

Notice
First Regular Joint Quarterly Meeting of the
Board of Directors of the
Colorado River Water Conservation District and of the
Colorado River Water Conservation District
Acting by and Through Its
Colorado River Water Projects Enterprise
January 19-20, 2021
Virtual Meeting
8:30 a.m.*

****PLEASE NOTE: The River District meeting will be a virtual meeting utilizing Zoom . To attend the meeting, please register at our website at www.coloradoriverdistrict.org.***

The first regular joint quarterly meeting of 2021 of the Board of Directors of the Colorado River Water Conservation District and of the Colorado River Water Conservation District acting by and through its Colorado River Water Projects Enterprise will be held on Tuesday January 19, 2021 commencing at 8:30 a.m. and continuing to Wednesday January 20, 2021 commencing at 8:30 a.m.

Agenda
First Regular Joint Quarterly Meeting of the
Board of Directors of the
Colorado River Water Conservation District
and of the
Colorado River Water Conservation District
Acting by and Through Its
Colorado River Water Projects Enterprise
January 19-20, 2021*
8:30 a.m.
Virtual Meeting

**Please Note: Executive Session is scheduled on Tuesday January 19, 2021
at approximately 9:10 a.m. and again on Wednesday January 20, 2021
at approximately 8:30 a.m.*

- | | |
|------------------|---|
| 8:30 | 1. Review Meeting Agenda and Objectives. |
| 8:30-8:50 | 2. Presentation and Report of Directors' Credentials for Garfield, Gunnison, Montrose, Ouray, Rio Blanco and Summit Counties and Introductions of Board Members. |
| 8:50-9:00 | 3. Election of Board Officers for 2021:
a. Election of President.
b. Election of Vice President. |
| 9:00-9:05 | 4. Adoption of Resolutions for Outgoing Directors. |
| 9:05-9:10 | 5. Consent Agenda:
a. Designation for Posting Notices.
b. Reappointment of General Manager, General Counsel and Treasurer.
c. Confirmation of Assistant Secretary.
d. Approval of Minutes and Actions Taken:
i. Minutes of Fourth Regular Joint Quarterly Meeting, October 20, 2020.
ii. Minutes of Special Joint Meeting, November 23, 2020.
iii. Minutes of Special Joint Meeting/2021 Budget Hearing. |

- iv. Minutes of Special Joint Meeting, December 30, 2020.
 - v. Acceptance of Treasurer Reports, Check Registers and Draft Financial Statements for October and November 2020.

 - 9:10-11:10** 6. General Counsel's Report:
 - a. Matters Proposed for Executive Session:
 - i. Woford Mountain Reservoir. (An Enterprise Matter).
 - ii. CRCA Implementation Matters.
 - iii. Application of Colorado Springs Utilities for Finding of Reasonable Diligence, Case No. 15CW3019, Water Division 5.
 - iv. Yampa Streamflow Administration.
 - v. Application of the Colorado River District and West Divide Water Conservancy District for Finding of Reasonable Diligence, Case No. 20CW3056, Water Division 5.
 - vi. Colorado River Compact, Interstate, International, and Intrastate Negotiation Matters, including Demand Management.
-
- 10:30-10:40** **Break**
-
- 11:15-11:45** 7. General Counsel's Report (cont'd.):
 - b. Public Session:
 - i. Summary and Action Items from Executive Session.
 - ii. Approval of Proposed Amendment to River District's Financial Governance Policy.
 - iii. Approval of Special Counsel Rate Increases.
 - iv. General Counsel's 2021 Goals and Objectives.
 - v. Discussion of Other Items in General Counsel's Report.
-
- 11:45-12:10** **Lunch**
-
- 12:10-1:45** 8. General Manager's Report:
 - a. Drought Contingency Planning and Demand Management Update.
 - b. Colorado River Basin Hydrology: Short Term Forecast for 2021.
 - c. Colorado River District Demand Management Stakeholder Advisory Committee Update.
 - d. Water Bank Workgroup Update.
 - e. East Troublesome Fire Recovery Effort.
 - f. Approval of Cloud Seeding Funding Request.
 - g. Approval of Joint Funding Agreement, re: USGS Gaging.
 - h. Approval of Proposed Employee Policy and Procedural Guidelines Modifications.
 - i. Appointment to Kobe Water Authority Board.
 - j. General Manager's 2021 Goals and Objectives.
-
- 1:45-2:45** 9. Partnership Project Funding Program
 - a. Adoption of CRWCD Partnership Project Funding Program Framework.
 - b. Presentation and Consideration of Funding Recommendation for Windy Gap Bypass Channel.
-
- 2:45-2:50** 10. Appointment of Committees for 2021.

12:05-12:10 18. Future Meetings:

- a. Special Joint Meeting Zoom Meetings, beginning **mid-February 2021 at noon. (Biweekly, Pending Board Approval).**
- b. Second Regular Joint Quarterly Meeting, **April 20-21, 2021 Glenwood Springs, CO.**
- c. Third Regular Joint Quarterly Meeting, **July 20-21, 2021, Glenwood Springs, CO.**

- d. CRWCD 2022 Budget Workshop, **mid-September 2021 Location TBD.**
- e. CRWCD Annual Seminar, **TBD.**
- f. Fourth Regular Joint Quarterly Meeting, **October 19-20, 2021, Glenwood Springs, CO.**
- g. Board Fact Finding Mission to Lower Basin, re: Agricultural Fallowing and Augmentation Programs, **TBD.**
- h. Other Meetings:
 - i. Colorado Water Congress Virtual Annual Convention, **February 9&12, 2021.**
 - ii. CWC Summer Conference, **TBD.**
 - iii. CRWUA Conference, **TBD.**

The Board may address the agenda in any order to accommodate
the needs of the Board and the Audience.

Persons who need accommodations due to a disability are requested to call
the River District at 970-945-8522 at least three days prior to the meeting.
This agenda may be viewed and printed from our website at www.crwcd.org

2. Presentation and Report of Directors' Credentials for Garfield, Gunnison, Montrose, Ouray, Rio Blanco and Summit Counties and Introductions of Board Members.

GO BACK TO AGENDA

**NOTICE OF APPOINTMENT TO
COLORADO RIVER WATER CONSERVATION DISTRICT
BOARD OF DIRECTORS**

This is to certify that the Board of County Commissioners of Ouray County has appointed MARTHA P. WHITMORE as Director of the Colorado River Water Conservation District for a term ending in January 2024, beginning with the January 19, 2021 first regular quarterly meeting of the Board of Directors of said Colorado River Water Conservation District.

MARTHA P. WHITMORE has been a resident of Ouray County for at least two years preceding the date of his/her appointment and is a freeholder who has paid taxes on real property in Ouray County during the preceding year.



Chairman, Board of County Commissioners

**OATH OF OFFICE FOR
COLORADO RIVER WATER CONSERVATION DISTRICT**

STATE OF COLORADO)
) ss.
COUNTY OF OURAY)

I, Martha P. Whitmore, being first duly sworn, do solemnly swear upon my oath that I will support and defend the Constitution of the United States of America and the Constitution of the State of Colorado, and that I will impartially, without fear or favor, discharge the duties of a Director of the Colorado River Water Conservation District.

Martha Whitmore

STATE OF COLORADO)
) ss.
COUNTY OF OURAY)

MARTHA P. WHITMORE, has appeared before me and subscribed
and
sworn to the foregoing Oath of Office on this 5TH day of January, 2021.

Hollenbeck
County Clerk and Recorder
By: Hannah Hollenbeck
Deputy Clerk of the Board



GO BACK TO AGENDA

3. Election of Board Officers for 2021:
 - a. Election of President.
 - b. Election of Vice President.

GO BACK TO AGENDA

4. Adoption of Resolutions for Outgoing Directors.



COLORADO RIVER DISTRICT

PROTECTING WESTERN COLORADO WATER SINCE 1937

RESOLUTION

Whereas, David H. “Dave” Merritt faithfully served as a Director, Vice President and President of the Colorado River Water Conservation District representing Garfield County and the entire District for twelve years; and

Whereas, Director Merritt gave generously of his time in addressing matters important to Garfield County, the District, the State and the Colorado River Basin;

NOW THEREFORE BE IT RESOLVED THAT,

The Board of Directors of the Colorado River Water Conservation District at its first quarterly meeting of 2021 by this Resolution, expresses its unanimous appreciation to Dave Merritt for his services as a Colorado River Water Conservation District Director.

CERTIFICATE

I, _____, President of the Board of Directors of the Colorado River Water Conservation District, do hereby certify that the above and foregoing action was taken by the Board of Directors at its first quarterly meeting on the 19th day of January 2021.

, President

Andrew A. Mueller, Secretary/General Manager



COLORADO RIVER DISTRICT

PROTECTING WESTERN COLORADO WATER SINCE 1937

RESOLUTION

Whereas, William S. “Bill” Trampe faithfully served as a Director, Vice President and President of the Colorado River Water Conservation District representing Gunnison County and the entire District for eighteen years; and

Whereas, Director Trampe gave generously of his time in addressing matters important to Gunnison County, the District, the State and the Gunnison and Colorado River Basins;

NOW THEREFORE BE IT RESOLVED THAT,

The Board of Directors of the Colorado River Water Conservation District at its first quarterly meeting of 2021 by this Resolution, expresses its unanimous appreciation to Bill Trampe for his services as a Colorado River Water Conservation District Director.

CERTIFICATE

I, _____, President of the Board of Directors of the Colorado River Water Conservation District, do hereby certify that the above and foregoing action was taken by the Board of Directors at its first quarterly meeting on the 19th day of January 2021.

, President

Andrew A. Mueller, Secretary/General Manager



COLORADO RIVER DISTRICT
PROTECTING WESTERN COLORADO WATER SINCE 1937

RESOLUTION

Whereas, Karn Stiegelmeier faithfully served as a Director of the Colorado River Water Conservation District representing Summit County and the entire District for four years; and

Whereas, Director Stiegelmeier gave generously of her time in addressing matters important to Summit County, the District, the State and the Colorado River Basin;

NOW THEREFORE BE IT RESOLVED THAT,

The Board of Directors of the Colorado River Water Conservation District at its first quarterly meeting of 2021 by this Resolution, expresses its unanimous appreciation to Karn Stiegelmeier for her services as a Colorado River Water Conservation District Director.

CERTIFICATE

I, _____, President of the Board of Directors of the Colorado River Water Conservation District, do hereby certify that the above and foregoing action was taken by the Board of Directors at its first quarterly meeting on the 19th day of January 2021.

, President

Andrew A. Mueller, Secretary/General Manager

5. Consent Agenda.

GO BACK TO AGENDA

Proposed Consent Agenda: Approval of Designation for Posting Notices and Agendas

The location for posting meeting notices and agendas shall be outside the Colorado River District's office door, 201 Centennial St., Suite 200, Glenwood Springs, CO, and notices will continue to be provided by mail delivery or electronic mail to the Colorado River District's 15 County Commissioner Boards, County Clerks and, as required by the bylaws, to any person who requests such notices/agendas, and to continue posting notices and agendas on the River District's website.

5.b. Reappointment of General Manager, General Counsel and Treasurer.

5.c. Confirmation of Assistant Secretary.

GO BACK TO AGENDA

**FOURTH REGULAR JOINT QUARTERLY MEETING OF THE
BOARD OF DIRECTORS OF THE
COLORADO RIVER WATER CONSERVATION DISTRICT
AND OF THE
COLORADO RIVER WATER CONSERVATION DISTRICT
ACTING BY AND THROUGH ITS COLORADO RIVER WATER PROJECTS ENTERPRISE**

October 20, 2020

Pursuant to notice duly and properly given, the Fourth Regular Joint Quarterly Meeting of the Board of Directors of the Colorado River Water Conservation District (CRWCD) and of the Colorado River Water Conservation District acting by and through its Colorado River Water Projects Enterprise was held on Tuesday October 20, 2020 via Zoom.

Directors participating during all or part of the meeting:

David H. Merritt, President	Martha Whitmore, Vice President
Tom Alvey	Tom Gray
Steve Acquafresca	Rebie Hazard
John Ely	Doug Monger
William S. Trampe	Stan Whinnery
Karn Stiegelmeier	Kathy Chandler-Henry
Mike Ritschard	Marc Catlin
Alden Vanden Brink	

Others participating during all or part of the meeting:

Andrew A. Mueller, General Manager, CRWCD
Peter Fleming, General Counsel, CRWCD
John Currier, Chief Engineer, CRWCD
Audrey Turner, Chief of Operations, CRWCD
Jason Turner, Senior Counsel, CRWCD
Laurie DePaolo, Executive Assistant, CRWCD
Jim Pokrandt, Director, Community Affairs, CRWCD
Ray Tenney, Deputy Chief Engineer, CRWCD
Dave Kanzer, Deputy Chief Engineer, CRWCD
Don Meyer, Sr. Water Resources Engineer, CRWCD
Ian Philips, Chief Accountant, CRWCD
Mike Eytel, Sr. Water Resources Specialist, CRWCD
Hunter Causey, Sr. Water Resources Engineer, CRWCD
Zane Kessler, Director of Government Relations, CRWCD
Brendon Langenhuizen, Sr. Water Rights Engineer, CRWCD
Luci Wilson, Accountant, CRWCD
Lorra Nichols, Paralegal, CRWCD
Alesha Fredrick, Director of Information & Outreach, CRWCD
Gracie Wright, Contract Administrator/Information Specialist, CRWCD
Eleanor Hasenbeck, Water Policy & Communications Fellow, CRWCD
Lyzzi Borkenhagen, Administrative Assistant, CRWCD
Jackie Brown, Tri-State Generation & Transmission
Orla Bannan, Western Water Advocates
Laura Spann, Southwestern Water Conservation District
Maria Pastore, Colorado Springs Utilities
Doug Jeavons, BBC Research & Consulting

¹ An audio recording has been made of the meeting. The motions described herein may not necessarily represent a verbatim transcription. The audio recordings are available for listening at the CRWCD offices during regular office hours. These minutes are the official record of the Colorado River Water Conservation District's meeting.

Kathrine Duncan
Martha Moore
Dennis Webb, The Daily Sentinel

Quorum.

President Merritt found a quorum and called the meeting to order at 8:33 a.m.

Review Meeting Agenda and Objectives.

Peter Fleming recommended the addition of the White River Storage Project/Wolf Creek Reservoir as agenda item 3.a.vi. and Eagle Park Reservoir Company Appointment as agenda item 9.c. The Board accepted the recommendations.

Consent Agenda.

Director Whitmore moved, seconded by Director Acquafresca, to approve the following consent agenda as presented. Motion carried unanimously.

Approval of Minutes and Actions Taken:

- a.
 - i. Minutes of Third Regular Joint Quarterly Meeting, July 21, 2020.
 - ii. Minutes of Special Joint Meeting, Teleconference, September 1, 2020.
- b. Review and Acceptance of Treasurer's Reports, Check Registers and Financials for January-May 2020.

General Counsel's Report – Executive Session.

Peter Fleming reported that the following matters qualify for discussion in Executive Session pursuant to C.R.S. §§ 24-6-402(4) (a) property (b)(legal advice) and (e)(negotiations).

- i. Wolford Mountain Reservoir and Ritschard Dam Operations. (An Enterprise Matter).
- ii. CRCA Implementation Matters.
- iii. Application of Colorado Springs Utilities, Case No. 15CW3019, Water Division 5
- iv. Homestake Reservoir Compact Release Pilot Project.
- v. Colorado River Compact, Interstate, International, and Intrastate Negotiation Matters, including Demand Management.
- vi. Application of the Rio Blanco Water Conservancy District, White River Storage Project, Case No. 14CW3043, Water Division 6.

Director Whitmore moved, seconded by Director Stiegelmeier, to proceed into Executive Session pursuant to C.R.S. §§ 24-6-402(4)(b)(legal advice) and (e)(negotiations). Motion carried unanimously.

Peter Fleming stated that no further record of the Executive Session need be kept based on his opinion that the discussion will constitute privileged attorney-client communications.

President Merritt reconvened into Public Session at 10:49 a.m.

General Counsel's Report – Public Session.

Peter Fleming reported that during Executive Session, the Board provided guidance to staff and General Counsel on the following matters:

- i. Wolford Mountain Reservoir and Ritschard Dam Operations. (An Enterprise Matter).
- ii. CRCA Implementation Matters.
- iii. Application of Colorado Springs Utilities, Case No. 15CW3019, Water Division 5
- iv. Homestake Reservoir Compact Release Pilot Project.
- v. Colorado River Compact, Interstate, International, and Intrastate Negotiation Matters, including Demand Management.
- vi. Application of the Rio Blanco Water Conservancy District, White River Storage Project, Case No. 14CW3043, Water Division 6.

Mr. Fleming also reported President Merritt was not present during the discussion of agenda item 3.a.i. and there were no action items as a result of Executive Session and Public Session.

General Manager's Report.

Ballot Initiative Update (President Merritt):

Andy Mueller reported that he has presented information on the River District's ballot initiative and fiscal implementation plan to various entities and organizations when requested. President Merritt thanked board members for their efforts to inform constituents about the ballot initiative. He also noted the initiative has been endorsed by approximately 50 organizations including city councils, boards of county commissioners, chambers of commerce, environmental groups, cattlemen's groups and other water entities.

Drought Contingency Planning and Drought Management Update:

Mr. Mueller relayed that the Upper Colorado River Commission is making progress to initiate a demand management study. He also reported that the CWCB held a workshop on demand management feasibility that included reports from the CWCB's demand management workgroups. River District staff were participants in several of the workgroups. There is also concern about funding for future pilot projects due to the state's budget crisis.

Water Bank Workgroup Economic Study Update:

It was reported that the Water Bank Workgroup has issued the final Upper Basin Demand Management Economic Study in Western Colorado. The River District has participated in the workgroup since its inception.

Colorado River Basin Hydrology:

Dave Kanzer and Don Meyer reported that drought conditions are continuing throughout the basin with above average temperatures and below average precipitation forecast for the next three months in the Upper Colorado River Basin.

Directors' Updates/Concerns.

President Merritt announced his retirement from the River District Board effective January 2021. Director Acquafresca reported there is heightened concern regarding the recent purchase of irrigated farms in the Grand Valley by a New York hedge fund. Concern has been expressed that the water rights associated with these farms will be sold or leased for other uses. Other concerns expressed by directors included ongoing drought impacts, increased tourism resulting in heavy usage of public lands, large fires and heavy smoke, and continued impacts from COVID-19.

Presentation of Upper Basin Demand Management Economic Study in Western Colorado by Doug Jeavons, BBC Research & Consulting.

Doug Jeavons provided highlights of the Upper Basin Demand Management Economic Study in Western Colorado. The study team met twice with stakeholder groups from each of the four major river basins in western Colorado and based on that input, developed two scenarios to evaluate potential demand management program economic impacts on western Colorado.

Scenario 1 was based on 125,000 af of consumptive use reductions from western Colorado over a five-year period and would support a 500,000 af demand management storage account in the CRSP reservoirs (the size of storage account authorized by the Drought Contingency Plan agreements between the seven states and the federal government). Scenario 2 was based on an annual reduction of 25,000 af in western Colorado agricultural water usage from each of the four major river basins. Scenario 2 would potentially support a 2 million af demand management program within the Upper Colorado River Basin (the size of storage account indicated by the River District's Risk Study as more likely needed to make a meaningful difference in forestalling a compact compliance event). Under both scenarios, there are negative impacts to production related jobs and support industries, as well as increased hay prices and decreased livestock inventory on the West Slope.

Questions and concerns raised by the Board included the recovery time of fallowed ground as well as future production levels of that ground and the impact of reduced return flows as a result of fallowing.

CRWCD 2021 Budget Workshop.

Andy Mueller informed the Board that the draft 2021 General Fund budget could undergo substantial modifications if the District's ballot initiative 7A is passed. Another change being contemplated is to change the allocation ratio of expenses between the General Fund and Enterprise Fund. Mr. Mueller also stated that if 7A is passed, the increased funds would not be used to increase River District staff.

Ian Philips provided an overview of the River District's budgets and funding mechanisms. The General Fund is the administrative fund and covers approximately 75% of District staff and Board activities. It is funded principally through property taxes.

The Capital Projects Fund has been funded in part by unspent General Fund monies transferred at the end of each fiscal year as well as earned interest. This fund covers fleet vehicle purchases, computers, and building improvements and has, in the past, provided the funds for the Grants Program.

Colorado River Water Projects Enterprise Budget.

The Enterprise Fund covers the operations of Woford Mountain Reservoir, the River District's Eagle Park Reservoir water supplies, Elkhead Reservoir, and the River District's Ruedi Reservoir supplies and other qualifying Enterprise activities. It is funded through water sales, rental income, occasional grants and cooperative projects.

Mr. Mueller reminded the Board of its upcoming budget hearing scheduled for December 3.

External Affairs.

Information and Outreach Update:

Alesha Frederick provided a summary of external affairs activities that included continuation of the virtual Water with Your Lunch series, the annual water seminar that had 532 registrants and was held virtually this year, five State of the River webinars, press releases, and increased digital presence on several media platforms.

State Affairs:

Zane Kessler reported that no interim committee meetings have been held due to COVID-19. There have been conversations with stakeholder groups that may lead to legislation related to recreational enhancements, possibly involving RICD's in the upcoming legislative session. There has also been an anti-speculation law workgroup formed to examine ways to strengthen anti-speculation laws. Peter Fleming is participating in that workgroup.

Federal Affairs:

Mr. Kessler reported that Congressional focus has mainly been on COVID-related issues including reaching agreement on a COVID relief package.

Project Operations and Updates.

Woford Mountain Reservoir:

Hunter Causey reported that Ritschard Dam underwent a dam risk assessment by an expert panel with a report on the assessment expected soon. He also reported that several maintenance activities on the dam have been completed with additional work to be scheduled in 2021.

