water issues. That means even if you missed the event last month, you can still check out recordings of each webinar! Recordings of all four Seminar webinars here:

[www.coloradoriverdistrict.org/annual-seminars.](http://www.coloradoriverdistrict.org/annual-seminars.)

### Here's an overview of topics we discussed:

- **West Slope Water 101**  
Speakers will introduced the basics of Colorado water, including water rights and water law.
- **Water Works: the Colorado River District in Action**  
Learn about the broad spectrum of projects across the West Slope that benefit our agricultural communities and the environment.
- **Heating Up the Talk About Why River Flows are Down**  
Learn more about the impacts of drought, aridification of the West and reduced river flows, which are driving down Lakes Powell and Mead and impacting local water use.
- **Of Primary Importance: The Secondary Economic Impacts of Demand Management**  
How would demand management change the economics of rural towns? A study has been released about what might happen if water becomes a "cash crop" and the water not used for production is sent to Lake Powell.



# RESERVOIR RELEASES COORDINATED BY THE COLORADO RIVER DISTRICT AND ITS PARTNERS LIFT CALL ON THE YAMPA RIVER

**F**or only the second time in its history, the mainstem of the Yampa River went on call this summer, restricting water use for irrigators at a crucial time and harming fish and wildlife that depend on a flowing river.

The call halted irrigation of pastureland in the valley as cattle were coming down early to the valley floor from the dry high country. Low flows also harmed fish and wildlife habitats, including endangered fish species in the lower Yampa River.

The Colorado River District, in partnership with Tri-State Generation and Transmission and the Colorado Water Trust, was able to coordinate a series of releases of reservoir water from Elkhead Reservoir. These releases authorized releasing an additional 1,500 acre-feet of water into the river, lifting the call a few days after it was put in place.

The Colorado River District authorized a 750 acre-feet release of water to boost flows in the Yampa. Tri-State authorized 500 acre-feet of water it owned in Elkhead Reservoir, and with funding support from the Colorado Water Conservation Board, the Colorado Water Trust contracted with the River District to release an additional 250 acre-feet of water into the river. This summer's call marks the second time in just three years that the mainstem of the Yampa was placed on administration by the Colorado Division of Water Resources. Both occurred late in the summer as monsoonal rain did not arrive and drought gripped the Yampa Valley.

“This is a great example of how we can be better together in managing our water on the West Slope,” said Colorado River District General Manager Andy Mueller. “This partnership kept water flowing to better ensure the success of livestock growers in the valley while keeping flows in the river to maintain fish and wildlife habitat. We’re always proud to help coordinate projects like these, which benefit all types of water users.”

In addition to affecting commercial and recreational activities, low water flow on the Yampa River can affect the availability of local water supplies. Low flows also can increase river water temperatures and create poor water quality conditions, which can have a significant impact on fish and other wildlife in the area. Fish in the river, already stressed by existing conditions, could become even more vulnerable to diseases.

Dry summers like this one are becoming more frequent. According to the U.S. Geological Survey, naturalized flow in the Upper Colorado River Basin, which includes the entire Yampa River, has decreased by about 20% over the last century.

The Colorado River District is also looking to create a more resilient water future in the Yampa Valley and across the Western Slope. The District is initiating conversations with partners in the Yampa Valley late this fall and winter to explore options for a more permanent widespread solution to addressing low flows in the future.

“As we face an uncertain future in terms of water supply, we’re working to protect our water security and keep sustaining healthy habitats and productive agriculture,” Mueller said.