Colorado River District's Appointment to Eagle Park Reservoir Company Board:

Director Alvey moved, seconded by Director Trampe, to appoint Peter Fleming as the River District representative to the Eagle Park Reservoir Company board and authorize the General Manager and General Counsel to designate an alternate representative if necessary. Motion carried unanimously.

Future Meetings.

- a. Special Joint Meeting/CRWCD 2021 Budget Hearing, **December 3, 2020.**
- b. First Regular Joint Quarterly Meeting, **January 19-20, 2021.**
- c. Second Regular Joint Quarterly Meeting, **April 20-21, 2021.**
- d. Third Regular Joint Quarterly Meeting, **July 20-21, 2021.**
- e. Fourth Regular Joint Quarterly Meeting, **October 19-20, 2021.**
- f. Other Meetings:
 - i. CWC Winter Event, **TBD, 2021.**

Personnel Review Matters (Executive Session).

Peter Fleming recommended that the following matters qualify for discussion in Executive Session pursuant to C.R.S. §§ 24-6-402(4)(f)(personnel):

- a. General Manager's Review.
- b. General Counsel's Review.

Director Whitmore moved, seconded by Director Alvey, to move into Executive Session pursuant to C.R.S. §§ 24-6-402(4)(f)(personnel). Motion carried unanimously.

Mr. Fleming stated that the discussion of personnel matters would be recorded and retained for 90 days.

President Merritt reconvened into Public Session at 4:16 p.m.

Personnel Review Matters – Public Session.

Peter Fleming reported that during Executive Session the Board discussed the following:

- a. General Manager's Review.
- b. General Counsel's Review.

Director Whitmore moved, seconded by Director Trampe, to increase the General Manager and General Counsel's salaries 1.5% commencing in January 2021. Motion carried unanimously.

Ratification.

Director Whitmore moved, seconded by Director Acquafresca, to ratify a motion approving the consent agenda listed under agenda item 2. Motion carried unanimously.

Adjourn.

There being no more business before the Board, President Merritt adjourned the meeting at 4:21 p.m.

, President

ATTEST:

Andrew A. Mueller, Secretary/General Manager

Executive Session Attestations.

I hereby attest that the portions of the Executive Session that were not recorded constituted privileged attorney-client communications.

Peter Fleming, General Counsel

DRAFT

GO BACK TO AGENDA

MINUTES¹

**SPECIAL JOINT MEETING OF THE BOARD OF DIRECTORS
OF THE COLORADO RIVER WATER CONSERVATION DISTRICT
AND OF THE COLORADO RIVER WATER CONSERVATION DISTRICT
ACTING BY AND THROUGH ITS COLORADO RIVER WATER PROJECTS ENTERPRISE**

November 23, 2020

Pursuant to notice duly and properly given, a special joint meeting telephone conference of the Board of Directors of the Colorado River Water Conservation District (CRWCD) and of the Colorado River Water Conservation District acting by and through its Colorado River Water Projects Enterprise was held on Monday November 23, 2020 via Zoom..

Directors participating during all or part of the meeting:

Martha Whitmore, Vice President	Tom Alvey
Steve Acquafresca	Tom Gray
Kathy Chandler-Henry	William S. Trampe
Al Vanden Brink	Rebie Hazard
Karn Stiegelmeier	Marc Catlin
John Ely	Doug Monger

Directors not participating:

David M. Merritt, President	Stan Whinnery
Mike Ritschard	

Others participating during all or part of the meeting:

Andrew A. Mueller, General Manager, CRWCD
Peter Fleming, General Counsel, CRWCD
Audrey Turner, Chief of Operations, CRWCD
Jason Turner, Senior Counsel, CRWCD
Laurie DePaolo, Executive Assistant, CRWCD
James Fosnaught, Karp Neu Hanlon, P.C.
Hannah Simmons, Karp Neu Hanlon, P.C.
Shoshana Rosenthal, Karp Neu Hanlon, P.C.

Quorum.

Vice President Whitmore found a quorum and called the meeting to order at 3:06 p.m.

General Counsel's Report-Executive Session.

Peter Fleming reported that the following matter qualifies for discussion in Executive Session pursuant to C.R.S. §§ 24-6-402(4)(b)(legal advice) and (e)(negotiations).
Wolford Mountain Reservoir.

Director Vanden Brink moved, seconded by Director Hazard, to proceed into Executive Session pursuant to C.R.S. §§ 24-6-402(4)(b)(legal advice) and (e)(negotiations). Motion carried unanimously.

Peter Fleming stated that no further record of the Executive Session need be kept based on his opinion that the discussion will constitute privileged attorney-client communications.

Vice President Whitmore reconvened into Public Session at 4:33 p.m.

¹An audio recording has been made of the meeting. The motions described herein may not necessarily represent a verbatim transcription. The audio recordings are available for listening at the CRWCD offices during regular office hours. These minutes are the official record of the Colorado River Water Conservation District's meeting.

General Counsel's Report- Public Session.

Peter Fleming reported that during Executive Session, the Board provided guidance to staff and General Counsel on the following matter:

Wolford Mountain Reservoir.

Mr. Fleming also reported that there were no action items as a result of Executive Session.

Adjourn.

There being no further business before the Board, Vice President Whitmore adjourned the meeting at 4:34 p.m.

, President

ATTEST:

Andrew A. Mueller, Secretary/General Manager

Executive Session Attestations.

I hereby attest that the portions of the Executive Session that were not recorded constituted privileged attorney-client communications.

Peter Fleming, General Counsel

GO BACK TO AGENDA

MINUTES¹

**2020/2021 CRWCD BUDGET HEARING/SPECIAL JOINT MEETING OF THE
BOARD OF DIRECTORS OF THE
COLORADO RIVER WATER CONSERVATION DISTRICT
AND OF THE COLORADO RIVER WATER CONSERVATION DISTRICT
ACTING BY AND THROUGH ITS COLORADO RIVER WATER PROJECTS ENTERPRISE**

December 3, 2020

Pursuant to notice duly and properly given, the 2020/2021 CRWCD Budget Hearing/Special Joint Meeting of the Board of Directors of the Colorado River Water Conservation District (CRWCD) and of the Colorado River Water Conservation District acting by and through its Colorado River Water Projects Enterprise was held on Thursday December 3, 2020 via Zoom.

Directors participating during all or part of the meeting:

David H. Merritt, President	Martha Whitmore, Vice President
Mike Ritschard	Steve Acquafresca
William S. Trampe	Tom Gray
Tom Alvey	Karn Stiegelmeier
Doug Monger	Alden Vanden Brink
Kathy Chandler-Henry	Rebie Hazard
Marc Catlin	Stan Whinnery

Directors not participating in the meeting:

John Ely

Others participating during all or part of the meeting:

Andrew Mueller, General Manager, CRWCD
Peter Fleming, General Counsel, CRWCD
Audrey Turner, Chief of Operations, CRWCD
Jason Turner, Senior Counsel, CRWCD
Ray Tenney, Deputy Chief Engineer, CRWCD
Ian Philips, Chief Accountant, CRWCD
Laurie DePaolo, Executive Assistant, CRWCD
Dave Kanzer, Deputy Chief Engineer, CRWCD
Don Meyer, Sr. Water Resources Engineer, CRWCD
Hunter Causey, Sr. Water Resources Engineer, CRWCD
Jim Pokrandt, Director of Community Affairs, CRWCD
Brendon Langenhuizen, Sr. Water Rights Engineer, CRWCD
Lorra Nichols, Paralegal, CRWCD
Alesha Frederick, Director of Outreach & Information, CRWCD
Eleanor Hasenbeck, Water Policy & Communications Fellow, CRWCD
Luci Wilson, Accountant, CRWCD
Gracie Wright, Contract Administrator/Information Specialist, CRWCD
Orla Bannan, Western Water Resources
Kathrine Duncan
Chris Treese
Heather Sackett, Aspen Journalism
Dennis Webb, The Daily Sentinel
April Long

¹ An audio recording has been made of the meeting. The motions described herein may not necessarily represent a verbatim transcription. The audio recordings are available for listening at the CRWCD offices during regular office hours. These minutes are the official record of the Colorado River Water Conservation District's meeting.

President Merritt found a quorum and called the meeting to order at 12:05 p.m.

Andy Mueller reported on the recent election results and the passage of 7A, the River District's ballot initiative to increase its mill levy. The measure passed in 14 of the River District's 15 counties. Approximately 86% of those funds will be allocated to the Partnership Project Funding Program to fund cooperative projects throughout the District.

Budget Hearings.

Ian Philips reviewed the proposed 2021 General Fund, Capital Projects Fund, and Enterprise Fund budgets and the increased property tax revenues commencing in 2021.

President Merritt opened the budget hearings and requested public comments. No comments were received.

Resolution for 2020 General Fund Budget Amendments:

Director Chandler-Henry moved, seconded by Director Whitmore, to adopt a resolution summarizing expenditures and revenues for the General Fund and adopting an amended budget for the Colorado River Water Conservation District, Colorado for the calendar year beginning on the first day of January 2020 and ending on the last day of December 2020. Motion carried unanimously.

Resolution to Adopt 2021 General Fund Budget:

Director Acquafresca moved, seconded by Director Whinnery, to adopt a resolution summarizing expenditures and revenues for the General Fund and adopting a budget for the Colorado River Water Conservation District, Colorado for the calendar year beginning on the first day of January 2021 and ending on the last day of December 2021. Motion carried unanimously.

Resolution for 2020 Capital Projects Fund Budget Amendments:

Director Ritschard moved, seconded by Director Vanden Brink, to adopt a resolution summarizing expenditures and revenues for the Capital Projects Fund and adopting an amended budget for the Colorado River Water Conservation District, Colorado for the calendar year beginning on the first day of January 2020 and ending on the last day of December 2020. Motion carried unanimously.

Resolution to Adopt 2021 Capital Projects Fund Budget:

Director Vanden Brink moved, seconded by Director Stiegelmeier, to adopt a resolution summarizing expenditures and revenues for the Capital Projects Fund and adopting a budget for the Colorado River Water Conservation District, Colorado for the calendar year beginning on the first day of January 2021 and ending on the last day of December 2021. Motion carried unanimously.

Resolution for 2020 Enterprise Fund Budget Amendments:

Director Alvey, moved, seconded by Director Chandler-Henry, to adopt a resolution summarizing expenditures and revenues for the Colorado River Water Projects Enterprise and adopting an amended budget for the Colorado River Water Conservation District acting by and through its Colorado River Water Projects Enterprise for the calendar year beginning on the first day of January 2020 and ending on the last day of December 2020. Motion carried unanimously.

Resolution to Adopt 2021 Enterprise Fund Budget:

Director Catlin moved, seconded by Director Alvey, to adopt a resolution summarizing expenditures and revenues for the Colorado River Water Projects Enterprise and adopting a budget for the Colorado River Water Conservation District acting by and through its Colorado River Water Projects Enterprise for the calendar year beginning on the first day of January 2021 and ending on the last day of December 2021. Motion carried unanimously.

Resolutions to Appropriate Sums of Money. (General and Capital Projects Funds):

Director Vanden Brink moved, seconded by Director Stiegelmeier, to adopt resolutions appropriating sums of money to the various funds in the following amounts and for the following purposes, for the Colorado River Water Conservation District, Colorado for the 2021 budget year: General Fund, \$12,749,570 and Capital Projects Fund, \$3,839,690. Motion carried unanimously.

Resolution to Appropriate Sums of Money. (Enterprise Fund).

Director Catlin moved, seconded by Director, Trampe, to adopt a resolution appropriating a sum of money to the Enterprise Fund for Colorado River Water Conservation District's Colorado River Water Projects Enterprise for the 2021 budget year in the amount of \$7,026,414. Motion carried unanimously. (The resolutions are attached as Appendices A.- H.).

President Merritt closed the budget hearings.

Review and Acceptance of Treasurer's Reports, Check Registers and Draft Financial Statements for June-September 2020.

Director Whitmore moved, seconded by Director Acquafresca, to accept the treasurer's reports, check registers and draft financial statements for June-September 2020. Motion carried unanimously.

General Manager's Report.

Presentation of Partnership Projects Application and Staff Recommendation Process:

Andy Mueller presented a framework for evaluation of proposed partnership projects within the River District to be funded by the additional property tax revenue resulting from the passage of ballot initiative 7A. The framework incorporates the five project categories from the Fiscal Implementation Plan (productive agriculture, infrastructure, healthy rivers, watershed health and water quality, and conservation efficiency), an in-depth staff review process of project applications, requires Board approval of projects, requires an analysis and report by staff to the Board of a running accounting of fund expenditures by category and geographic region, local community support for a proposed project, and leverage of River District funds by project applicants. Mr. Mueller requested Board input on the proposed framework.

Board input included delegating approval authority to the General Manager for projects involving District funding with an annual. Other suggestions ranged from including an applicant appeal process if an application is not funded, reviewing recommended applications on a quarterly basis, doing loans for projects in addition to partnerships and investments. Staff was directed to present an amended framework for consideration at the January 2021 quarterly board meeting.

General Counsel's Report.

Jason Turner reported that, consistent with prior Board direction, the River District has re-aligned itself as a co-applicant in the Application of Ouray County, Ouray County Water Users Association, and Tri-County Water Conservancy District, Case No. 19CW3098. The purpose of the project is to provide additional water supplies to water users in Ouray County. Mr. Turner reported that the applicants intend to file an amended application in December to better define some of the exchange reaches and to identify the volume of water the applicants propose to store in Ridgway Reservoir.

Adjourn

There being no further business before the Board, President Merritt adjourned at 1:59 p.m.

, President

ATTEST:

Andrew A. Mueller, Secretary/General Manager

DRAFT

MINUTES¹
SPECIAL JOINT MEETING OF THE BOARD OF DIRECTORS
OF THE COLORADO RIVER WATER CONSERVATION DISTRICT
AND OF THE COLORADO RIVER WATER CONSERVATION DISTRICT
ACTING BY AND THROUGH ITS COLORADO RIVER WATER PROJECTS ENTERPRISE

December 30, 2020

Pursuant to notice duly and properly given, a special joint meeting telephone conference of the Board of Directors of the Colorado River Water Conservation District (CRWCD) and of the Colorado River Water Conservation District acting by and through its Colorado River Water Projects Enterprise was held on Wednesday December 30, 2020 via Zoom..

Directors participating during all or part of the meeting:

Martha Whitmore, Vice President	Tom Alvey
Steve Acquafresca	Tom Gray
Kathy Chandler-Henry	William S. Trampe
Al Vanden Brink	Rebie Hazard
Karn Stiegelmeier	Marc Catlin
John Ely	Doug Monger
Mike Ritschard	

Directors not participating:

David M. Merritt, President	Al Vanden Brink
-----------------------------	-----------------

Others participating during all or part of the meeting:

Andrew A. Mueller, General Manager, CRWCD
Peter Fleming, General Counsel, CRWCD
Audrey Turner, Chief of Operations, CRWCD
Jason Turner, Senior Counsel, CRWCD
Laurie DePaolo, Executive Assistant, CRWCD
Lorra Nichols, Paralegal, CRWCD
James Fosnaught, Karp Neu Hanlon, P.C.
Hannah Simmons, Karp Neu Hanlon, P.C.
Shoshana Rosenthal, Karp Neu Hanlon, P.C.

Quorum.

Vice President Whitmore found a quorum and called the meeting to order at 12:17 p.m.

General Counsel's Report-Executive Session.

Peter Fleming reported that the following matter qualifies for discussion in Executive Session pursuant to C.R.S. §§ 24-6-402(4)(b)(legal advice) and (e)(negotiations).
Wolford Mountain Reservoir.

Director Alvey moved, seconded by Director Ely, to proceed into Executive Session pursuant to C.R.S. §§ 24-6-402(4)(b)(legal advice) and (e)(negotiations). Motion carried unanimously.

Peter Fleming stated that no further record of the Executive Session need be kept based on his opinion that the discussion will constitute privileged attorney-client communications.

¹An audio recording has been made of the meeting. The motions described herein may not necessarily represent a verbatim transcription. The audio recordings are available for listening at the CRWCD offices during regular office hours. These minutes are the official record of the Colorado River Water Conservation District's meeting.

Vice President Whitmore reconvened into Public Session at 12:49 p.m.

General Counsel's Report- Public Session.

Peter Fleming reported that during Executive Session, the Board provided guidance to staff and General Counsel on the following matter:

Wolford Mountain Reservoir.

Mr. Fleming also reported that there were no action items as a result of Executive Session.

Adjourn.

There being no further business before the Board, Vice President Whitmore adjourned the meeting at 12:50 p.m.

, President

ATTEST:

Andrew A. Mueller, Secretary/General Manager

Executive Session Attestations.

I hereby attest that the portions of the Executive Session that were not recorded constituted privileged attorney-client communications.

Peter Fleming, General Counsel

GO BACK TO AGENDA


5.d.v. Review and Acceptance of Treasurer's Reports, Check Registers and Draft Financial Statements for October-November 2020.

COLORADO RIVER WATER CONSERVATION DISTRICT

**TREASURER'S REPORT
GENERAL FUND**

October 30, 2020

CASH AND EQUIVALENTS AS OF:	09/30/20		
CASH ON HAND	\$439.44		
BOC-GLENWOOD-PETTY CASH-9497	\$2,225.09		
BOC-GLENWOOD - CHECKING	\$3,012,521.39		
COLOTRUST PRIME	\$440,595.89		
COLOTRUST PLUS	\$1,387,809.19		
INVESTMENTS	\$0.00		
TOTAL			\$4,843,591.00
DEPOSITS:			
CASH ON HAND	0.00		
BOC-GLENWOOD-PETTY CASH-9497	0.37		
BOC-GLENWOOD - CHECKING	364,573.37		
COLOTRUST PRIME	27.52		
COLOTRUST PLUS	213.09		
TOTAL			364,814.35
DISBURSEMENTS:			
CASH ON HAND	0.00		
BOC-GLENWOOD-PETTY CASH-9497	0.00		
BOC-GLENWOOD - CHECKING	425,700.82		
COLOTRUST PRIME	0.00		
COLOTRUST PLUS	0.00		
TOTAL			425,700.82
INVESTMENTS:			
NET INCREASE/[(DECREASE)]	0.00		
TOTAL			0.00
CASH AND EQUIVALENTS AS OF:	10/30/20		\$4,782,704.53
SUMMARY:			
CASH ON HAND	\$439.44		
BOC-GLENWOOD-PETTY CASH-9497	\$2,225.46		
BOC-GLENWOOD - CHECKING	\$2,951,393.94		
COLOTRUST PRIME	\$440,623.41		
COLOTRUST PLUS	\$1,388,022.28		
INVESTMENTS	\$0.00		
SUMMARY TOTAL AS OF:	10/30/20		\$4,782,704.53


 Signature _____ Date 01/26/21
 ROGER D. MAGGARD, TREASURER
 COLORADO RIVER WATER
 CONSERVATION DISTRICT

COLORADO RIVER WATER CONSERVATION DISTRICT

TREASURER'S REPORT
ANALYSIS OF INVESTMENTS
GENERAL FUND

October 30, 2020

	BALANCE 09/30/20	ADDITIONS (PURCHASED)	DELETIONS (MATURED)	BALANCE 10/30/20
CERTIFICATES OF DEPOSIT	\$0.00	\$0.00	\$0.00	\$0.00
TREASURIES & DISCOUNT AGENCIES	0.00	0.00	0.00	\$0.00
TOTAL INVESTMENTS	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>
SUMMARY:				
Additions	\$0.00			
Deletions	<u>0.00</u>			
NET INCREASE/(DECREASE)	<u>\$0.00</u>			

Balance Sheet
Colorado River Water Conservation District
For 10/31/2020

UNAUDITED

	This Year	Last Year	Change
01 General Fund			
Assets			
01-00-1000.000 Cash Box - General	439.44	437.66	1.78
01-00-1001.000 Cash In Bank - BoC - Checking	2,951,393.94	2,701,982.06	249,411.88
01-00-1002.000 Cash In Bank - Petty Cash	2,225.46	2,576.97	(351.51)
01-00-1008.000 EFT Clearing Account	0.00	0.00	0.00
01-00-1009.000 Undeposited Funds	90,769.42	36,951.89	53,817.53
01-00-1010.000 Wells Fargo /Colotrust -0100	0.00	0.00	0.00
01-00-1015.000 General ColoTrust Prime	440,623.41	437,522.56	3,100.85
01-00-1016.000 General ColoTrust Plus	1,388,022.28	524,907.45	863,114.83
01-00-1020.000 Investments-All	0.00	0.00	0.00
01-00-1021.000 Allow. For Investments+-	0.00	0.00	0.00
01-00-1022.000 Accum Amortization Investments	0.00	0.00	0.00
01-00-1023.000 Accrued Interest	0.00	0.00	0.00
01-00-1200.000 Accounts Receivable	1,152.05	2,950.90	(1,798.85)
01-00-1201.000 Accounts Receivable - Spec.	0.00	0.00	0.00
01-00-1205.000 Housing Notes Receivable	55,289.30	213,103.38	(157,814.08)
01-00-1206.000 Deferred Revenue	(5,157.53)	0.00	(5,157.53)
01-00-1207.000 457 Loans Receivable	0.00	0.00	0.00
01-00-1210.000 Property Tax Receivables	4,389,942.00	4,298,006.00	91,936.00
01-00-1225.000 Allowance Housing Forgiveness	(86,000.00)	(129,277.00)	43,277.00
01-00-1300.000 Prepaid Expenses	0.00	0.00	0.00
01-00-1505.000 Office Equipment	0.00	0.00	0.00
01-00-1599.000 Assets in Fixed Assets Fund	0.00	0.00	0.00
01-02-1990.000 Internal Balances	0.00	0.00	0.00
01-03-1990.000 Internal Balances	0.00	0.00	0.00
01-04-1990.000 Internal Balances	62.70	252.03	(189.33)
01-05-1990.000 Internal Balances	0.00	0.00	0.00
01-06-1990.000 Internal Balances	0.00	0.00	0.00
01-07-1990.000 Internal Balances	0.00	0.00	0.00
Total Assets	9,228,762.47	8,089,413.90	1,139,348.57
Liabilities and Net Assets			
01-00-2000.000 Accounts Payable	51,504.96	37,304.63	14,200.33
01-00-2001.000 Encumbrance Payable	0.00	0.00	0.00
01-00-2010.000 Wages Payable	0.00	0.00	0.00
01-00-2011.000 FICA/Mdcr Payable	0.00	(0.01)	0.01
01-00-2012.000 Fwt Payable	0.00	0.00	0.00
01-00-2013.000 Cwt Payable	0.00	0.00	0.00
01-00-2014.000 Sui Payable	611.89	612.88	(0.99)
01-00-2015.000 Disability Insurance	0.00	0.00	0.00
01-00-2016.000 Deferred Compension Payable	0.13	0.00	0.13
01-00-2017.000 HSA	0.00	0.00	0.00
01-00-2018.000 Health Insurance Premium Payable	0.00	0.08	(0.08)
01-00-2019.000 RHS -Payable	0.00	0.06	(0.06)
01-00-2020.000 Voluntary Life Payable	(518.22)	(518.55)	0.33
01-00-2021.000 Accrued Vacation Payable	0.00	0.00	0.00
01-00-2022.000 Accrued Vacation/Comp	0.00	0.00	0.00
01-00-2023.000 Cafeteria Plan - MSA Payable	401.30	622.44	(221.14)
01-00-2024.000 Cafeteria Plan - DCAP Payable	423.30	466.64	(43.34)
01-00-2025.000 457 Loan Payable	0.00	0.00	0.00
01-00-2026.000 Roth Payable	0.00	0.00	0.00
01-00-2040.000 24hourFlex Min Maint Bal	(1,500.00)	(1,500.00)	0.00
01-00-2200.000 Deferred Property Tax Revenue	4,389,942.00	4,298,006.00	91,936.00
01-00-2999.000 Excess Funds Transfer to CPO	0.00	0.00	0.00
Total Liabilities	4,440,865.36	4,334,994.17	105,871.19
01-00-3000.000 Tabor Emergency Reserve	120,806.00	133,418.00	(12,612.00)
01-00-3010.000 Unappropriated Fund Balance	2,990,478.86	2,183,902.12	806,576.74
Change in Net Assets	1,676,612.25	1,437,099.61	239,512.64
Total Liabilities and Net Assets	9,228,762.47	8,089,413.90	1,139,348.57

FOR INTERNAL USE ONLY

Income Statement

Colorado River Water Conservation District

For 10/31/2020

UNAUDITED

Page: 1

General Fund	M-T-D Actual \$	Y-T-D Actual \$	Annual Budget \$	YTD % Budget
<u>Revenues</u>				
4000. County Taxes	11,756.90	4,337,023.35	4,394,454.86	98.69
4001. SO And Other Tax	25,710.22	264,160.75	300,872.47	87.80
4002. Delinquent Taxes (general)	82.75	8,695.40	6,528.08	133.20
4010. Property Tax Interest	803.12	7,023.73	8,488.96	82.74
4020. Tax Increment Financing	(41.99)	(21,035.93)	(15,649.13)	134.42
4025. Tax Abatements/Credits	(928.53)	(21,521.25)	(31,831.01)	67.61
4030. County Treasurers Fees	(613.05)	(152,815.02)	(143,428.46)	106.54
4110. Investment Interest	901.50	18,322.31	28,000.00	65.44
4120. Miscellaneous Income	0.00	10,327.78	7,500.00	137.70
4130. Management Fee	0.00	0.00	0.00	0.00
4401. Cost of Goods Sold	0.00	0.00	0.00	0.00
Total Revenues	37,670.92	4,450,181.12	4,554,935.77	97.70
<u>Expenses</u>				
5000. Contingency Salaries	0.00	0.00	0.00	0.00
5001. Salaries	136,912.63	1,404,225.94	1,949,476.02	72.03
5010. Accrued Vacation	0.00	0.00	0.00	0.00
5011. Fica/Medicare	7,927.65	98,643.88	132,561.76	74.41
5014. Unemployment	383.61	4,004.05	5,732.17	69.85
5016. Workers Compensation Insurance	0.00	2,487.22	3,897.68	63.81
5115. Disability Insurance	910.10	8,732.30	11,652.81	74.94
5118. Health Insurance	31,854.17	322,727.56	429,810.01	75.09
5120. Cafeteria Plan-Employer	0.00	0.00	0.00	0.00
5121. Cafeteria Plan-Administration	0.00	438.75	0.00	0.00
5122. Retirement - 457 Matching	645.96	10,830.89	18,000.00	60.17
5123. Retirement - Employer	12,894.91	130,815.56	182,853.00	71.54
5124. Retirement - Administration	0.00	2,812.50	3,750.00	75.00
5125. RHS- Employer Contribution	0.00	13,994.64	18,300.00	76.47
5211. Employee Housing	0.00	37,726.22	46,125.00	81.79
5212. Education Assistance	0.00	0.00	1,500.00	0.00
5220. Overhead-C	0.00	0.00	21,442.50	0.00
5310. Travel	171.24	29,295.57	154,000.00	19.02
5311. Staff Registration	0.00	2,841.75	22,875.00	12.42
5312. Meeting Expense	0.00	1,679.86	37,800.00	4.44
6000. Directors Fees	0.00	4,481.25	13,500.00	33.19
6001. Education/Professional Development	0.00	2,131.79	8,250.00	25.84
6012. Legal Notice	298.38	2,714.64	2,250.00	120.65
6013. Special Counsel	0.00	9,294.14	74,875.00	12.41
6014. Legal Engineering	0.00	8,579.30	118,770.00	7.22
6015. Legal/Litigation / Adr	0.00	168.75	25,000.00	0.68
6016. Miscellaneous Legal/Materials	2,695.00	15,535.51	18,750.00	82.86
6017. Legal Contingency	0.00	0.00	15,000.00	0.00
6018. Legal Assistance To Others	0.00	0.00	20,000.00	0.00
6020. Washington Counsel/Lobbyist	1,125.00	11,250.00	13,500.00	83.33
6021. Colorado Lobbyist	1,500.00	15,000.00	18,000.00	83.33
6022. Education Assistance To Others	750.00	7,162.50	11,250.00	63.67
6023. External Affairs -C	0.00	682.65	2,000.00	34.13
6024. Education Programs	54,242.86	99,135.80	135,000.00	73.43
6025. Water Policy Survey	0.00	0.00	50,000.00	0.00
6026. Education Supplies	0.00	2,709.86	1,000.00	270.99
6100. Projects & Grants	0.00	0.00	0.00	0.00
6101. Project Assistance	0.00	0.00	0.00	0.00
6102. Consultant	0.00	0.00	0.00	0.00
6103. Accounting Consultant	0.00	1,974.02	4,500.00	43.87
6104. Audit	0.00	15,285.00	15,285.00	100.00
6105. Investment/Banking Services	16.50	161.08	450.00	35.80
6110. Admin Services/Expenses-C	0.00	1,090.47	4,000.00	27.26
6150. Assessments	5,195.67	51,956.70	74,760.70	69.50
6200. Postage	(117.22)	236.31	300.00	78.77
6201. Office Supplies	211.73	3,442.71	9,000.00	38.25
6202. Telephone	(65.20)	18,511.23	21,500.00	86.10
6203. Printing	0.00	0.00	0.00	0.00
6204. Insurance	(6,926.25)	25,551.00	22,500.00	113.56
6205. Records	0.00	78.75	300.00	26.25
6210. Lease Equipment	277.86	4,896.85	9,000.00	54.41
6211. Equipment Repairs	0.00	0.00	0.00	0.00
6301. Subscriptions	37.50	3,034.49	2,700.00	112.39

Income Statement

Colorado River Water Conservation District

For 10/31/2020

UNAUDITED

Page: 2

	M-T-D	Y-T-D	Annual	YTD %
General Fund	Actual \$	Actual \$	Budget \$	Budget
6302. Dues / Memberships	0.00	15,946.93	20,400.00	78.17
6310. Computer Licenses/Software & Services	3,221.97	44,143.87	51,000.00	86.56
6320. Small Office Equipment	0.00	0.00	450.00	0.00
6340. Vehicle Maintenance	341.00	5,182.23	13,500.00	38.39
6500. Bldg Construction/Remodel	0.00	0.00	0.00	0.00
6600. Bad Debt Expense	0.00	0.00	0.00	0.00
6601. Technical Contingency	0.00	0.00	10,000.00	0.00
6605. Water Quality/Selenium Coord.	3,530.00	3,860.70	20,000.00	19.30
6606. Colorado Watershed Management	855.00	21,651.31	27,500.00	78.73
6607. Interstate Watershed Management	11,591.00	114,255.00	105,000.00	108.81
6608. Division 4 Work Plan	0.00	6,377.00	20,000.00	31.89
6609. Division 5 Work Plan	6,850.00	37,090.37	50,000.00	74.18
6610. Division 6 Work Plan	0.00	0.00	30,000.00	0.00
6611. ESA/Recovery	0.00	13,496.00	15,000.00	89.97
6612. Colorado River Contingency	0.00	0.00	0.00	0.00
7001. USGS Gaging	0.00	135,243.97	309,505.73	43.70
7120. Tabor Contingency	0.00	0.00	132,107.17	0.00
8900. Excess Fund Transfer	0.00	0.00	0.00	0.00
Total Expenses	<u>277,331.07</u>	<u>2,773,568.87</u>	<u>4,535,679.55</u>	<u>61.15</u>
Excess Revenue Over (Under) Expenditures	<u>(239,660.15)</u>	<u>1,676,612.25</u>	<u>19,256.22</u>	<u>8,706.86</u>

COLORADO RIVER WATER CONSERVATION DISTRICT

**TREASURER'S REPORT
GENERAL FUND**

November 30, 2020

CASH AND EQUIVALENTS AS OF: 10/30/20

CASH ON HAND	\$439.44	
BOC-GLENWOOD-PETTY CASH-9497	\$2,225.46	
BOC-GLENWOOD - CHECKING	\$2,951,393.94	
COLOTRUST PRIME	\$440,623.41	
COLOTRUST PLUS	\$1,388,022.28	
INVESTMENTS	\$0.00	
TOTAL		\$4,782,704.53

DEPOSITS:

CASH ON HAND	0.00	
BOC-GLENWOOD-PETTY CASH-9497	0.38	
BOC-GLENWOOD - CHECKING	172,743.26	
COLOTRUST PRIME	19.41	
COLOTRUST PLUS	155.50	
TOTAL		172,918.55

DISBURSEMENTS:

CASH ON HAND	0.00	
BOC-GLENWOOD-PETTY CASH-9497	0.00	
BOC-GLENWOOD - CHECKING	393,301.88	
COLOTRUST PRIME	0.00	
COLOTRUST PLUS	0.00	
TOTAL		393,301.88

INVESTMENTS:

NET INCREASE/[DECREASE]	0.00	
TOTAL		0.00

CASH AND EQUIVALENTS AS OF: 11/30/20

\$4,562,321.20

SUMMARY:

CASH ON HAND	\$439.44
BOC-GLENWOOD-PETTY CASH-9497	\$2,225.84
BOC-GLENWOOD - CHECKING	\$2,730,835.32
COLOTRUST PRIME	\$440,642.82
COLOTRUST PLUS	\$1,388,177.78
INVESTMENTS	\$0.00

SUMMARY TOTAL AS OF: 11/30/20

\$4,562,321.20

 01/06/21

Signature Date

ROGER D. MAGGARD, TREASURER
COLORADO RIVER WATER
CONSERVATION DISTRICT

COLORADO RIVER WATER CONSERVATION DISTRICT

TREASURER'S REPORT
ANALYSIS OF INVESTMENTS
GENERAL FUND

November 30, 2020

	BALANCE 10/30/20	ADDITIONS (PURCHASED)	DELETIONS (MATURED)	BALANCE 11/30/20
CERTIFICATES OF DEPOSIT	\$0.00	\$0.00	\$0.00	\$0.00
TREASURIES & DISCOUNT AGENCIES	0.00	0.00	0.00	\$0.00
TOTAL INVESTMENTS	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>
SUMMARY:				
Additions	\$0.00			
Deletions	<u>0.00</u>			
NET INCREASE/(DECREASE)	<u>\$0.00</u>			

Balance Sheet
Colorado River Water Conservation District
For 11/30/2020

UNAUDITED

	This Year	Last Year	Change
01 General Fund			
Assets			
01-00-1000.000 Cash Box - General	439.44	438.94	0.50
01-00-1001.000 Cash In Bank - BoC - Checking	2,730,835.32	1,531,763.81	1,199,071.51
01-00-1002.000 Cash In Bank - Petty Cash	2,225.84	2,221.35	4.49
01-00-1008.000 EFT Clearing Account	0.00	0.00	0.00
01-00-1009.000 Undeposited Funds	96,285.29	41,043.97	55,241.32
01-00-1010.000 Wells Fargo /Colotrust -0100	0.00	0.00	0.00
01-00-1015.000 General ColoTrust Prime	440,642.82	438,096.54	2,546.28
01-00-1016.000 General ColoTrust Plus	1,388,177.78	1,375,921.96	12,255.82
01-00-1020.000 Investments-All	0.00	0.00	0.00
01-00-1021.000 Allow. For Investments+-	0.00	0.00	0.00
01-00-1022.000 Accum Amortization Investments	0.00	0.00	0.00
01-00-1023.000 Accrued Interest	0.00	0.00	0.00
01-00-1200.000 Accounts Receivable	1,443.28	2,950.90	(1,507.62)
01-00-1201.000 Accounts Receivable - Spec.	0.00	0.00	0.00
01-00-1205.000 Housing Notes Receivable	54,859.52	212,690.49	(157,830.97)
01-00-1206.000 Deferred Revenue	(5,157.53)	0.00	(5,157.53)
01-00-1207.000 457 Loans Receivable	0.00	0.00	0.00
01-00-1210.000 Property Tax Receivables	4,389,942.00	4,298,006.00	91,936.00
01-00-1225.000 Allowance Housing Forgiveness	(86,000.00)	(129,277.00)	43,277.00
01-00-1300.000 Prepaid Expenses	0.00	0.00	0.00
01-00-1505.000 Office Equipment	0.00	0.00	0.00
01-00-1599.000 Assets in Fixed Assets Fund	0.00	0.00	0.00
01-02-1990.000 Internal Balances	0.00	2,576.00	(2,576.00)
01-03-1990.000 Internal Balances	0.00	0.00	0.00
01-04-1990.000 Internal Balances	194.94	116,429.53	(116,234.59)
01-05-1990.000 Internal Balances	0.00	0.00	0.00
01-06-1990.000 Internal Balances	0.00	0.00	0.00
01-07-1990.000 Internal Balances	0.00	5,263.74	(5,263.74)
Total Assets	9,013,888.70	7,898,126.23	1,115,762.47
Liabilities and Net Assets			
01-00-2000.000 Accounts Payable	217,120.94	31,608.11	185,512.83
01-00-2001.000 Encumbrance Payable	0.00	0.00	0.00
01-00-2010.000 Wages Payable	0.00	0.00	0.00
01-00-2011.000 FICA/Mdcr Payable	0.00	5.72	(5.72)
01-00-2012.000 Fwt Payable	0.00	(5.73)	5.73
01-00-2013.000 Cwt Payable	0.00	0.00	0.00
01-00-2014.000 Sui Payable	1,240.14	1,226.69	13.45
01-00-2015.000 Disability Insurance	0.00	0.00	0.00
01-00-2016.000 Deferred Compension Payable	0.13	0.00	0.13
01-00-2017.000 HSA	0.00	0.00	0.00
01-00-2018.000 Health Insurance Premium Payable	0.00	0.08	(0.08)
01-00-2019.000 RHS -Payable	0.00	0.06	(0.06)
01-00-2020.000 Voluntary Life Payable	(981.24)	(518.55)	(462.69)
01-00-2021.000 Accrued Vacation Payable	0.00	0.00	0.00
01-00-2022.000 Accrued Vacation/Comp	0.00	0.00	0.00
01-00-2023.000 Cafeteria Plan - MSA Payable	119.30	360.00	(240.70)
01-00-2024.000 Cafeteria Plan - DCAP Payable	439.96	883.30	(443.34)
01-00-2025.000 457 Loan Payable	0.00	0.00	0.00
01-00-2026.000 Roth Payable	0.00	0.00	0.00
01-00-2040.000 24hourFlex Min Maint Bal	(1,500.00)	(1,500.00)	0.00
01-00-2200.000 Deferred Property Tax Revenue	4,389,942.00	4,298,006.00	91,936.00
01-00-2999.000 Excess Funds Transfer to CPO	0.00	0.00	0.00
Total Liabilities	4,606,381.23	4,330,065.68	276,315.55
01-00-3000.000 Tabor Emergency Reserve	120,806.00	133,418.00	(12,612.00)
01-00-3010.000 Unappropriated Fund Balance	2,990,478.86	2,183,902.12	806,576.74
Change in Net Assets	1,296,222.61	1,250,740.43	45,482.18
Total Liabilities and Net Assets	9,013,888.70	7,898,126.23	1,115,762.47

FOR INTERNAL USE ONLY

Income Statement

Colorado River Water Conservation District

For 11/30/2020

UNAUDITED

Page: 1

General Fund	M-T-D Actual \$	Y-T-D Actual \$	Annual Budget \$	YTD % Budget
<u>Revenues</u>				
4000. County Taxes	12,494.01	4,349,517.36	4,392,539.03	99.02
4001. SO And Other Tax	29,521.67	293,682.42	303,650.04	96.72
4002. Delinquent Taxes (general)	380.38	9,075.78	5,966.20	152.12
4010. Property Tax Interest	799.05	7,822.78	8,934.21	87.56
4020. Tax Increment Financing	(28.81)	(21,064.74)	(21,620.00)	97.43
4025. Tax Abatements/Credits	(445.80)	(21,967.05)	(14,700.01)	149.44
4030. County Treasurers Fees	(435.21)	(153,250.23)	(165,830.03)	92.41
4110. Investment Interest	811.52	19,133.83	20,000.00	95.67
4120. Miscellaneous Income	0.00	10,327.78	40,500.00	25.50
4130. Management Fee	0.00	0.00	0.00	0.00
4401. Cost of Goods Sold	0.00	0.00	0.00	0.00
Total Revenues	43,096.81	4,493,277.93	4,569,439.44	98.33
<u>Expenses</u>				
5000. Contingency Salaries	0.00	0.00	0.00	0.00
5001. Salaries	138,997.35	1,543,223.29	1,921,223.44	80.33
5010. Accrued Vacation	0.00	0.00	0.00	0.00
5011. Fica/Medicare	6,598.86	105,242.74	133,234.00	78.98
5014. Unemployment	390.21	4,394.26	5,791.99	75.87
5016. Workers Compensation Insurance	0.00	2,487.22	2,487.00	100.01
5115. Disability Insurance	1,820.20	10,552.50	11,272.63	93.61
5118. Health Insurance	36,687.39	359,414.95	390,565.87	92.02
5120. Cafeteria Plan-Employer	0.00	0.00	0.00	0.00
5121. Cafeteria Plan-Administration	48.75	536.25	600.00	89.38
5122. Retirement - 457 Matching	652.12	11,483.01	13,650.00	84.12
5123. Retirement - Employer	12,462.33	143,277.89	175,843.31	81.48
5124. Retirement - Administration	0.00	2,812.50	3,750.00	75.00
5125. RHS- Employer Contribution	0.00	13,994.64	38,288.00	36.55
5211. Employee Housing	0.00	37,726.22	1,125.00	3,353.44
5212. Education Assistance	0.00	0.00	0.00	0.00
5220. Overhead-C	0.00	0.00	3,750.00	0.00
5310. Travel	97.31	29,392.88	50,750.00	57.92
5311. Staff Registration	228.50	3,070.25	10,350.00	29.66
5312. Meeting Expense	0.00	1,679.86	12,675.00	13.25
6000. Directors Fees	0.00	4,481.25	13,500.00	33.19
6001. Education/Professional Development	0.00	2,131.79	5,250.00	40.61
6012. Legal Notice	746.42	3,040.92	2,250.00	135.15
6013. Special Counsel	0.00	9,294.14	34,750.00	26.75
6014. Legal Engineering	0.00	8,579.30	21,000.00	40.85
6015. Legal/Litigation / Adr	0.00	168.75	1,000.00	16.88
6016. Miscellaneous Legal/Materials	2,656.51	18,476.97	20,250.00	91.24
6017. Legal Contingency	0.00	0.00	19,999.50	0.00
6018. Legal Assistance To Others	0.00	0.00	15,000.00	0.00
6020. Washington Counsel/Lobbyist	1,125.00	12,375.00	13,500.00	91.67
6021. Colorado Lobbyist	1,500.00	16,500.00	18,000.00	91.67
6022. Education Assistance To Others	0.00	7,162.50	9,000.00	79.58
6023. External Affairs -C	174,610.51	175,293.16	350,000.00	50.08
6024. Education Programs	11,613.63	113,199.43	116,500.00	97.17
6025. Water Policy Survey	0.00	0.00	0.00	0.00
6026. Education Supplies	0.00	2,709.86	4,000.00	67.75
6100. Projects & Grants	0.00	0.00	0.00	0.00
6101. Project Assistance	0.00	0.00	0.00	0.00
6102. Consultant	0.00	0.00	0.00	0.00
6103. Accounting Consultant	1,811.25	3,785.27	4,500.00	84.12
6104. Audit	0.00	15,285.00	15,285.00	100.00
6105. Investment/Banking Services	16.69	177.77	200.00	88.89
6110. Admin Services/Expenses-C	0.00	1,090.47	5,000.25	21.81
6150. Assessments	5,195.67	57,152.37	62,348.04	91.67
6200. Postage	42.85	279.16	600.00	46.53
6201. Office Supplies	272.66	3,715.37	7,500.00	49.54
6202. Telephone	882.78	19,394.01	29,025.00	66.82
6203. Printing	0.00	0.00	0.00	0.00
6204. Insurance	0.00	25,551.00	33,000.00	77.43
6205. Records	(11.25)	67.50	300.00	22.50
6210. Lease Equipment	500.77	5,573.97	6,337.50	87.95
6211. Equipment Repairs	0.00	0.00	0.00	0.00
6301. Subscriptions	265.46	3,299.95	5,049.75	65.35

Income Statement
Colorado River Water Conservation District
For 11/30/2020

UNAUDITED

Page: 2

	M-T-D Actual \$	Y-T-D Actual \$	Annual Budget \$	YTD % Budget
General Fund				
6302. Dues / Memberships	375.00	16,321.93	25,918.75	62.97
6310. Computer Licenses/Software & Services	8,241.96	52,385.83	49,800.00	105.19
6320. Small Office Equipment	0.00	0.00	450.00	0.00
6340. Vehicle Maintenance	159.61	5,341.84	7,500.00	71.22
6500. Bldg Construction/Remodel	0.00	0.00	0.00	0.00
6600. Bad Debt Expense	0.00	0.00	0.00	0.00
6601. Technical Contingency	0.00	0.00	10,000.00	0.00
6605. Water Quality/Selenium Coord.	8.00	3,868.70	4,000.00	96.72
6606. Colorado Watershed Management	555.75	22,207.06	26,545.00	83.66
6607. Interstate Watershed Management	10,674.50	124,929.50	133,000.00	93.93
6608. Division 4 Work Plan	0.00	6,377.00	6,377.00	100.00
6609. Division 5 Work Plan	1,718.75	38,810.12	42,000.00	92.41
6610. Division 6 Work Plan	0.00	0.00	35,000.00	0.00
6611. ESA/Recovery	0.00	13,496.00	13,496.00	100.00
6612. Colorado River Contingency	0.00	0.00	0.00	0.00
7001. USGS Gaging	0.00	135,243.97	322,258.00	41.97
7120. Tabor Contingency	0.00	0.00	127,945.37	0.00
8900. Excess Fund Transfer	0.00	0.00	0.00	0.00
Total Expenses	<u>420,945.54</u>	<u>3,197,055.32</u>	<u>4,392,791.40</u>	<u>72.78</u>
Excess Revenue Over (Under) Expenditures	<u>(377,848.73)</u>	<u>1,296,222.61</u>	<u>176,648.04</u>	<u>733.79</u>

Colorado River Water Conservation District

Check Register from 10/01/2020 to 11/30/2020

1 GEN - BOC

Check/EFT	Date	Vendor / Description	Check / Payment
Report Criteria... 1/07/2021 @ 11:16 AM			
Form:	Check Register - Check Register		
Sort by	ActivityDate		
activity dates:	From: 10/01/2020 To: 11/30/2020		
0998299	10/01/2020	[COLORIV] COLORADO RIVER	1,617.50
0998300	10/01/2020	[DARCA] DITCH AND RESERVOIR 2020 membership	500.00
0998301	10/01/2020	[QUILL] QUILL	114.27
0998302	10/01/2020	[TWORIV] TWO RIVERS PARK October	6,927.56
EFT0156	10/01/2020	[24HOURFLEX] 24HOURFLEX IP	830.00
EFT521467a	10/05/2020	[WSHCG] WESTERN SLOPE	40,727.33
EFT51b488e	10/07/2020	[TURNERJ] JASON V TURNER 9/29/20	153.29
EFTb1245d8	10/07/2020	[WILSONL] LUCI L WILSON 8/4-10/3	156.44
0998311	10/09/2020	[WEX] WEX BANK WMR - \$246.95	340.41
0998310	10/09/2020	[SNELL] SNELL & WILMER Utah Water Rights Protest	2,781.86
0998309	10/09/2020	[RICOH] RICOH USA, INC Overages	1.94
0998307	10/09/2020	[GJMEDIA] GRAND JUNCTION 20CW3093	485.09
0998308	10/09/2020	[IMAGENET] IMAGENET	235.13
0998305	10/09/2020	[FEDEX] FEDEX	21.67
0998304	10/09/2020	[CWC] COLORADO WATER Annual dues	1,056.00
0998303	10/09/2020	[ASPENRADIO] ASPEN PUBLIC	170.00
0998306	10/09/2020	[GBERRY] GBERRY CORP	1,000.00
EFT101420	10/14/2020	[24HOURFLEX] 24HOURFLEX	65.00
EFT96e4175	10/14/2020	[CAUSEYH] HUNTER J CAUSEY 8/22-9/21	290.76
EFT0845565	10/16/2020	[CITRIX] LOGMEIN USA, INC.	163.81
0998320	10/19/2020	[MITEL] MITEL	576.32
0998325	10/19/2020	[VERIZON] VERIZON WIRELESS WMR - \$105.67..Kobe - \$40.01	840.53
0998324	10/19/2020	[WESTPU] THOMSON REUTERS-	1,706.10
0998323	10/19/2020	[TECHNOLINK] TECHNOLINK OF	88.00
0998322	10/19/2020	[CWA] SUSTAINING COLORADO	500.00
0998321	10/19/2020	[NELCO] NELCO 2020 W-2/1099	103.28
0998319	10/19/2020	[LEXISBENDER] MATTHEW CO Evid Courtroom Manual 2020-	281.23
0998312	10/19/2020	[BISHOP] BISHOP-BROGDEN	983.25
0998317	10/19/2020	[HARVEY] HARVEY ECONOMICS Grand Lake EA	1,560.00
0998316	10/19/2020	[MRP] GLOBAL RETIREMENT	1,250.00
0998315	10/19/2020	[COLUMN] COLUMN Budget notices	188.65
0998314	10/19/2020	[COLORIV] COLORADO RIVER Task 1 - \$1,312.50..Task 7 - \$	1,625.00
0998313	10/19/2020	[CMNM] COLORADO MOUNTAIN 20CW3093	635.28
0998318	10/19/2020	[LBD] LEARNING BY DOING, INC. 2020 monitoring	3,522.00
EFT8204ffa9	10/21/2020	[DEPAOLOL] LAURIE J DePAOLO 9/7-10/7	85.43
EFT1111975	10/23/2020	[ICMA457] ICMA - 457 (Oct PR)	21,951.24
EFT4d44478	10/23/2020	[USBANKHSA] US BANK (Oct PR)	7,980.00
EFT1119176	10/23/2020	[ICMA401] ICMA (Oct PR)	20,748.07
EFT1113971	10/23/2020	[ICMARHS] ICMA - RHS (Oct PR)	3,997.72
EFT1113151	10/23/2020	[ICMAIRA] ICMA - ROTH IRA (Oct	1,960.00
EFT1101666	10/23/2020	[TWITTER] TWITTER INC	273.45
EFT	10/23/2020	Pay period ending 10/14/2020	136,214.91

Colorado River Water Conservation District

Check Register from 10/01/2020 to 11/30/2020

1 GEN - BOC

<u>Check/EFT</u>	<u>Date</u>	<u>Vendor / Description</u>	<u>Check / Payment</u>
0998330	10/23/2020	[VGA] VOTOU PAL GOVERNMENTAL	1,000.00
0998329	10/23/2020	[RIVERIA] RIVERSIDE IMPORT REPAIRS #14	1,215.76
0998328	10/23/2020	[QUILL] QUILL Alcohol wipes	167.33
0998327	10/23/2020	[METLIFE] METLIFE - GROUP	4,172.58
0998326	10/23/2020	[ALPINE] ALPINE TECHNOLOGIES, Outdoor Wifi - \$515.27	4,115.27
0998331	10/23/2020	[WTR STRAT] WATER STRATEGIES	1,500.00
EFT0088472	10/26/2020	[CODEPREV] COLORADO DEPT OF	7,293.13
EFT0156	10/26/2020	[24HOURFLEX] 24HOURFLEX ME	416.67
EFT1321136	10/26/2020	[IRS] INTERNAL REVENUE	50,392.58
EFT1762052	10/27/2020	[VISA] VISA-PINNACLE BANK OF	152.00
EFT1762052	10/27/2020	[VISA] VISA-PINNACLE BANK OF ADOBE SOFTWARE TOOLS EA	9,686.90
EFT1762053	10/27/2020	[VISA] VISA-PINNACLE BANK OF TOOLBOX FOR 2020 FORD	1,626.45
EFT2c54f09a	10/28/2020	[LANGENHUIZENB] BRENDON 10/23	27.96
EFT0156	10/29/2020	[24HOURFLEX] 24HOURFLEX LB	5.00
EFT1193287	10/29/2020	[MOSELEY] THE MOSELEY GROUP	24,500.00
EFT1193974	10/29/2020	[ISG] IGNITION STRATEGY GROUP	24,500.00
EFT0156	10/30/2020	[24HOURFLEX] 24HOURFLEX LB	93.00
0998340	11/02/2020	[TWORIV] TWO RIVERS PARK November	6,927.56
0998339	11/02/2020	[RICOH] RICOH USA, INC	369.31
0998338	11/02/2020	[QUILL] QUILL Card stock	187.18
0998337	11/02/2020	[MONDAI] MONTROSE DAILY Budget notice	88.56
0998336	11/02/2020	[METLIFE] METLIFE - GROUP	4,642.40
0998335	11/02/2020	[LEDS, LLC] LEDS TABOR Notice	682.65
0998334	11/02/2020	[IMAGENET] IMAGENET	235.13
0998333	11/02/2020	[HYDROS] HYDROS CONSULTING	14,370.00
0998332	11/02/2020	[GWS-CBN] CITY OF GLENWOOD	180.00
EFT8eb4ead	11/03/2020	[WSHCG] WESTERN SLOPE	44,527.55
eft2d045fc8b	11/04/2020	[PHILIPSI] IAN PHILIPS	283.88
EFT8ec4e0b	11/05/2020	[CAUSEYH] HUNTER J CAUSEY 10/13-10/29	168.71
EFT0156	11/10/2020	[24HOURFLEX] 24HOURFLEX IP	400.00
EFT111220	11/12/2020	[24HOURFLEX] 24HOURFLEX	65.00
EFT0523154	11/16/2020	[CITRIX] LOGMEIN USA, INC.	84.29
0998353	11/16/2020	[WSC] WESTERN SLOPE	976.80
0998351	11/16/2020	[DISCOUNT] THE REINALT-	168.00
0998350	11/16/2020	[TENNEYR] RAY D TENNEY 1/30/20-10/29/20	3,798.34
0998349	11/16/2020	[QUILL] QUILL Clorox wipes	16.23
0998348	11/16/2020	[MCWC] MIDDLE COLORADO River clean up sponsor	500.00
0998352	11/16/2020	[WESTPU] THOMSON REUTERS-	1,363.24
0998346	11/16/2020	[HVZ] HVZ DESIGN 7/28-10/5	676.25
0998345	11/16/2020	[GBERRY] GBERRY CORP	1,000.00
0998344	11/16/2020	[FEDEX] FEDEX	26.15
0998343	11/16/2020	[CPR] COLORADO PUBLIC RADIO	619.35
0998342	11/16/2020	[CMNM] COLORADO MOUNTAIN Budget notice	167.32
0998341	11/16/2020	[BISHOP] BISHOP-BROGDEN	855.00
0998347	11/16/2020	[KNZZ] KNZZ NEWS RADIO 1100	925.00
EFT0156	11/17/2020	[24HOURFLEX] 24HOURFLEX LB	377.00
EFT03343c5	11/17/2020	[MUELLERA] ANDREW A MUELLER 9/16-11/12	184.65

Colorado River Water Conservation District

Check Register from 10/01/2020 to 11/30/2020

1 GEN - BOC

<u>Check/EFT</u>	<u>Date</u>	<u>Vendor / Description</u>	<u>Check / Payment</u>
EFTfda4923	11/20/2020	[WRIGHTG] GRACE L WRIGHT 9/4-11/4	233.76
0998359	11/20/2020	[WESTPU] THOMSON REUTERS- Library plan	342.86
0998358	11/20/2020	[KNZZ] KNZZ NEWS RADIO 1100	925.00
0998360	11/20/2020	[WSC] WESTERN SLOPE	528.00
0998356	11/20/2020	[GUNNIS] GUNNISON COUNTRY Budget notice	41.86
0998357	11/20/2020	[HYDROS] HYDROS CONSULTING	11,591.00
0998355	11/20/2020	[EPRC] EAGLE PARK RESERVOIR Q2 FY 2021	13,824.50
0998354	11/20/2020	[COWARS] COLORADO DIVISION Colorado Satellite-Linked Wate	600.00
EFT6254	11/23/2020	[COWARS] COLORADO DIVISION Colorado Satellite-Linked Wate	601.00
EFT1766908	11/23/2020	[VISA] VISA-PINNACLE BANK OF	203.67
EFT1766908	11/23/2020	[VISA] VISA-PINNACLE BANK OF	333.93
EFT1766907	11/23/2020	[VISA] VISA-PINNACLE BANK OF MONITORS, CABLES DOCKING	8,076.34
EFT1766906	11/23/2020	[VISA] VISA-PINNACLE BANK OF	1,143.55
0998368	11/23/2020	[WEX] WEX BANK WMR - \$503.07	594.74
0998367	11/23/2020	[VERIZON] VERIZON WIRELESS WMR - \$103.70..Kobe - \$40.01	911.54
0998365	11/23/2020	[RICOH] RICOH USA, INC	370.48
0998364	11/23/2020	[METLIFE] METLIFE - GROUP	4,481.48
0998363	11/23/2020	[GSCRA] GLENWOOD SPRINGS Annual membership	500.00
0998362	11/23/2020	[GWS-CBN] CITY OF GLENWOOD Sept + Nov payment	360.00
0998361	11/23/2020	[ALPINE] ALPINE TECHNOLOGIES,	3,600.00
EFT	11/23/2020	Pay period ending 11/14/2020	142,659.98
0998366	11/23/2020	[TECHNOLINK] TECHNOLINK OF	88.00
EFTc274362	11/24/2020	[USBANKHSA] US BANK (Nov PR)	8,480.00
EFT0434540	11/24/2020	[ICMA457] ICMA - 457 (Nov PR)	22,913.26
EFT706443e	11/24/2020	[ICMAIRA] ICMA - ROTH IRA (Nov	1,960.00
EFT6f34ea6	11/24/2020	[ICMARHS] ICMA - RHS (Nov PR)	3,977.93
EFTb02ac5a	11/24/2020	[ICMA401] ICMA (Nov PR)	20,514.06
EFT0156	11/25/2020	[24HOURFLEX] 24HOURFLEX ME	416.67
EFT9044157	11/25/2020	[IRS] INTERNAL REVENUE	46,423.69
EFT0089210	11/25/2020	[CODEPREV] COLORADO DEPT OF	7,508.20
EFT0156	11/27/2020	[24HOURFLEX] 24HOURFLEX LB	5.00
0998369	11/30/2020	[CO INTER] COLORADO WD4-19CW3098, 2018CW30069	379.93
0998370	11/30/2020	[KS] KEMP SMITH LLP National Water Forum Vitrual P	100.00
0998371	11/30/2020	[LEXISBENDER] MATTHEW CO Stats Repl, Court rules, St	1,798.66
0998372	11/30/2020	[QUILL] QUILL Mouse	24.99
0998373	11/30/2020	[VGA] VOTOUPAL GOVERNMENTAL	1,000.00
0998374	11/30/2020	[WTR STRAT] WATER STRATEGIES	1,500.00
<u>Total Checks:</u>			<u>789,452.78</u>

COLORADO RIVER WATER CONSERVATION DISTRICT

TREASURER'S REPORT
CAPITAL PROJECTS FUND

October 31, 2020

CASH AND EQUIVALENTS AS OF: 09/30/20

BOC-GLENWOOD - CHECKING	\$890,616.38
COLOTRUST PRIME	\$1,084,379.51
COLOTRUST PLUS	\$2,121,862.70
PEAKS	\$0.00
INVESTMENTS	\$0.00

TOTAL \$4,096,858.59

DEPOSITS:

BOC-GLENWOOD - CHECKING	30,272.82
COLOTRUST PRIME	67.73
COLOTRUST PLUS	325.80
PEAKS	0.00

TOTAL 30,666.35

DISBURSEMENTS:

BOC-GLENWOOD - CHECKING	6,896.48
COLOTRUST PRIME	0.00
COLOTRUST PLUS	0.00
PEAKS	0.00

TOTAL 6,896.48

INVESTMENTS:

NET INCREASE/[DECREASE]	0.00
-------------------------	------

TOTAL 0.00

CASH AND EQUIVALENTS AS OF: 10/31/20

\$4,120,628.46

SUMMARY:

BOC-GLENWOOD - CHECKING	\$913,992.72
COLOTRUST PRIME	1,084,447.24
COLOTRUST PLUS	2,122,188.50
PEAKS	0.00
INVESTMENTS	0.00

SUMMARY TOTAL AS OF: 10/31/20 \$4,120,628.46

Signature

Date

ROGER D. MAGGARD, TREASURER
COLORADO RIVER WATER
CONSERVATION DISTRICT

COLORADO RIVER WATER CONSERVATION DISTRICT

TREASURER'S REPORT
ANALYSIS OF INVESTMENTS
CAPITAL PROJECTS FUND

October 31, 2020

	BALANCE 09/30/20	ADDITIONS (PURCHASED)	DELETIONS (MATURED)	BALANCE 10/31/20
TREASURIES & DISCOUNT AGENCIES	\$0.00		0.00	0.00
TOTAL INVESTMENTS	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>

SUMMARY:

Additions	0.00
Deletions	<u>\$0.00</u>
NET INCREASE/(DECREASE)	<u>\$0.00</u>

Balance Sheet
Colorado River Water Conservation District
For 10/31/2020

UNAUDITED

	This Year	Last Year	Change
02 Capital Project Fund			
Assets			
02-00-1001.000 Capital Project -BoC	913,992.72	790,696.82	123,295.90
02-00-1002.000 Peaks - CPO	0.00	21,381.30	(21,381.30)
02-00-1009.000 Undeposit Funds	0.00	0.00	0.00
02-00-1010.000 Wells Fargo /Colotrust -0100	0.00	0.00	0.00
02-00-1011.000 CSAFE - 5604 - Omid	0.00	0.00	0.00
02-00-1015.000 Capital ColoTrust Prime	1,084,447.24	82,792.69	1,001,654.55
02-00-1016.000 Capital ColoTrust Plus	2,122,188.50	2,099,629.91	22,558.59
02-00-1020.000 Investments-All	0.00	1,000,000.00	(1,000,000.00)
02-00-1021.000 Allowance For Investments	0.00	(47,390.00)	47,390.00
02-00-1022.000 Accum. Amortization	0.00	0.00	0.00
02-00-1023.000 Accrued Interest	9,405.00	9,405.00	0.00
02-00-1200.000 Accounts Receivable	0.00	0.00	0.00
02-00-1300.000 Prepaid Expenses	0.00	0.00	0.00
02-00-1599.000 Assets	0.00	0.00	0.00
02-00-1999.000 Excess Funds Transfer from GEN	0.00	0.00	0.00
02-01-1990.000 Internal Balances	0.00	0.00	0.00
Total Assets	4,130,033.46	3,956,515.72	173,517.74
Liabilities and Net Assets			
02-00-2000.000 Accounts Payable	0.00	50,000.00	(50,000.00)
02-00-2001.000 Encumbrance Payable	0.00	0.00	0.00
Total Liabilities	0.00	50,000.00	(50,000.00)
02-00-3010.000 Fund Balances	4,156,300.66	4,039,283.36	117,017.30
Change in Net Assets	(26,267.20)	(132,767.64)	106,500.44
Total Liabilities and Net Assets	4,130,033.46	3,956,515.72	173,517.74

FOR INTERNAL USE ONLY

Income Statement

Colorado River Water Conservation District

For 10/31/2020

UNAUDITED

Page: 1

Capital Project Fund	M-T-D Actual \$	Y-T-D Actual \$	Annual Budget \$	YTD % Budget
<u>Revenues</u>				
4110. Investment Interest	538.96	31,747.47	70,000.00	45.35
4120. Miscellaneous Income	0.00	0.00	0.00	0.00
4130. Management Fee	0.00	0.00	0.00	0.00
4201. NEPA Cost Reimbursements	0.00	0.00	0.00	0.00
4900. Excess Funds Transfer	0.00	0.00	0.00	0.00
Total Revenues	538.96	31,747.47	70,000.00	45.35
<u>Expenses</u>				
5212. Education Assistance	0.00	0.00	0.00	0.00
5312. Meeting Expense	0.00	0.00	0.00	0.00
6013. Special Counsel	0.00	0.00	0.00	0.00
6014. Legal Engineering	0.00	0.00	0.00	0.00
6015. Legal Litigation / Adr	0.00	0.00	0.00	0.00
6016. Miscellaneous Legal/Materials	0.00	0.00	0.00	0.00
6017. Legal Contingency	0.00	0.00	0.00	0.00
6101. Project Assistance	0.00	26,300.00	75,000.00	35.07
6105. Investment/Banking Services	0.00	0.00	0.00	0.00
6201. Office Supplies	0.00	0.00	0.00	0.00
6310. Computers - Licenses/Software & Services	2,470.20	9,685.43	7,500.00	129.14
6500. Bldg Construction/Remodel	0.00	0.00	20,000.00	0.00
6501. Office Equipment	0.00	1,437.00	5,000.00	28.74
6502. Computer Equipment	2,525.22	6,401.23	17,000.00	37.65
6503. Office Reconfiguration	0.00	0.00	0.00	0.00
6600. Bad Debt Expense	0.00	0.00	0.00	0.00
7011. Ruedi Water	0.00	14,191.01	20,000.00	70.96
7108. Contingency Planning Implementation (Water Banking)	0.00	0.00	0.00	0.00
9000. Fleet Vehicle Acquisition	0.00	0.00	30,000.00	0.00
Total Expenses	4,995.42	58,014.67	174,500.00	33.25
Excess Revenue Over (Under) Expenditures	(4,456.46)	(26,267.20)	(104,500.00)	25.14

COLORADO RIVER WATER CONSERVATION DISTRICT

**TREASURER'S REPORT
CAPITAL PROJECTS FUND**

November 30, 2020

CASH AND EQUIVALENTS AS OF: 10/31/20

BOC-GLENWOOD - CHECKING	\$913,992.72
COLOTRUST PRIME	\$1,084,447.24
COLOTRUST PLUS	\$2,122,188.50
PEAKS	\$0.00
INVESTMENTS	<u>\$0.00</u>

TOTAL	\$4,120,628.46
--------------	-----------------------

DEPOSITS:

BOC-GLENWOOD - CHECKING	155.23
COLOTRUST PRIME	47.77
COLOTRUST PLUS	237.74
PEAKS	<u>0.00</u>

TOTAL	440.74
--------------	---------------

DISBURSEMENTS:

BOC-GLENWOOD - CHECKING	4,765.38
COLOTRUST PRIME	0.00
COLOTRUST PLUS	0.00
PEAKS	<u>0.00</u>

TOTAL	4,765.38
--------------	-----------------

INVESTMENTS:

NET INCREASE/[DECREASE]	<u>0.00</u>
-------------------------	-------------

TOTAL	<u>0.00</u>
--------------	--------------------

CASH AND EQUIVALENTS AS OF: 11/30/20

\$4,116,303.82

SUMMARY:

BOC-GLENWOOD - CHECKING	\$909,382.57
COLOTRUST PRIME	1,084,495.01
COLOTRUST PLUS	2,122,426.24
PEAKS	0.00
INVESTMENTS	<u>0.00</u>

SUMMARY TOTAL AS OF: 11/30/20	<u><u>\$4,116,303.82</u></u>
--------------------------------------	-------------------------------------

 01/26/21

Signature

Date

ROGER D. MAGGARD, TREASURER
COLORADO RIVER WATER
CONSERVATION DISTRICT

COLORADO RIVER WATER CONSERVATION DISTRICT

TREASURER'S REPORT
ANALYSIS OF INVESTMENTS
CAPITAL PROJECTS FUND

November 30, 2020

	BALANCE 10/31/20	ADDITIONS (PURCHASED)	DELETIONS (MATURED)	BALANCE 11/30/20
TREASURIES & DISCOUNT AGENCIES				
	\$0.00		0.00	0.00
TOTAL INVESTMENTS	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>

SUMMARY:

Additions	0.00
Deletions	<u>\$0.00</u>
NET INCREASE/(DECREASE)	<u>\$0.00</u>

Balance Sheet
Colorado River Water Conservation District
For 11/30/2020

UNAUDITED

	This Year	Last Year	Change
02 Capital Project Fund			
Assets			
02-00-1001.000 Capital Project -BoC	909,382.57	740,833.10	168,549.47
02-00-1002.000 Peaks - CPO	0.00	21,387.92	(21,387.92)
02-00-1009.000 Undeposit Funds	0.00	0.00	0.00
02-00-1010.000 Wells Fargo /Colotrust -0100	0.00	0.00	0.00
02-00-1011.000 CSAFE - 5604 - Omid	0.00	0.00	0.00
02-00-1015.000 Capital ColoTrust Prime	1,084,495.01	82,901.31	1,001,593.70
02-00-1016.000 Capital ColoTrust Plus	2,122,426.24	2,103,687.94	18,738.30
02-00-1020.000 Investments-All	0.00	1,000,000.00	(1,000,000.00)
02-00-1021.000 Allowance For Investments	0.00	(47,390.00)	47,390.00
02-00-1022.000 Accum. Amortization	0.00	0.00	0.00
02-00-1023.000 Accrued Interest	9,405.00	9,405.00	0.00
02-00-1200.000 Accounts Receivable	0.00	0.00	0.00
02-00-1300.000 Prepaid Expenses	0.00	0.00	0.00
02-00-1599.000 Assets	0.00	0.00	0.00
02-00-1999.000 Excess Funds Transfer from GEN	0.00	0.00	0.00
02-01-1990.000 Internal Balances	0.00	(2,576.00)	2,576.00
Total Assets	4,125,708.82	3,908,249.27	217,459.55
Liabilities and Net Assets			
02-00-2000.000 Accounts Payable	2,669.40	0.00	2,669.40
02-00-2001.000 Encumbrance Payable	0.00	0.00	0.00
Total Liabilities	2,669.40	0.00	2,669.40
02-00-3010.000 Fund Balances	4,156,300.66	4,039,283.36	117,017.30
Change in Net Assets	(33,261.24)	(131,034.09)	97,772.85
Total Liabilities and Net Assets	4,125,708.82	3,908,249.27	217,459.55

FOR INTERNAL USE ONLY

Income Statement

Colorado River Water Conservation District

For 11/30/2020

UNAUDITED

Page: 1

Capital Project Fund	M-T-D Actual \$	Y-T-D Actual \$	Annual Budget \$	YTD % Budget
<u>Revenues</u>				
4110. Investment Interest	440.74	32,188.21	32,700.00	98.43
4120. Miscellaneous Income	0.00	0.00	0.00	0.00
4130. Management Fee	0.00	0.00	0.00	0.00
4201. NEPA Cost Reimbursements	0.00	0.00	0.00	0.00
4900. Excess Funds Transfer	0.00	0.00	0.00	0.00
Total Revenues	440.74	32,188.21	32,700.00	98.43
<u>Expenses</u>				
5212. Education Assistance	0.00	0.00	0.00	0.00
5312. Meeting Expense	0.00	0.00	0.00	0.00
6013. Special Counsel	0.00	0.00	0.00	0.00
6014. Legal Engineering	0.00	0.00	0.00	0.00
6015. Legal Litigation / Adr	0.00	0.00	0.00	0.00
6016. Miscellaneous Legal/Materials	0.00	0.00	0.00	0.00
6017. Legal Contingency	0.00	0.00	0.00	0.00
6101. Project Assistance	0.00	26,300.00	101,405.00	25.94
6105. Investment/Banking Services	0.00	0.00	0.00	0.00
6201. Office Supplies	0.00	0.00	0.00	0.00
6310. Computers - Licenses/Software & Services	2,669.40	12,354.83	16,215.00	76.19
6500. Bldg Construction/Remodel	0.00	0.00	20,000.00	0.00
6501. Office Equipment	1,199.01	2,636.01	7,500.00	35.15
6502. Computer Equipment	3,566.37	9,967.60	20,000.00	49.84
6503. Office Reconfiguration	0.00	0.00	0.00	0.00
6600. Bad Debt Expense	0.00	0.00	0.00	0.00
7011. Ruedi Water	0.00	14,191.01	14,191.00	100.00
7108. Contingency Planning Implementation (Water Banking)	0.00	0.00	0.00	0.00
9000. Fleet Vehicle Acquisition	0.00	0.00	0.00	0.00
Total Expenses	7,434.78	65,449.45	179,311.00	36.50
Excess Revenue Over (Under) Expenditures	(6,994.04)	(33,261.24)	(146,611.00)	22.69

**COLORADO RIVER WATER CONSERVATION DISTRICT
TREASURER'S REPORT
ENTERPRISE FUND**

October 30, 2020

CASH AND EQUIVALENTS AS OF:

9/30/20

CASH ON HAND	\$200.00	
BANK OF THE WEST-PETTY CASH-2163	\$1,672.98	
BOC-GLENWOOD - CHECKING	\$4,362,627.86	
COLOTRUST PRIME	\$4,922,539.57	
COLOTRUST PLUS	\$7,856,145.20	
CSAFE-5610	\$3,236,245.02	
FIRSTBANK OF LAKEWOOD - CD	\$246,420.37	
MOUNTAIN VIEW BANK OF COMMERCE - CD	\$247,932.07	
NBH BANK CD	\$1,000,000.00	
PEAKS	\$504,850.99	
INVESTMENTS	\$7,595,003.50	
TOTAL		\$29,973,637.56

DEPOSITS:

CASH ON HAND	0.00	
BANK OF THE WEST-PETTY CASH-2163	3.00	
BOC-GLENWOOD - CHECKING	86,249.07	
COLOTRUST PRIME	307.48	
COLOTRUST PLUS	1,206.27	
CSAFE-5610	582.40	
FIRSTBANK OF LAKEWOOD - CD	0.00	
MOUNTAIN VIEW BANK OF COMMERCE - CD	481.37	
NBH BANK CD	0.00	
PEAKS	1,118,818.49	
TOTAL		1,207,648.08

DISBURSEMENTS:

CASH ON HAND	0.00	
BANK OF THE WEST-PETTY CASH-2163	583.56	
BOC-GLENWOOD - CHECKING	396,516.93	
COLOTRUST PRIME	0.00	
COLOTRUST PLUS	0.00	
CSAFE-5610	0.00	
PEAKS	500,000.00	
TOTAL		897,100.49

INVESTMENTS:

NET INCREASE/(DECREASE)	(600,000.00)	
TOTAL		(600,000.00)

CASH AND EQUIVALENTS AS OF:

10/30/20

\$29,684,185.15

SUMMARY:

CASH ON HAND	\$200.00
BANK OF THE WEST-PETTY CASH-2163	\$1,092.42
BOC-GLENWOOD - CHECKING	\$4,052,360.00
COLOTRUST PRIME	\$4,922,847.05
COLOTRUST PLUS	\$7,857,351.47
CSAFE-5610	\$3,236,827.42
FIRSTBANK OF LAKEWOOD - CD	\$246,420.37
MOUNTAIN VIEW BANK OF COMMERCE - CD	\$248,413.44
NBH BANK CD	\$1,000,000.00
PEAKS	\$1,123,669.48
INVESTMENTS	\$6,995,003.50

SUMMARY TOTAL AS OF:

10/30/20

\$29,684,185.15

Signature

Date

ROGER D. MAGGARD, TREASURER
COLORADO RIVER WATER
CONSERVATION DISTRICT

COLORADO RIVER WATER CONSERVATION DISTRICT

**TREASURER'S REPORT
ANALYSIS OF INVESTMENTS
ENTERPRISE FUND**

October 30, 2020

	BALANCE 9/30/2020	ADDITIONS (PURCHASED)	DELETIONS (MATURED)	BALANCE 10/30/2020
TREASURIES & DISCOUNT AGENCIES				
CCB Utah#20033ASX5	\$245,000.00			\$245,000.00
CapOne #14042ON22	\$245,000.00			\$245,000.00
CapOne #14042REA5	\$245,000.00			\$245,000.00
Discover #254672M39	\$245,000.00			\$245,000.00
Amer. Express #02587DM70	\$245,000.00			\$245,000.00
Goldman Sachs #38148PJK4	\$245,000.00			\$245,000.00
Amer. Express FSB #02587CEM8	\$245,000.00			\$245,000.00
Synchrony Bank #87165HRY8	\$135,003.50			\$135,003.50
First Bank Highland #319141JV0	\$110,000.00			\$110,000.00
UBS Bank #90348JCW8	\$125,000.00			\$125,000.00
Morgan Stanley #61690UEH9	\$245,000.00			\$245,000.00
Morgan Stanley #61760AVS5	\$245,000.00			\$245,000.00
TIAA #87270BU6	\$245,000.00			\$245,000.00
Morton Community #619165HZ9	\$245,000.00			\$245,000.00
Wells Fargo #949763YH#	\$245,000.00			\$245,000.00
EnerBank #29278TMD9	\$245,000.00			\$245,000.00
FFCB #3133EK2U9	\$1,100,000.00		1,100,000.00	\$0.00
Enterprise #29367SJR6	\$245,000.00			\$245,000.00
BMW Bank #05580ATU8	\$245,000.00			\$245,000.00
Medallion Bank #58404DGT2	\$245,000.00			\$245,000.00
Merrick Bank #59013KHN9	\$245,000.00			\$245,000.00
Cadence Bank #12738RGA6	\$245,000.00			\$245,000.00
Berkshire Bank #084601XC2	\$245,000.00			\$245,000.00
First Oklahoma Bk #335857BX5	\$245,000.00			\$245,000.00
Third Federal S&L #88413QCN6	\$245,000.00			\$245,000.00
Pinnacle Bank #72345SKU4	\$245,000.00			\$245,000.00
HSBC #44329ME33	\$245,000.00			\$245,000.00
Texas Exchange bank #88241THD5	\$245,000.00			\$245,000.00
Texas Cap Bk #88224PLY3	\$245,000.00			\$245,000.00
FFCB #3133EMBQ4	\$0.00	500,000.00		\$500,000.00
TOTAL INVESTMENTS	\$7,595,003.50	\$500,000.00	\$1,100,000.00	\$6,995,003.50

SUMMARY:

Additions	\$500,000.00
Deletions	<u>1,100,000.00</u>
NET INCREASE/(DECREASE)	<u>(\$600,000.00)</u>

Balance Sheet

Colorado River Water Conservation District

For 10/31/2020

UNAUDITED

	This Year	Last Year	Change
04 Enterprise Fund			
Assets			
04-00-1000.000 Cash Box	200.00	200.00	0.00
04-00-1001.000 Peaks - ENT	1,123,669.48	253,421.10	870,248.38
04-00-1002.000 Petty Cash	1,092.42	1,077.96	14.46
04-00-1003.000 Cash In Bank-BoC -Checking	4,052,360.00	5,392,150.57	(1,339,790.57)
04-00-1004.000 Alpine Bank	0.00	0.00	0.00
04-00-1005.000 Bank CD's	0.00	0.00	0.00
04-00-1006.000 First Bank CD	246,420.37	0.00	246,420.37
04-00-1007.000 Mountain View Bank CD	248,413.44	0.00	248,413.44
04-00-1008.000 NBH Bank CD	1,000,000.00	0.00	1,000,000.00
04-00-1009.000 Undeposited Fund	0.00	0.00	0.00
04-00-1010.000 Wells Fargo /Colotrust -0100	0.00	0.00	0.00
04-00-1011.000 CSAFE - 5603 - Elkhead Escrow	0.00	0.00	0.00
04-00-1012.000 Csafe-5601	3,236,827.42	3,200,970.12	35,857.30
04-00-1013.000 Aim-0045	0.00	0.00	0.00
04-00-1014.000 RESTRICTED CWCB/ELKHEAD PAYMENT	0.00	0.00	0.00
04-00-1015.000 Enterprise ColoTrust Prime	4,922,847.05	2,900,157.07	2,022,689.98
04-00-1016.000 Us Bank Money Market	0.00	0.00	0.00
04-00-1017.000 Enterprise ColoTrust Plus	7,857,351.47	3,149,444.86	4,707,906.61
04-00-1020.000 Investments-All	6,995,003.50	13,532,083.50	(6,537,080.00)
04-00-1021.000 Allowance For Investments+-	33,334.46	(343,002.94)	376,337.40
04-00-1022.000 Accum Amortization Investments	3,090.18	2,856.75	233.43
04-00-1023.000 Accrued Interest	104,604.79	193,569.34	(88,964.55)
04-00-1200.000 Accounts Receivable	209,059.91	225,921.31	(16,861.40)
04-00-1205.000 Housing Notes Receivable	31,376.17	80,647.51	(49,271.34)
04-00-1206.000 Deferred Revenue	(1,719.18)	0.00	(1,719.18)
04-00-1225.000 Allowance Housing Forgiveness	(32,000.00)	(49,642.66)	17,642.66
04-00-1300.000 Prepaid Expenses	0.00	0.00	0.00
04-00-1400.000 ST Invest In Sales-Type Lease	1,451,027.94	2,761,482.50	(1,310,454.56)
04-00-1401.000 LT Investment Sales-Type Lease	0.00	1,451,027.94	(1,451,027.94)
04-00-1500.000 Land	3,091,477.22	3,091,477.22	0.00
04-00-1501.000 Vehicles	237,079.86	237,079.86	0.00
04-00-1502.000 Dam Projects	66,154,085.78	66,129,415.78	24,670.00
04-00-1503.000 Recreation Area	1,222,328.29	1,151,704.49	70,623.80
04-00-1504.000 Equipment	200,607.49	200,607.49	0.00
04-00-1505.000 Reservoir Co Stock	2,588,173.44	2,589,382.67	(1,209.23)
04-00-1506.000 Computer Equipment	13,166.74	13,166.74	0.00
04-00-1507.000 Office Building	1,504,865.05	1,504,865.05	0.00
04-00-1508.000 Software/Upgrade	0.00	0.00	0.00
04-00-1509.000 Equipment/Tools	0.00	0.00	0.00
04-00-1510.000 GWS Office Building	0.00	0.00	0.00
04-00-1511.000 Water Treatment Plant	0.00	0.00	0.00
04-00-1520.000 Construction In Progress	0.00	0.00	0.00
04-00-1599.000 Assets in Fixed Assets Fund	0.00	0.00	0.00
04-00-1601.000 A/D-Vehicles	(202,706.94)	(181,271.71)	(21,435.23)
04-00-1602.000 A/D-Dam Project	(15,170,690.54)	(14,244,245.49)	(926,445.05)
04-00-1603.000 A/D-Recreation Area	(588,338.55)	(549,388.85)	(38,949.70)
04-00-1604.000 A/D-Furniture & Fixtures	(92,295.46)	(80,958.03)	(11,337.43)
04-00-1605.000 A/D-Office Equipment	(9,271.00)	(9,271.00)	0.00
04-00-1606.000 A/D-Computer Equipment	(10,432.42)	(9,832.07)	(600.35)
04-00-1607.000 A/D-Office Building	(350,320.72)	(307,702.17)	(42,618.55)
04-00-1608.000 A/D-Software/Upgrade	0.00	0.00	0.00
04-00-1609.000 A/D-Equipment/Tools	0.00	0.00	0.00
04-00-1610.000 A/D-GWS Office Building	(19,401.00)	(19,401.00)	0.00
04-00-1611.000 A/D-Water Treatment Plant	(13,724.12)	(13,724.12)	0.00
04-00-1620.000 Accumulated Depreciation	(921,910.26)	(921,910.26)	0.00
04-00-1700.000 Reservoir Company Stock	0.00	0.00	0.00
04-00-1800.000 Ruedi Reservoir CA03053 (5000 AF)	2,681,664.00	2,905,136.00	(223,472.00)
04-00-1801.000 Ruedi Reservoir CA00034 (500AF)	89,911.20	104,896.40	(14,985.20)
04-00-1802.000 Ruedi Reservoir CA00036 (700AF)	125,875.68	146,854.96	(20,979.28)
04-00-1803.000 Ruedi Reservoir CA02027 (530AF)	165,374.88	184,830.76	(19,455.88)
04-01-1990.000 Internal Balances	(62.70)	(252.03)	189.33
04-06-1501.001 WMP Vehicles	6.22	6.22	0.00
Total Assets	92,178,421.56	94,673,831.84	(2,495,410.28)

Balance Sheet
Colorado River Water Conservation District
For 10/31/2020

UNAUDITED

	This Year	Last Year	Change
Liabilities and Net Assets			
04-00-2000.000 Accounts Payable	153,594.42	151,839.32	1,755.10
04-00-2001.000 Encumbrance Payable	0.00	0.00	0.00
04-00-2005.000 Project Faciliation Passthrough	0.00	0.00	0.00
04-00-2011.000 FICA/Mdcr Payable	8,543.77	9,281.93	(738.16)
04-00-2019.000 RHS -Payable	0.00	0.00	0.00
04-00-2021.000 Accrued Vacation Payable	107,468.80	116,753.86	(9,285.06)
04-00-2101.000 Note/Contract Payable - Short Term	0.00	0.00	0.00
04-00-2110.000 Deferred Water Revenue	820,428.37	615,831.04	204,597.33
04-00-2120.000 Accrued Interest Payable	0.00	0.00	0.00
04-00-2201.000 N/P Cwcb - Woford	0.00	0.00	0.00
04-00-2202.000 N/P CWCB - Elkhead	0.00	0.00	0.00
04-00-2203.000 Long Term Ruedi Contracts Payable	0.00	0.00	0.00
Total Liabilities	1,090,035.36	893,706.15	196,329.21
04-00-3000.000 EXTRAORDINARY MAINTENANCE	0.00	0.00	0.00
04-00-3010.000 Net Position	89,627,102.92	90,525,876.68	(898,773.76)
Change in Net Assets	1,461,283.28	3,254,249.01	(1,792,965.73)
Total Liabilities and Net Assets	92,178,421.56	94,673,831.84	(2,495,410.28)

FOR INTERNAL USE ONLY

Run: 11/19/2020 at 3:38 PM

Income Statement

Colorado River Water Conservation District

For 10/31/2020

Page: 1

Enterprise Fund	M-T-D Actual \$	Y-T-D Actual \$	Annual Budget \$	YTD % Budget
<u>Revenues</u>				
4110. Investment Interest	22,158.79	284,996.97	400,000.00	71.25
4120. Rent & Misc. Income	4,857.42	48,670.37	60,000.00	81.12
4130. Management Fee	0.00	737.10	15,000.00	4.91
4140. Other Fees & Rec Area	8,163.20	179,734.84	45,000.00	399.41
4150. Project Contribution (other)	0.00	3,986.69	0.00	0.00
4160. Grants	1,031.82	4,548.44	177,247.00	2.57
4200. Elkhead OM&R Reimbursements	0.00	76,836.80	100,000.00	76.84
4201. NEPA Cost Reimbursements	0.00	0.00	0.00	0.00
4300. Joint Venture Income	0.00	0.00	5,000.00	0.00
4301. Sale Of Capital Asset	0.00	0.00	0.00	0.00
4303. Sale Of Water	0.00	1,390,926.37	1,200,000.00	115.91
4304. Denver Water	0.00	1,500,000.00	1,500,000.00	100.00
4305. Water Application/Change	400.00	3,850.00	5,000.00	77.00
4306. Up-Front Sale Of Water	0.00	0.00	0.00	0.00
4307. Project Contributions	0.00	1,303,731.66	2,199,559.00	59.27
4308. Federal Contributions	0.00	0.00	0.00	0.00
Total Revenues	36,611.23	4,798,019.24	5,706,806.00	84.08
<u>Expenses</u>				
5000. Contingency Salaries	0.00	0.00	0.00	0.00
5001. Salaries	80,767.30	806,212.25	813,199.16	99.14
5004. Accrued Vacation Adjustment	0.00	0.00	15,000.00	0.00
5010. Accrued Vacation	0.00	0.00	0.00	0.00
5011. Fica/Medicare	5,135.00	57,218.02	56,684.18	100.94
5014. Unemployment	226.28	2,288.83	2,400.19	95.36
5016. Workers Compensation Insurance	0.00	4,269.78	7,766.92	54.97
5115. Disability Insurance	303.37	2,910.80	3,884.27	74.94
5118. Health Insurance	10,618.06	107,575.81	144,330.00	74.53
5120. Cafeteria Plan-Employer	0.00	0.00	0.00	0.00
5121. Cafeteria Plan-Administration	0.00	146.25	200.00	73.13
5122. Retirement - 457 Matching	237.37	6,704.23	7,600.00	88.21
5123. Retirement - Employer	7,784.26	77,562.92	77,285.33	100.36
5124. Retirement - Administration	0.00	937.50	1,250.00	75.00
5125. RHS- Employer Contribution	0.00	8,425.06	6,900.00	122.10
5211. Employee Housing	0.00	12,575.40	15,375.00	81.79
5212. Education Assistance	0.00	0.00	500.00	0.00
5220. Overhead-C	0.00	0.00	9,647.50	0.00
5310. Travel	1,750.50	12,127.29	57,833.00	20.97
5311. Registration	0.00	947.25	7,625.00	12.42
5312. Meeting Expense	0.00	559.94	5,600.00	10.00
5313. Travel Contingency	0.00	0.00	0.00	0.00
6000. Directors Fees	0.00	1,493.75	4,500.00	33.19
6001. Education/Professional Development	0.00	710.59	2,750.00	25.84
6012. Legal Notice	99.45	904.86	750.00	120.65
6013. Special Counsel	0.00	1,845.75	22,625.00	8.16
6014. Legal Engineering	0.00	475.00	35,000.00	1.36
6015. Legal Litigation / Adr	0.00	11,527.75	150,000.00	7.69
6016. Miscellaneous Legal/Materials	898.32	5,178.41	6,250.00	82.85
6017. Legal Contingency	0.00	0.00	5,000.00	0.00
6020. Washington Counsel/Lobbyist	375.00	3,750.00	4,500.00	83.33
6021. Colorado Lobbyist	500.00	5,000.00	6,000.00	83.33
6022. Education Assistance To Others	250.00	2,387.50	3,750.00	63.67
6023. External Affairs -C	0.00	0.00	667.00	0.00
6024. Education Programs	(96.44)	9,544.40	45,000.00	21.21
6025. Water Policy Survey	0.00	0.00	16,667.00	0.00
6026. Education Supplies	0.00	0.00	333.00	0.00
6102. Consultant	0.00	0.00	0.00	0.00
6103. Accounting Consultant	0.00	658.00	1,500.00	43.87
6104. Audit	0.00	5,095.00	5,095.00	100.00
6105. Investment/Banking Services	5.50	2,402.73	150.00	1,601.82
6110. Admin Services/Expenses-C	0.00	363.49	1,000.00	36.35
6150. Assessments	4,650.16	46,501.60	66,911.56	69.50
6200. Postage	32.68	384.53	300.00	128.18
6201. Office Supplies	228.13	2,173.82	3,500.00	62.11
6202. Telephone	121.07	9,054.55	10,500.00	86.23
6203. Printing	0.00	0.00	0.00	0.00
6204. Insurance	(2,308.75)	8,941.00	7,500.00	119.21

Run: 11/19/2020 at 3:38 PM

Income Statement

Colorado River Water Conservation District

For 10/31/2020

Page: 2

Enterprise Fund	M-T-D Actual \$	Y-T-D Actual \$	Annual Budget \$	YTD % Budget
6205. Records	0.00	11.25	100.00	11.25
6210. Lease Equipment	92.62	1,632.27	3,000.00	54.41
6211. Equipment Repairs	0.00	0.00	0.00	0.00
6301. Subscriptions	12.50	1,011.50	900.00	112.39
6302. Dues / Memberships	0.00	6,065.64	7,550.00	80.34
6310. Computer Licenses/Software & Services	1,073.99	14,794.58	17,000.00	87.03
6320. Small Office Equipment	0.00	0.00	150.00	0.00
6330. Utilities	1,258.80	23,945.44	30,000.00	79.82
6340. Vehicle Maintenance	2,394.17	10,964.16	19,500.00	56.23
6350. Roads/Buildings Maintenences	0.00	0.00	0.00	0.00
6401. Cleaning/Janitorial	810.00	4,590.00	6,000.00	76.50
6402. Small Tools/Supplies	399.63	6,346.05	25,000.00	25.38
6403. Water System Operation	1,492.00	29,343.00	35,000.00	83.84
6410. Recreation Area O&M	10,417.00	142,481.27	150,000.00	94.99
6411. Dam/Project Maintenance	17,067.50	110,366.54	100,000.00	110.37
6412. Weed Control WMP	32,348.01	55,568.33	65,000.00	85.49
6413. Water Quality - In House	0.00	0.00	0.00	0.00
6414. USGS Gaging - Water Quality	0.00	25,878.80	80,749.94	32.05
6415. USGS Streamflow Gaging	0.00	6,996.09	24,594.34	28.45
6416. Dam & Reservoir OM&R Contingency	0.00	0.00	200,000.00	0.00
6417. RD Facilities OM&R	0.00	4,159.91	25,000.00	16.64
6418. Dam Deformation	7,250.00	35,177.50	100,000.00	35.18
6500. Bldg Construction/Remodel	0.00	0.00	22,250.00	0.00
6600. Bad Debt Expense	0.00	24,627.00	0.00	0.00
6602. Surveying & Mapping	0.00	0.00	0.00	0.00
6603. Archeology	0.00	0.00	0.00	0.00
6604. Water Marketing (Modeling)	0.00	0.00	0.00	0.00
6720. Equipment	0.00	0.00	1,000.00	0.00
7001. USGS Guaging	0.00	14,600.14	29,006.53	50.33
7002. Water Quality	0.00	347.75	500.00	69.55
7009. WMP Weather Station (CoAgMet)	0.00	0.00	2,000.00	0.00
7010. Vehicle & asset upgrades for WMP	0.00	42,956.45	29,000.00	148.13
7011. Watershed Management	51.80	165,237.26	185,000.00	89.32
7012. Ruedi Contract-(700) Capital	0.00	0.00	0.00	0.00
7013. Ruedi Contract-(5,000) O&M	0.00	15,150.00	18,000.00	84.17
7014. Ruedi Contract-(530) Capital	0.00	0.00	0.00	0.00
7015. Ruedi Contract-(500) O&M	0.00	1,515.00	1,800.00	84.17
7016. Ruedi Contract-(5,000) Capital	0.00	0.00	0.00	0.00
7017. Ruedi Contract-(530) O&M	0.00	1,605.90	2,000.00	80.30
7018. Ruedi Contract-(700) O&M	0.00	2,121.00	2,500.00	84.84
7020. Hydro Plant	0.00	0.00	0.00	0.00
7021. Old Dillon Reserv. Enlargement	0.00	0.00	0.00	0.00
7022. Elkhead Dam & Reservoir Op.	1,376.23	65,408.32	100,000.00	65.41
7023. Elkhead Net	0.00	0.00	0.00	0.00
7100. Projects	0.00	0.00	0.00	0.00
7101. River Mou	0.00	0.00	0.00	0.00
7102. 15-Mile Reach/Recovery Program	0.00	0.00	20,000.00	0.00
7103. Vail Ditch	0.00	6,700.00	10,000.00	67.00
7104. WR & Project Development	0.00	2,375.42	2,000.00	118.77
7105. Op. Wetland & Other Mitigation	0.00	2,593.50	5,000.00	51.87
7106. Mitigation Maintenance	0.00	6,865.50	30,000.00	22.89
7107. Mitigation Contingency	0.00	0.00	10,000.00	0.00
7110. River Projects Contingency	0.00	10,000.00	10,000.00	100.00
7120. Elkhead Ops Contingency	0.00	0.00	0.00	0.00
7200. Ruedi 15 MR PBO Compliance	0.00	22,459.88	28,000.00	80.21
7201. Fisheries/Stocking	0.00	0.00	0.00	0.00
7202. Elkhead Fish Screen	0.00	0.00	0.00	0.00
7203. Annual Assessment	7,574.50	24,327.00	25,000.00	97.31
7204. Special Assessment	0.00	0.00	0.00	0.00
7500. Cooperative Management	14,954.97	163,650.67	310,000.00	52.79
7510. RCPP	1,864.00	1,066,651.78	2,061,948.00	51.73
7600. Technical Study - Risk Management	0.00	22,652.00	100,000.00	22.65
8000. Principal - CWCB (Elkhead)	0.00	0.00	0.00	0.00
8001. Interest - CWCB (Elkhead)	0.00	0.00	0.00	0.00
8002. Amortization Expense	0.00	0.00	0.00	0.00
9000. Acquisition	0.00	0.00	0.00	0.00
9010. Depreciation	0.00	0.00	1,000,000.00	0.00
9020. Gain/Loss Of Disposal	0.00	(23,295.00)	0.00	0.00
Total Expenses	212,014.98	3,336,735.96	6,527,877.92	51.12

Income Statement
Colorado River Water Conservation District
For 10/31/2020

Enterprise Fund	M-T-D Actual \$	Y-T-D Actual \$	Annual Budget \$	YTD % Budget
Excess Revenue Over (Under) Expenditures	(175,403.75)	1,461,283.28	(821,071.92)	(177.97)

COLORADO RIVER WATER CONSERVATION DISTRICT
TREASURER'S REPORT
ENTERPRISE FUND

November 30, 2020

CASH AND EQUIVALENTS AS OF:

10/30/20

CASH ON HAND	\$200.00	
BANK OF THE WEST-PETTY CASH-2163	\$1,092.42	
BOC-GLENWOOD - CHECKING	\$4,052,360.00	
COLOTRUST PRIME	\$4,922,847.05	
COLOTRUST PLUS	\$7,857,351.47	
CSAFE-5610	\$3,236,827.42	
FIRSTBANK OF LAKEWOOD - CD	\$246,420.37	
MOUNTAIN VIEW BANK OF COMMERCE - CD	\$248,413.44	
NBH BANK CD	\$1,000,000.00	
PEAKS	\$1,123,669.48	
INVESTMENTS	\$6,995,003.50	
TOTAL		\$29,684,185.15

DEPOSITS:

CASH ON HAND	0.00	
BANK OF THE WEST-PETTY CASH-2163	0.00	
BOC-GLENWOOD - CHECKING	155,583.15	
COLOTRUST PRIME	216.87	
COLOTRUST PLUS	880.24	
CSAFE-5610	511.30	
FIRSTBANK OF LAKEWOOD - CD	0.00	
MOUNTAIN VIEW BANK OF COMMERCE - CD	498.40	
NBH BANK CD	0.00	
PEAKS	16,714.70	
TOTAL		174,404.66

DISBURSEMENTS:

CASH ON HAND	0.00	
BANK OF THE WEST-PETTY CASH-2163	0.00	
BOC-GLENWOOD - CHECKING	278,448.46	
COLOTRUST PRIME	0.00	
COLOTRUST PLUS	0.00	
CSAFE-5610	0.00	
PEAKS	1,135,000.00	
TOTAL		1,413,448.46

INVESTMENTS:

NET INCREASE/(DECREASE)	1,135,000.00	
TOTAL		1,135,000.00

CASH AND EQUIVALENTS AS OF:

11/30/20

\$29,580,141.35

SUMMARY:

CASH ON HAND	\$200.00
BANK OF THE WEST-PETTY CASH-2163	\$1,092.42
BOC-GLENWOOD - CHECKING	\$3,929,494.69
COLOTRUST PRIME	\$4,923,063.92
COLOTRUST PLUS	\$7,858,231.71
CSAFE-5610	\$3,237,338.72
FIRSTBANK OF LAKEWOOD - CD	\$246,420.37
MOUNTAIN VIEW BANK OF COMMERCE - CD	\$248,911.84
NBH BANK CD	\$1,000,000.00
PEAKS	\$5,384.18
INVESTMENTS	\$8,130,003.50

SUMMARY TOTAL AS OF:

11/30/20

\$29,580,141.35

Signature

Date

ROGER D. MAGGARD, TREASURER
COLORADO RIVER WATER
CONSERVATION DISTRICT

COLORADO RIVER WATER CONSERVATION DISTRICT

TREASURER'S REPORT
ANALYSIS OF INVESTMENTS
ENTERPRISE FUND

November 30, 2020

	BALANCE 10/30/2020	ADDITIONS (PURCHASED)	DELETIONS (MATURED)	BALANCE 11/30/2020
TREASURIES & DISCOUNT AGENCIES				
CCB Utah#20033ASX5	\$245,000.00			\$245,000.00
CapOne #14042ON22	\$245,000.00			\$245,000.00
CapOne #14042REA5	\$245,000.00			\$245,000.00
Discover #254672M39	\$245,000.00			\$245,000.00
Amer. Express #02587DM70	\$245,000.00			\$245,000.00
Goldman Sachs #38148PJK4	\$245,000.00			\$245,000.00
Amer. Express FSB #02587CEM8	\$245,000.00			\$245,000.00
Synchrony Bank #87165HRY8	\$135,003.50			\$135,003.50
First Bank Highland #319141JV0	\$110,000.00			\$110,000.00
UBS Bank #90348JCW8	\$125,000.00			\$125,000.00
Morgan Stanley #61690UEH9	\$245,000.00			\$245,000.00
Morgan Stanley #61760AVS5	\$245,000.00			\$245,000.00
TIAA #87270BU6	\$245,000.00			\$245,000.00
Morton Community #619165HZ9	\$245,000.00			\$245,000.00
Wells Fargo #949763YH#	\$245,000.00			\$245,000.00
EnerBank #29278TMD9	\$245,000.00			\$245,000.00
Enterprise #29367SJR6	\$245,000.00			\$245,000.00
BMW Bank #05580ATU8	\$245,000.00			\$245,000.00
Medallion Bank #58404DGT2	\$245,000.00			\$245,000.00
Merrick Bank #59013KHN9	\$245,000.00			\$245,000.00
Cadence Bank #12738RGA6	\$245,000.00			\$245,000.00
Berkshire Bank #084601XC2	\$245,000.00			\$245,000.00
First Oklahoma Bk #335857BX5	\$245,000.00			\$245,000.00
Third Federal S&L #88413QCN6	\$245,000.00			\$245,000.00
Pinnacle Bank #72345SKU4	\$245,000.00			\$245,000.00
HSBC #44329ME33	\$245,000.00			\$245,000.00
Texas Exchange bank #88241THD5	\$245,000.00			\$245,000.00
Texas Cap Bk #88224PLY3	\$245,000.00			\$245,000.00
FFCB #3133EMBQ4	\$500,000.00			\$500,000.00
FFCB #3133EMHL9	\$0.00	1,135,000.00		\$1,135,000.00
TOTAL INVESTMENTS	\$6,995,003.50	\$1,135,000.00	\$0.00	\$8,130,003.50

SUMMARY:

Additions	\$1,135,000.00
Deletions	0.00
NET INCREASE/(DECREASE)	\$1,135,000.00

Balance Sheet

Colorado River Water Conservation District

For 11/30/2020

UNAUDITED

	This Year	Last Year	Change
04 Enterprise Fund			
Assets			
04-00-1000.000 Cash Box	200.00	200.00	0.00
04-00-1001.000 Peaks - ENT	5,384.18	27,937.56	(22,553.38)
04-00-1002.000 Petty Cash	1,092.42	2,547.96	(1,455.54)
04-00-1003.000 Cash In Bank-BoC -Checking	3,929,494.69	1,807,162.19	2,122,332.50
04-00-1004.000 Alpine Bank	0.00	0.00	0.00
04-00-1005.000 Bank CD's	0.00	0.00	0.00
04-00-1006.000 First Bank CD	246,420.37	0.00	246,420.37
04-00-1007.000 Mountain View Bank CD	248,911.84	0.00	248,911.84
04-00-1008.000 NBH Bank CD	1,000,000.00	0.00	1,000,000.00
04-00-1009.000 Undeposited Fund	0.00	880.00	(880.00)
04-00-1010.000 Wells Fargo /Colotrust -0100	0.00	0.00	0.00
04-00-1011.000 CSAFE - 5603 - Elkhead Escrow	0.00	0.00	0.00
04-00-1012.000 Csafe-5601	3,237,338.72	3,206,183.16	31,155.56
04-00-1013.000 Aim-0045	0.00	0.00	0.00
04-00-1014.000 RESTRICTED CWCB/ELKHEAD PAYMENT	0.00	0.00	0.00
04-00-1015.000 Enterprise ColoTrust Prime	4,923,063.92	2,903,961.76	2,019,102.16
04-00-1016.000 Us Bank Money Market	0.00	0.00	0.00
04-00-1017.000 Enterprise ColoTrust Plus	7,858,231.71	6,605,531.90	1,252,699.81
04-00-1020.000 Investments-All	8,130,003.50	13,777,083.50	(5,647,080.00)
04-00-1021.000 Allowance For Investments+-	33,334.46	(343,002.94)	376,337.40
04-00-1022.000 Accum Amortization Investments	3,090.18	2,856.75	233.43
04-00-1023.000 Accrued Interest	104,604.79	193,569.34	(88,964.55)
04-00-1200.000 Accounts Receivable	208,600.29	228,274.05	(19,673.76)
04-00-1205.000 Housing Notes Receivable	31,232.91	80,509.88	(49,276.97)
04-00-1206.000 Deferred Revenue	(1,719.18)	0.00	(1,719.18)
04-00-1225.000 Allowance Housing Forgiveness	(32,000.00)	(49,642.66)	17,642.66
04-00-1300.000 Prepaid Expenses	0.00	0.00	0.00
04-00-1400.000 ST Invest In Sales-Type Lease	1,451,027.94	2,761,482.50	(1,310,454.56)
04-00-1401.000 LT Investment Sales-Type Lease	0.00	1,451,027.94	(1,451,027.94)
04-00-1500.000 Land	3,091,477.22	3,091,477.22	0.00
04-00-1501.000 Vehicles	237,079.86	237,079.86	0.00
04-00-1502.000 Dam Projects	66,154,085.78	66,154,085.78	0.00
04-00-1503.000 Recreation Area	1,222,328.29	1,222,328.29	0.00
04-00-1504.000 Equipment	200,607.49	200,607.49	0.00
04-00-1505.000 Reservoir Co Stock	2,588,173.44	2,589,382.67	(1,209.23)
04-00-1506.000 Computer Equipment	13,166.74	13,166.74	0.00
04-00-1507.000 Office Building	1,504,865.05	1,504,865.05	0.00
04-00-1508.000 Software/Upgrade	0.00	0.00	0.00
04-00-1509.000 Equipment/Tools	0.00	0.00	0.00
04-00-1510.000 GWS Office Building	0.00	0.00	0.00
04-00-1511.000 Water Treatment Plant	0.00	0.00	0.00
04-00-1520.000 Construction In Progress	0.00	0.00	0.00
04-00-1599.000 Assets in Fixed Assets Fund	0.00	0.00	0.00
04-00-1601.000 A/D-Vehicles	(202,706.94)	(181,271.71)	(21,435.23)
04-00-1602.000 A/D-Dam Project	(15,170,690.54)	(14,244,245.49)	(926,445.05)
04-00-1603.000 A/D-Recreation Area	(588,338.55)	(549,388.85)	(38,949.70)
04-00-1604.000 A/D-Furniture & Fixtures	(92,295.46)	(80,958.03)	(11,337.43)
04-00-1605.000 A/D-Office Equipment	(9,271.00)	(9,271.00)	0.00
04-00-1606.000 A/D-Computer Equipment	(10,432.42)	(9,832.07)	(600.35)
04-00-1607.000 A/D-Office Building	(350,320.72)	(307,702.17)	(42,618.55)
04-00-1608.000 A/D-Software/Upgrade	0.00	0.00	0.00
04-00-1609.000 A/D-Equipment/Tools	0.00	0.00	0.00
04-00-1610.000 A/D-GWS Office Building	(19,401.00)	(19,401.00)	0.00
04-00-1611.000 A/D-Water Treatment Plant	(13,724.12)	(13,724.12)	0.00
04-00-1620.000 Accumulated Depreciation	(921,910.26)	(921,910.26)	0.00
04-00-1700.000 Reservoir Company Stock	0.00	0.00	0.00
04-00-1800.000 Ruedi Reservoir CA03053 (5000 AF)	2,681,664.00	2,905,136.00	(223,472.00)
04-00-1801.000 Ruedi Reservoir CA00034 (500AF)	89,911.20	104,896.40	(14,985.20)
04-00-1802.000 Ruedi Reservoir CA00036 (700AF)	125,875.68	146,854.96	(20,979.28)
04-00-1803.000 Ruedi Reservoir CA02027 (530AF)	165,374.88	184,830.76	(19,455.88)
04-01-1990.000 Internal Balances	(194.94)	(116,429.53)	116,234.59
04-06-1501.001 WMP Vehicles	6.22	6.22	0.00
Total Assets	92,073,642.64	94,557,146.10	(2,483,503.46)

Balance Sheet
Colorado River Water Conservation District
For 11/30/2020

UNAUDITED

	This Year	Last Year	Change
Liabilities and Net Assets			
04-00-2000.000 Accounts Payable	107,919.05	121,343.64	(13,424.59)
04-00-2001.000 Encumbrance Payable	0.00	0.00	0.00
04-00-2005.000 Project Faciliation Passthrough	0.00	0.00	0.00
04-00-2011.000 FICA/Mdcr Payable	8,543.77	9,281.93	(738.16)
04-00-2019.000 RHS -Payable	0.00	0.00	0.00
04-00-2021.000 Accrued Vacation Payable	107,468.80	116,753.86	(9,285.06)
04-00-2101.000 Note/Contract Payable - Short Term	0.00	0.00	0.00
04-00-2110.000 Deferred Water Revenue	820,428.37	615,831.04	204,597.33
04-00-2120.000 Accrued Interest Payable	0.00	0.00	0.00
04-00-2201.000 N/P Cwcb - Woford	0.00	0.00	0.00
04-00-2202.000 N/P CWCB - Elkhead	0.00	0.00	0.00
04-00-2203.000 Long Term Ruedi Contracts Payable	0.00	0.00	0.00
Total Liabilities	1,044,359.99	863,210.47	181,149.52
04-00-3000.000 EXTRAORDINARY MAINTENANCE	0.00	0.00	0.00
04-00-3010.000 Net Position	89,627,102.92	90,525,876.68	(898,773.76)
Change in Net Assets	1,402,179.73	3,168,058.95	(1,765,879.22)
Total Liabilities and Net Assets	92,073,642.64	94,557,146.10	(2,483,503.46)

FOR INTERNAL USE ONLY

Income Statement

Colorado River Water Conservation District

For 11/30/2020

UNAUDITED

Page: 1

Enterprise Fund	M-T-D Actual \$	Y-T-D Actual \$	Annual Budget \$	YTD % Budget
<u>Revenues</u>				
4110. Investment Interest	19,564.75	304,561.72	295,000.00	103.24
4120. Rent & Misc. Income	4,857.42	53,527.79	58,300.00	91.81
4130. Management Fee	3,540.00	5,027.10	1,000.00	502.71
4140. Other Fees & Rec Area	3,262.50	182,997.34	170,000.00	107.65
4150. Project Contribution (other)	0.00	3,986.69	5,000.00	79.73
4160. Grants	0.00	4,548.44	111,032.00	4.10
4200. Elkhead OM&R Reimbursements	0.00	76,836.80	76,836.80	100.00
4201. NEPA Cost Reimbursements	0.00	0.00	0.00	0.00
4300. Joint Venture Income	0.00	0.00	5,000.00	0.00
4301. Sale Of Capital Asset	0.00	0.00	0.00	0.00
4303. Sale Of Water	0.00	1,390,926.37	1,400,000.00	99.35
4304. Denver Water	0.00	1,500,000.00	1,500,000.00	100.00
4305. Water Application/Change	0.00	3,850.00	4,000.00	96.25
4306. Up-Front Sale Of Water	0.00	0.00	0.00	0.00
4307. Project Contributions	114,460.00	1,445,654.79	3,784,934.00	38.19
4308. Federal Contributions	0.00	0.00	0.00	0.00
Total Revenues	145,684.67	4,971,917.04	7,411,102.80	67.09
<u>Expenses</u>				
5000. Contingency Salaries	0.00	0.00	0.00	0.00
5001. Salaries	82,719.71	888,931.96	781,623.25	113.73
5004. Accrued Vacation Adjustment	0.00	0.00	15,000.00	0.00
5010. Accrued Vacation	0.00	0.00	0.00	0.00
5011. Fica/Medicare	4,604.05	61,822.07	55,216.37	111.96
5014. Unemployment	230.66	2,519.49	2,354.32	107.02
5016. Workers Compensation Insurance	0.00	4,269.78	4,270.00	99.99
5115. Disability Insurance	606.74	3,517.54	3,757.54	93.61
5118. Health Insurance	12,229.13	119,804.94	130,188.62	92.02
5120. Cafeteria Plan-Employer	0.00	0.00	0.00	0.00
5121. Cafeteria Plan-Administration	16.25	178.75	200.00	89.38
5122. Retirement - 457 Matching	217.41	6,921.64	6,150.00	112.55
5123. Retirement - Employer	7,792.59	85,355.51	72,736.44	117.35
5124. Retirement - Administration	0.00	937.50	1,250.00	75.00
5125. RHS- Employer Contribution	0.00	8,425.06	16,062.00	52.45
5211. Employee Housing	0.00	12,575.40	375.00	3,353.44
5212. Education Assistance	0.00	0.00	0.00	0.00
5220. Overhead-C	0.00	0.00	1,250.00	0.00
5310. Travel	179.98	12,307.27	17,916.50	68.69
5311. Registration	76.17	1,023.42	3,450.00	29.66
5312. Meeting Expense	0.00	559.94	4,725.00	11.85
5313. Travel Contingency	0.00	0.00	0.00	0.00
6000. Directors Fees	0.00	1,493.75	4,500.00	33.19
6001. Education/Professional Development	0.00	710.59	1,750.00	40.61
6012. Legal Notice	248.80	1,013.61	750.00	135.15
6013. Special Counsel	0.00	1,845.75	5,250.00	35.16
6014. Legal Engineering	0.00	475.00	2,000.00	23.75
6015. Legal Litigation / Adr	7,935.00	25,613.25	150,000.00	17.08
6016. Miscellaneous Legal/Materials	885.49	6,158.88	6,750.00	91.24
6017. Legal Contingency	0.00	0.00	6,666.50	0.00
6020. Washington Counsel/Lobbyist	375.00	4,125.00	4,500.00	91.67
6021. Colorado Lobbyist	500.00	5,500.00	6,000.00	91.67
6022. Education Assistance To Others	0.00	2,387.50	3,000.00	79.58
6023. External Affairs -C	0.00	0.00	0.00	0.00
6024. Education Programs	119.19	9,663.59	15,500.00	62.35
6025. Water Policy Survey	0.00	0.00	0.00	0.00
6026. Education Supplies	0.00	0.00	0.00	0.00
6102. Consultant	0.00	0.00	0.00	0.00
6103. Accounting Consultant	603.75	1,261.75	1,500.00	84.12
6104. Audit	0.00	5,095.00	5,095.00	100.00
6105. Investment/Banking Services	5.56	2,408.29	3,600.00	66.90
6110. Admin Services/Expenses-C	0.00	363.49	1,666.75	21.81
6150. Assessments	4,650.16	51,151.76	55,801.92	91.67
6200. Postage	14.29	398.82	250.00	159.53
6201. Office Supplies	149.37	2,323.19	3,500.00	66.38
6202. Telephone	623.32	9,677.87	15,375.00	62.95
6203. Printing	0.00	0.00	0.00	0.00
6204. Insurance	0.00	8,941.00	11,000.00	81.28

Income Statement

UNAUDITED

Run: 1/04/2021 at 4:36 PM

Colorado River Water Conservation District For 11/30/2020

Page: 2

Enterprise Fund	M-T-D Actual \$	Y-T-D Actual \$	Annual Budget \$	YTD % Budget
6205. Records	11.25	22.50	100.00	22.50
6210. Lease Equipment	166.92	1,857.97	2,112.50	87.95
6211. Equipment Repairs	0.00	0.00	0.00	0.00
6301. Subscriptions	88.49	1,099.99	1,683.25	65.35
6302. Dues / Memberships	125.00	6,190.64	9,425.00	65.68
6310. Computer Licenses/Software & Services	2,747.32	17,541.90	16,600.00	105.67
6320. Small Office Equipment	0.00	0.00	150.00	0.00
6330. Utilities	1,988.57	25,934.01	30,000.00	86.45
6340. Vehicle Maintenance	1,766.31	13,718.13	17,500.00	78.39
6350. Roads/Buildings Maintenences	0.00	0.00	0.00	0.00
6401. Cleaning/Janitorial	755.75	5,345.75	5,700.00	93.79
6402. Small Tools/Supplies	1,081.17	7,427.22	6,000.00	123.79
6403. Water System Operation	0.00	29,343.00	40,000.00	73.36
6410. Recreation Area O&M	4,701.25	147,682.52	140,000.00	105.49
6411. Dam/Project Maintenance	8,732.50	119,099.04	167,000.00	71.32
6412. Weed Control WMP	0.00	55,568.33	64,400.00	86.29
6413. Water Quality - In House	0.00	0.00	0.00	0.00
6414. USGS Gaging - Water Quality	0.00	25,878.80	80,749.94	32.05
6415. USGS Streamflow Gaging	0.00	6,996.09	24,595.34	28.44
6416. Dam & Reservoir OM&R Contingency	0.00	0.00	50,000.00	0.00
6417. RD Facilities OM&R	0.00	4,159.91	7,500.00	55.47
6418. Dam Deformation	0.00	35,177.50	40,000.00	87.94
6500. Bldg Construction/Remodel	0.00	0.00	12,250.00	0.00
6600. Bad Debt Expense	0.00	24,627.00	24,627.00	100.00
6602. Surveying & Mapping	0.00	0.00	0.00	0.00
6603. Archeology	0.00	0.00	0.00	0.00
6604. Water Marketing (Modeling)	0.00	0.00	0.00	0.00
6720. Equipment	0.00	0.00	150.00	0.00
7001. USGS Guaging	0.00	14,600.14	29,009.53	50.33
7002. Water Quality	0.00	347.75	400.00	86.94
7009. WMP Weather Station (CoAgMet)	0.00	0.00	2,000.00	0.00
7010. Vehicle & asset upgrades for WMP	0.00	42,956.45	65,000.00	66.09
7011. Watershed Management	62.55	165,299.81	225,750.00	73.22
7012. Ruedi Contract-(700) Capital	0.00	0.00	0.00	0.00
7013. Ruedi Contract-(5,000) O&M	0.00	15,150.00	15,150.00	100.00
7014. Ruedi Contract-(530) Capital	0.00	0.00	0.00	0.00
7015. Ruedi Contract-(500) O&M	0.00	1,515.00	1,515.00	100.00
7016. Ruedi Contract-(5,000) Capital	0.00	0.00	0.00	0.00
7017. Ruedi Contract-(530) O&M	0.00	1,605.90	1,606.00	99.99
7018. Ruedi Contract-(700) O&M	0.00	2,121.00	2,121.00	100.00
7020. Hydro Plant	0.00	0.00	0.00	0.00
7021. Old Dillon Reserv. Enlargement	0.00	0.00	0.00	0.00
7022. Elkhead Dam & Reservoir Op.	177.00	65,585.32	91,000.00	72.07
7023. Elkhead Net	0.00	0.00	0.00	0.00
7100. Projects	0.00	0.00	0.00	0.00
7101. River Mou	0.00	0.00	0.00	0.00
7102. 15-Mile Reach/Recovery Program	0.00	0.00	0.00	0.00
7103. Vail Ditch	0.00	6,700.00	6,700.00	100.00
7104. WR & Project Development	0.00	2,375.42	2,375.00	100.02
7105. Op. Wetland & Other Mitigation	0.00	2,593.50	10,000.00	25.94
7106. Mitigation Maintenance	2,312.50	9,178.00	20,000.00	45.89
7107. Mitigation Contingency	0.00	0.00	0.00	0.00
7110. River Projects Contingency	0.00	10,000.00	10,000.00	100.00
7120. Elkhead Ops Contingency	0.00	0.00	0.00	0.00
7200. Ruedi 15 MR PBO Compliance	0.00	22,459.88	22,460.00	100.00
7201. Fisheries/Stocking	0.00	0.00	0.00	0.00
7202. Elkhead Fish Screen	0.00	0.00	0.00	0.00
7203. Annual Assessment	0.00	24,327.00	24,327.00	100.00
7204. Special Assessment	0.00	0.00	0.00	0.00
7500. Cooperative Management	35,036.84	233,459.73	295,798.00	78.93
7510. RCPP	1,069.50	1,072,676.75	3,383,338.00	31.70
7600. Technical Study - Risk Management	0.00	22,652.00	50,000.00	45.30
8000. Principal - CWCB (Elkhead)	0.00	0.00	0.00	0.00
8001. Interest - CWCB (Elkhead)	0.00	0.00	0.00	0.00
8002. Amortization Expense	0.00	0.00	0.00	0.00
9000. Acquisition	0.00	0.00	0.00	0.00
9010. Depreciation	0.00	0.00	1,000,000.00	0.00
9020. Gain/Loss Of Disposal	0.00	(23,295.00)	0.00	0.00
Total Expenses	185,605.54	3,569,737.31	7,420,072.77	48.11

Income Statement
Colorado River Water Conservation District
For 11/30/2020

UNAUDITED

Page: 3

Enterprise Fund	M-T-D Actual \$	Y-T-D Actual \$	Annual Budget \$	YTD % Budget
Excess Revenue Over (Under) Expenditures	<u>(39,920.87)</u>	<u>1,402,179.73</u>	<u>(8,969.97)</u>	<u>(15,631.93)</u>

Colorado River Water Conservation District

Check Register from 10/01/2020 to 11/30/2020

2 ENT - BOC

Check/EFT	Date	Vendor / Description	Check / Payment
Report Criteria... 1/07/2021 @ 11:15 AM			
Form:	Check Register - Check Register		
Sort by	ActivityDate		
activity dates:	From: 10/01/2020 To: 11/30/2020		
0997036	10/01/2020	[AECOM] AECOM TECHNICAL	2,957.00
0997037	10/01/2020	[CGEO] CYGANIEWICZ	15,100.00
0997038	10/01/2020	[ERO] ERO RESOURCES	3,180.25
0997039	10/01/2020	[GRANDFENCE] GRAND FENCE	3,165.20
0997040	10/01/2020	[KARP] KARP, NEU, HANLON, P.C. Denver Water	72.00
0997041	10/01/2020	[KLEENW] KLEEN AS A WHISTLE August - x4	460.00
0997042	10/01/2020	[TWORIV] TWO RIVERS PARK October	2,918.27
0997043	10/01/2020	[YVEA] YAMPA VALLEY ELECTRIC	161.00
EFT1442853	10/08/2020	[CENLINK] CENTURYLINK	120.37
0997044	10/09/2020	[CAA] COMMUNITY AGRICULTURE	106.25
0997045	10/09/2020	[GMNRC] GRAND MESA NATURAL	2,827.50
0997046	10/09/2020	[KEY] KEY COMMUNICATION, LLC Final Invoice	1,350.00
0997047	10/09/2020	[MCCAW] MELINDA MCCAW MEDIA	120.00
0997048	10/09/2020	[WOLFORD CAMPGROUND] PASS Fuel	1,841.79
0997049	10/09/2020	[TMAS] TASK MASTERS Task 1 - \$280..Task 2 - \$120..	801.10
EFT0242045	10/15/2020	[VERIZON] VERIZON WIRELESS	39.04
0997060	10/19/2020	[YVEA] YAMPA VALLEY ELECTRIC	166.00
0997059	10/19/2020	[WASTEMGT] WASTE	300.94
0997058	10/19/2020	[TRIPLEV] TRIPLE V DESIGNS SIGNS WOLFORD	1,640.00
0997057	10/19/2020	[NWSPLY] NORTHWEST RANCH	894.38
0997056	10/19/2020	[MTNPKS] MOUNTAIN PARKS	2,012.11
0997051	10/19/2020	[APPLEGATE] APPLGATE GROUP,	1,326.12
0997054	10/19/2020	[MCCAW] MELINDA MCCAW MEDIA	77.00
0997053	10/19/2020	[NAPA] ELK MOUNTAIN AUTO	96.51
0997052	10/19/2020	[BUCKEYE] BUCKEYE WELDING	30.60
0997050	10/19/2020	[AECOM] AECOM TECHNICAL 6/1/2016-1/26/2018	5,207.75
0997055	10/19/2020	[MFCP] MOTION AND FLOW	3,151.05
0997061	10/23/2020	[BBC] BBC RESEARCH &	13,670.00
0997062	10/23/2020	[ECORXINC] ECO-RX, INC	32,348.01
0997063	10/23/2020	[KLEENW] KLEEN AS A WHISTLE Window cleaning	250.00
0997064	10/23/2020	[QUILL] QUILL WMR Ink	109.99
0997065	10/23/2020	[RAINDROP] RAINDROP WATER Sept water haul	4,176.00
0997066	10/23/2020	[TMAS] TASK MASTERS	1,049.65
0997072	11/02/2020	[THREEL] THREE LAKES WATER & 4 BAC Tests	100.00
0997073	11/02/2020	[TWORIV] TWO RIVERS PARK November	2,918.27
0997071	11/02/2020	[SGM] SCHMUESER, GORDON,	1,229.23
0997068	11/02/2020	[MFCP] MOTION AND FLOW	3,151.05
0997069	11/02/2020	[MTNPKS] MOUNTAIN PARKS	652.18
0997067	11/02/2020	[KLEENW] KLEEN AS A WHISTLE Sept x 4 ..June, July, Aug rat	860.00
0997070	11/02/2020	[RIGNET] RIGNET September	51.80
EFT0242004	11/13/2020	[VERIZON] VERIZON WIRELESS	39.10
0997074	11/16/2020	[ALPMTR] ALPINE MOTOR SPORTS Hydroblaster service	255.99
0997075	11/16/2020	[BUCKEYE] BUCKEYE WELDING	30.60

Colorado River Water Conservation District

Check Register from 10/01/2020 to 11/30/2020

2 ENT - BOC

<u>Check/EFT</u>	<u>Date</u>	<u>Vendor / Description</u>	<u>Check / Payment</u>
0997076	11/16/2020	[EDGE] EDGE INTERNET October	149.99
0997077	11/16/2020	[FEDEX] FEDEX Wolford registration	8.50
0997078	11/16/2020	[GMNRC] GRAND MESA NATURAL 9/22-10/21	2,747.50
0997079	11/16/2020	[HDR] HDR ENGINEERING INC	17,098.00
0997080	11/16/2020	[IPC] INDEPENDENT PROPANE	640.58
0997081	11/16/2020	[KARP] KARP, NEU, HANLON, P.C.	3,056.50
0997082	11/16/2020	[KLEENW] KLEEN AS A WHISTLE October - x4	895.75
0997083	11/16/2020	[WOLFORD CAMPGROUND] PASS ANS 9-15-10-15	8,300.00
0997084	11/16/2020	[WASTEMGT] WASTE	300.94
0997096	11/20/2020	[YVEA] YAMPA VALLEY ELECTRIC	147.00
0997095	11/20/2020	[RIGNET] RIGNET	51.80
0997094	11/20/2020	[RAINDROP] RAINDROP WATER Oct Water haul	1,392.00
0997093	11/20/2020	[NWSPLY] NORTHWEST RANCH	193.08
0997092	11/20/2020	[MFCP] MOTION AND FLOW	2,150.00
0997091	11/20/2020	[MCCAW] MELINDA MCCAW MEDIA	77.00
0997085	11/20/2020	[BBC] BBC RESEARCH &	8,850.00
0997089	11/20/2020	[HDR] HDR ENGINEERING INC	34,170.00
0997088	11/20/2020	[GRANDP] GRAND POWER Campground restroom lights	795.00
0997087	11/20/2020	[COLORIV] COLORADO RIVER	1,783.75
0997086	11/20/2020	[BUIRGY] BUIRGY CONSULTING	3,243.74
0997090	11/20/2020	[LANDMARK] LANDMARK Deformation survey	7,250.00
0997100	11/30/2020	[OTAK] OTAK	25,625.39
0997097	11/30/2020	[HDR] HDR ENGINEERING INC 09/27-10/24	14,917.50
0997098	11/30/2020	[KARP] KARP, NEU, HANLON, P.C.	6,150.50
0997099	11/30/2020	[MTNPKS] MOUNTAIN PARKS	1,196.32
0997101	11/30/2020	[PRYOR] PRYOR EXCAVATING Ditch work, irrigation pipe re	3,243.75
<u>Total Checks:</u>			<u>255,448.69</u>

GO BACK TO AGENDA

- 6.a. General Counsel's Report – Executive Session: Tuesday
(No Material Available)



COLORADO RIVER DISTRICT
PROTECTING WESTERN COLORADO WATER SINCE 1937

**ATTORNEY REPORT
JOINT QUARTERLY MEETING
GENERAL and ENTERPRISE
January 2021**

TO: CRWCD BOARD OF DIRECTORS

FROM: PETER C. FLEMING, GENERAL COUNSEL
JASON V. TURNER, SENIOR COUNSEL

Dear Directors:

This report identifies matters for discussion at the January 19-20, 2021, joint quarterly meeting of the River District and its Enterprise. A separate Confidential Report addresses confidential matters. The information in this report is current as of January 7, 2021 and will be supplemented as necessary before or at the Board meeting.

I. EXECUTIVE SESSION.

The following is a list of matters that qualify for discussion in executive session pursuant to C.R.S. §§ 24-6-402(4)(b) and (e).

- A. WOLFORD Mountain Reservoir and Ritschard Dam Operations (an Enterprise Matter).
- B. CRCA Implementation Matters.
- C. Colorado Springs Utilities, Application for Finding of Reasonable Diligence, Case No. 15CW3019, Water Division 5.
- D. Yampa Streamflow Administration.
- E. Application of the Colorado River District and West Divide Water Conservancy District for Finding of Reasonable Diligence, Case No. 20CW3056, Water Division 5.
- F. Colorado River Compact, Interstate, International, and Intrastate Negotiation Matters, including Demand Management.

II. GENERAL MATTERS.

A. Proposed Amendment to the River District's Financial Governance Policy.

ACTION: We request that the Board amend its Financial Governance Policy to increase the Secretary/General Manager's authority, subject to budgeting and appropriation of funds, to enter

into contractual agreements without further Board action from \$25,000 to \$50,000 (or whatever amount the Board authorizes for the General Manager's authority for it proposed Project Partnership Funding Program.).

STRATEGIC INITIATIVE(S): 12A (financial stability).

Currently the River District's Financial Governance Policy authorizes the Secretary/General Manager to enter contractual arrangements in furtherance of the River District's policies in an amount not to exceed \$25,000. Additionally, the policy provides that the Secretary/General Manager may approve change orders to board authorized contracts provided the change order does not exceed \$25,000. The monetary limitations in this policy have been in effect for at least twenty years.

During the Board's special meeting in December it was suggested that the General Manager be delegated authority to approve projects, pursuant to the proposed Project Partnership Funding Program, up to a proposed \$50,000 amount without further Board action. For consistency and because the Financial Governance Policy delegation has not been reviewed in some time, we believe that the Board should consider amending its Financial Governance Policy to match its Project Partnership Program delegation to the General Manager.

We recommend that the Board amend Section III. A. and III.C. of its Financial Governance Policy to read:

III. CONTRACTUAL AGREEMENTS

- A. Subject to the Board's budgeting and appropriating funds for such expenditures, the Secretary/General Manager shall have the authority to make contractual agreements for expenditures for the implementation of the District's and Enterprise's policies, provided the total cost to the District does not exceed \$50,000 and the initial expenditure under any cost-sharing agreement does not exceed \$100,000.*
- C. Subject to the Board's budgeting and appropriating funds for such expenditures, the Secretary/General Manager shall have the authority to approve change orders to existing Board approved contractual agreements for additional expenditures up to \$50,000. Additionally, the Secretary/General Manager shall have the authority to amend existing Board approved contractual agreements to extend the duration (but not the financial amount) of the contract without further Board approval.*

B. Approval of Special Counsel Rate Increases.

ACTION: We request that the Board approve the 2021 rates for special counsel.

STRATEGIC INITIATIVE(S): 12A (financial stability).

The River District uses special counsel for various legal matters. The River District's special counsel policy requires that the Board approve all special counsel and rate increases for

special counsel. We have received new rate schedules for 2021 for some of the River District's approved special counsel.

Graham Gilbert of the law firm Snell & Wilmer, LLP has proposed an increase of \$12 per hour to \$312 per hour. To date, Mr. Gilbert's fees have been split equally between the River District and the Upper Yampa District for his work on the Water Horse Resources Project in Utah. As of the date of this memo, we have not received any proposed rate increases from our other active special counsel, Dietz and Davis, P.C., and Karp Neu Hanlon, P.C.

Considering the expertise of special counsel and the current legal market we believe that these increases are reasonable. *We therefore recommend that the Board approve the 2021 rates for the River District's special counsel.*

C. CWCB Rulemaking on HB20-1157.

ACTION: Update only.

STRATEGIC INITIATIVE(S): 9A (wise and efficient water use).

During the summer and fall of 2020, the Colorado Water Conservation Board conducted an informal process regarding proposed amendments to the CWCB's instream flow rules in order to implement the provisions of HB20-1157, which expanded and clarified the instream flow program's expedited loan and temporary-renewable loan provisions. We participated in the informal process and were pleased that CWCB staff and counsel addressed our suggested clarifications to the draft rules.

The CWCB initiated the formal rulemaking process in mid-October. We filed for party-status and submitted a pre-hearing statement on behalf of the River District in support of the proposed rules. Although there was some initial opposition to the proposed rules from the City of Aurora, the concerns were addressed and there do not appear to be any remaining parties that oppose the proposed rules. We still intend to participate in order to monitor the process in case unnecessary or harmful edits are proposed to the final draft rules. The CWCB hearing will be held on January 26th.

D. General Counsel 2021 Goals and Objectives.

ACTION: Update only.

STRATEGIC INITIATIVE(S): Identified in the individual goals and objectives.

Set forth below is a proposed list of General Counsel Goals and Objectives for 2021 based on the Board's input from its annual General Counsel evaluation and review at the October 2020 quarterly meeting, as well as subsequent developments.

1. Continue Implementation of the Colorado River Cooperative Agreement (CRCA). *Strategic Initiatives: 5A (Shoshone Permanency), 5C (River District's TMD policy), and 7D (alternative funding for water infrastructure).*

- a. Work with other Blue River Decree parties to push for successful adjudication of the Green Mountain Reservoir Administrative Protocol.
- b. Negotiate and recommend to the River District potential amendments to the CRCA to address relatively minor technical issues, as well as potential substantive matters that may warrant revision.
- c. Provide leadership on the West Slope investigation contemplated by the CRCA to fully explore all methods to preserve the Shoshone Call Flows.
- d. Convene and implement the West Slope Fund Management Committee to manage the investments and disbursement criteria for income to the West Slope Fund.

2. Work to ensure satisfactory implementation of the few remaining actions contemplated by the Windy Gap Firing Project IGA. *Strategic Initiatives: 5C (River District's TMD policy), 8E (consistent with IBCC Conceptual Framework), 9A (wise and efficient use of Colorado's water resources).*

- a. Work with all stakeholders to secure funding and authorizations necessary to implement the Windy Gap Connectivity Channel in a manner that protects overall West Slope interests and is consistent with applicable law.
- b. Support permits for the Windy Gap Firing Project as necessary to secure and protect the West Slope's interests in the WGFP IGA.

3. Assist staff on development of a strategic water rights development plan. *Strategic Initiatives: 2A (outreach to assist constituents in consumptive and non-consumptive water needs), 3A (increase local storage), 4A (full use for benefit of River District's inhabitants without overdevelopment), and 7B (use of River District's conditional rights to meet identified needs).*

- a. Advise River District staff and Board on legal strategy regarding development of River District's conditional water rights.
- b. Assist staff's refinement of strategic plan on development of conditional water rights.

4. Advise staff and Board on all legal matters related to Wolford Mountain Reservoir and Ritschard Dam. *Strategic Initiatives: 12A (financial stability) and 13 (asset management).*

- a. Proactively address risk management and consultant contract matters related to dam settlement and embankment issues, and other operational and maintenance matters.
- b. Advise staff and Board on legal matters related to the transfer of forty-percent interest in Wolford Mountain Reservoir and Ritschard Dam to Denver Water by helping the Board and staff prepare for the orderly transfer of an ownership interest to Denver Water and proactively assisting staff to plan for a collaborative future ownership relationship with Denver.

5. Work with River District technical and external affairs staff to increase overall River District presence and outreach in Water Divisions 4 and 6. *Strategic Initiatives: 1C (inform community leaders on water matters), 1E (outreach), 2A (assist constituents with water needs), 2B (partnerships with local constituents), 6.D (agricultural water use).*

- a. Participate in meetings in those locations and assist River District constituents on matters such as local water projects, federal issues that may affect local water users, and the potential pros and cons of demand management.
- b. Protect interests of River District constituents related to water rights administration, instream flows, and proposed or existing transmountain diversions.

6. Advise the River District Board, and work closely with River District staff and other entities (including the State of Colorado and the Upper Colorado River Commission), on matters related to the Drought Contingency Plan, and renegotiation of the 2007 Interim Guidelines. Advise the River District Board and staff on implementation of the State Water Plan. Maintain and protect the River District's positions regarding the development and implementation of a possible Colorado River basin demand management program. *Strategic Initiatives: 3 (hydrologic uncertainty), 4 (Colorado River supplies), 5 (TMDs), 6 (agricultural water use).*

- a. Expand knowledge, participation, and advice to the Board on interstate compact matters and other matters related to interstate Colorado River negotiations.
- b. Related to these items, advise the River District on the potential scope and extent of State Engineer rules and regulations related to the 1922 and 1948 Colorado River Compacts.
- c. Protect the West Slope's interests by helping the River District proceed with caution on matters related to demand management as it impacts West Slope agriculture.

7. Assist River District technical staff and advise the Board on negotiations related to implementation of the Eagle River MOU. *Strategic Initiatives: 4A (full use without risk of overdevelopment), 5 (TMDs), 7 (project development), and 9 (wise and efficient use of water).*

8. Provide leadership and assist River District staff on implementation of the River District's proposed Project Partnership Funding Program and related implementation of initiatives funded the River District's successful ballot question 7A. Continue to work with River District to implement RCPP Grants, including the Gunnison Basin Projects. *Strategic Initiatives: 2 (outreach), 3D (cost-effective water efficiency), 7D (aging infrastructure), 9A (efficient water use), 10B (water quality).*

9. Provide leadership and assist River District staff on achieving a resolution of the pending Colorado Springs Blue River System diligence case that provides the best possible result

for the River District and its West Slope constituents. *Strategic Initiatives: 5.C (transmountain diversions).*

The above list should not necessarily be interpreted as a “priority” list for legal staff. There are numerous ongoing tasks and activities that command legal staff’s time on an ongoing basis. Often, those items (such as the day-to-day litigation of water court cases, assisting staff on legislative matters, etc.) require substantial attention from legal staff. In addition, it should be anticipated that the goals and objectives may change throughout the year as priorities shift due to unforeseen circumstances or actions by others. Finally, it is possible that in some cases, General Counsel’s goals and objectives should be discussed with the Board in executive session, if necessary, to protect the confidentiality of attorney-client communications and matters subject to negotiation.

III. RIVER DISTRICT WATER MATTERS.

A. Welford Mountain Reservoir and Ritschard Dam Operations. (An Enterprise Matter).

ACTION: Update only.

STRATEGIC INITIATIVE(S): 13.A. (Operation and maintenance of District assets).

We continue to work with River District staff on the transfer of a 40% interest in the Welford Mountain Reservoir storage rights and Ritschard Dam to Denver Water. Our work includes advising staff on the River District’s rights and obligations related to its contractual interests regarding Welford Mountain Reservoir.

This matter is discussed in the Confidential Report and the Board may wish to discuss it in executive session.

B. Colorado River Cooperative Agreement – Implementation Issues.

ACTION: Update only.

STRATEGIC INITIATIVE(S): 5A (Shoshone permanency), 5C (transmountain diversions), and 9A (wise and efficient water use).

The parties to the Green Mountain Reservoir Administrative Protocol Agreement finally completed all of the necessary authorizations to amend the agreement and obtain the consent of opposers to file the negotiated amended application to adjudicate the protocol. The amended application was filed at the end of December and should be in the December 2020 resume (which will be published by mid-January). New objectors would have until the end of February to file a statement of opposition to the amended application (though we hope that no new objectors enter the case).

We have held a couple of discussions with Denver following the River District’s October 2020 Quarterly meeting on securing permanency of the Shoshone Call Flows. We are attempting to schedule additional follow up meetings with Denver and other entities.

There has been very little progress in recent months on the proposed CRCA amendments that primarily affect Summit County CRCA beneficiaries. The West Slope parties have pushed for another meeting with Denver, which is in the process of being set.

The Board may wish to discuss these issues in executive session.

C. Colorado Springs Utilities, Application for Finding of Reasonable Diligence, Case No. 15CW3019, Water Division 5.

ACTION: Update only.

STRATEGIC INITIATIVE(S): 5A (Shoshone permanency), 5C (transmountain diversions), and 9A (wise and efficient water use).

We continue to meet regularly with representatives of Colorado Springs Utilities to resolve West Slope concerns with its diligence application for the conditional components of its Upper Blue Continental/Hoosier Pass transmountain diversion project. As previously reported, those discussions have expanded to include Colorado Springs' proposed enlargement of Montgomery Reservoir, which is located on the eastern side of Hoosier Pass and stores water diverted by Colorado Springs through the Hoosier Pass Tunnel.

The settlement discussions are progressing in a manner consistent with the Board's previous direction. We continue to exchange edits to the draft settlement documents and meet with Colorado Springs on a frequent basis.

This matter is discussed in the Confidential Report. The Board may wish to discuss this matter in executive session.

D. Yampa River Streamflow.

ACTION: Update only.

STRATEGIC INITIATIVE(S): 2.A. (outreach in Water Div. 6) and 3.A. (optimization of existing water storage).

Pursuant to Board approval, the River District released water from Elkhead Reservoir at the tail-end of the 2020 irrigation season to assist in alleviating a call placed by the Division 6 Engineers Office on the Yampa River. This is the second time in history that a call has been placed on the Yampa. Tri-State Generation and Transmission also released water from its supplies in Elkhead Reservoir to assist in alleviating the call. Staff has been in discussions with Tri-State to determine, if by combining Yampa Basin water resources, a more programmatic solution could be implemented to assist water users during a future call.

In addition, we met last quarter with the State Engineer, Division 6 Engineer, and the Attorney General's Office to discuss the Division 6 Engineer's concerns with the Elkhead Reservoir releases that were made during the Yampa River call last year. We anticipate that the State will provide clarification of its administration of Elkhead Reservoir releases consistent with the water court's decree for the reservoir.

This matter is discussed in the Confidential Report. The Board may wish to discuss this matter in executive session.

E. Application of the Colorado River Water Conservation District and West Divide Water Conservancy District, Case No. 20CW3056, Water Division 5.

ACTION: *Update only.*

STRATEGIC INITIATIVE(S): *4.A. (Colorado River supplies) and 7.B. (River District conditional water rights).*

Pursuant to the Board's direction, the River District and the West Divide Water Conservancy District filed a joint-application for reasonable diligence in April of 2020 for the remaining conditional components of the West Divide Project: Avalanche Canal and Siphon (30 c.f.s. with 0.014 c.f.s. available for use within the Crystal River basin), Dry Hollow Feeder Canal (250 c.f.s.), Dry Hollow Reservoir (45,000 acre feet), Four Mile Canal and Siphon (50 c.f.s. Four Mile Creek Diversion and 50 c.f.s. Three Mile Creek Diversion), Horsethief Canal Headgates 1-5 (750 c.f.s. in the aggregate), Kendig Reservoir (15,450 acre feet), Kendig Reservoir First Enlargement (2,610 acre feet), West Divide Canal (300 c.f.s.), and West Mamm Creek Reservoir (6,500 acre feet).

One statement of opposition was filed in this matter and the application is currently before the Water Referee for Water Division No. 5.

This matter is discussed in the Confidential Report. The Board may wish to discuss this matter in executive session.

F. Applications of the United States of America concerning the Taylor Park Reservoir Refill Storage Right, Case Nos. 11CW31 and 15CW3064, Water Division 4.

ACTION: *Update only.*

STRATEGIC INITIATIVE(S): *2.A. (outreach in Water Div. 4), 3A (local storage), and 9A (wise and efficient use of water).*

The River District has participated as an objector-in-support of the applications filed by the United States of America in Case Nos. 11CW31 (diligence for the Taylor Park Reservoir Refill Storage Right) and 15CW3064 (change in use to allow the full storage volume of the refill right to be used, at the request of the Upper Gunnison District, to offset a senior call by the Gunnison Tunnel).

A stipulated decree had been entered in Case No. 11CW31 back in 2015, but disputes about the interpretation of the decree and associated Taylor Park Reservoir release and storage targets arose during the 2018 drought. Due to similar parties and issues, the resolution of that dispute held up the resolution of the change of use application in Case No. 15CW3064.

We participated in the negotiations to resolve the dispute over the 2015 stipulated decree. Last October, the parties finally resolved the dispute and filed motions with the Division 4 Water Court to approve an amended stipulation and decree in Case No. 11CW31 and a stipulated consent

decree in Case No. 15CW3064. We are pleased to report that the court entered final judgments in both cases on November 2, 2020.

G. Application of the Rio Blanco Water Conservancy District, White River Storage Project, Case No. 14CW3043, Water Division 6.

ACTION: Update only.

STRATEGIC INITIATIVE(S): 2.A. (outreach in Water Div. 6), 3A (evaluate local storage), and 9A (wise and efficient use of water).

Pursuant to the Board's direction, we filed an amicus curiae brief in this case last fall. Trial was scheduled to begin on January 7, 2021. Just before Christmas, the water court issued an order granting in part, and denying in part, the State Engineer's motion for summary judgment. The court's order may have provided an incentive for the parties to settle the case, and a stipulation and consent decree was approved by the court on January 7th. It is worth noting that, in accordance with the parties' request, the Division 6 Water Court vacated its order on the motion for summary judgment.

The stipulated decree provides the Rio Blanco District with a conditional storage right for two alternate locations of the proposed Wolf Creek Reservoir in the amount of 66,720 acre-feet for the following purposes (subject to certain annual volume limitations): municipal use (including but not limited to domestic, irrigation, commercial, and industrial uses) for the Town of Rangely, augmentation (to augment depletions through a future blanket augmentation plan for water users within the District Boundaries and within the Yellow Jacket Water Conservancy District boundaries pursuant to leases or exchanges of water under C.R.S. § 37-83-106), mitigation of environmental impacts of the Wolf Creek Reservoir project ("Mitigation"), hydroelectric power generation exercised only in conjunction with releases for other decreed beneficial uses, and in-reservoir uses for recreation, piscatorial, and wildlife habitat.

H. Application of Water Horse Resources for Utah Water Right.

ACTION: Update only.

STRATEGIC INITIATIVE(S): 5B (IBCC Conceptual Framework), 5C (transmountain diversions), and 8E (Colorado Water Plan – Conceptual Framework).

On November 17, 2020, the Utah State Engineer issued her opinion denying the application of Water Horse Resources, LLC for a Utah water right on the Green River in the amount of 55,000 acre feet for proposed use on Colorado's Front Range. The State Engineer stated as grounds for the denial:

- The application is not consistent with Utah's reasonable water conservation policies or objectives;
- The application is contrary to Utah's public welfare; and
- The application impairs Utah's ability to comply with its obligations under the Colorado River Compacts.

Through its owner, Aaron Million, Water Horse Resources subsequently filed a request for reconsideration of the application. The Utah Department of Water Resources did not act on the request in the allotted timeframe, which pursuant to Utah law means that the request for reconsideration was denied. Mr. Million will need to file any petition for judicial review of the State Engineer’s denial by the end of January. We will update the Board if a request for judicial review is sought.

I. Save the Colorado, *et al.* v. United States, Civil Action No. 17-cv-2563, Federal District Court, District of Colorado (re: Windy Gap Firing Project).

ACTION: Update only.

STRATEGIC INITIATIVE(S): 5C (transmountain diversion policy).

We previously reported that a number of environmental organizations (Save the Colorado, Save the Poudre, WildEarth Guardians, Living Rivers, and Waterkeeper Alliance) sued the U.S. Bureau of Reclamation and Army Corps of Engineers, challenging the sufficiency of Reclamation’s NEPA analysis for the Windy Gap Firing Project (“WGFP”) and the Corps’ analysis of project’s purpose and need. The Municipal Subdistrict of the Northern Colorado Water Conservancy District (the project proponent) intervened in the lawsuit, as did the State of Colorado and the City of Broomfield, a participant in the project.

The River District is a party to the WGFP IGA. The IGA provides a number of significant benefits to the West Slope. Many of those benefits are contingent on successful completion of the WGFP. Thus, the River District and its constituents have substantial interests at stake in the lawsuit, including significant benefits to the Colorado River for environmental and recreational purposes. Pursuant to the Board’s previous direction, we filed an *amicus curiae* brief in support of the United States and the Municipal Subdistrict. We are pleased to report that on December 10th, the United States District Court for the District of Colorado issued an order denying the plaintiffs’ claims and affirming the Bureau of Reclamation and Army Corps of Engineers analysis. We have not heard whether the environmental groups intend to appeal this decision. We will continue to update the Board as necessary.

J. Anti-Speculation Task Force.

ACTION: Update only.

STRATEGIC INITIATIVE(S): 9A (wise and efficient use of water).

As reported in October, Peter is serving on the Colorado Department of Natural Resources’ “anti-speculation” task force, established pursuant to SB20-048. The purpose of the task force is to study ways in which the state’s anti-speculation doctrine can be strengthened. In accordance with the Board’s general direction and River District policy, we intend to focus our work on the task force to balance the protection of water rights as a vested property right that is based on the beneficial use of water versus discouraging speculation in water rights for a pure profit motive (especially regarding the potential future “non-use” of existing water rights).

Peter also serves on the task-force’s legal subcommittee, which met frequently during the last-quarter of 2020 and produced a draft summary status report on Colorado’s existing anti-

speculation laws. A copy of the legal subcommittee's report is included as Attachment A to this memo (please note that the report should be considered draft as it has not yet been endorsed by the full task force or the Department of Natural Resources). You may wish to focus on section 2.d of the report, which concerns actions that may be of interest to the sponsors of SB20-048.

The task force is required to submit a report to the legislature no later than August 2021.

K. Colorado River Compact, Intra-State, Interstate, and International Negotiation Matters, including Demand Management.

ACTION: Update only.

STRATEGIC INITIATIVE(S): 4 (Colorado River Water Supplies), 6 (Agricultural Water Use), and 8 (Colorado Water Plan – compact risk and conceptual framework).

River District technical and legal staff continue to be actively engaged in interstate and intrastate compact-related matters, particularly regarding the study of a potential Demand Management Program within Colorado and the Upper Basin. We also are working on matters related to the upcoming renegotiation of the 2007 Interim Guidelines for the operation of Lakes Powell and Mead.

The Board may wish to discuss these, and other sensitive negotiation and legal issues related to compact and interstate matters in executive session.

Attachment:

A. Draft Report of Anti-Speculation Task Force Legal Subcommittee

2. Factual and Historical Background of Colorado's Anti-Speculation Doctrine

a. Anti-Speculation Law is Founded in the Constitution and is a Product of Colorado's Climate

The Colorado Constitution provides that, “[T]he water of every natural stream, not heretofore appropriated, within the state of Colorado, is hereby declared to be the property of the public, and the same is dedicated to the use of the people of the state, subject to appropriation as hereinafter provided.”¹ Stated simply, in Colorado, water flowing in natural streams is the property of the public, subject to appropriation for beneficial use.²

As a semi-arid state with limited water resources, Colorado – like the other states west of the 100th meridian – uses a system of prior appropriation for allocating water rights and water resources. The prior appropriation system of water law was born in Colorado and is often referred to across the West as the “Colorado Doctrine.” “The doctrine of prior appropriation is a rule of scarcity, not of plenty.”³ “The premise that birthed prior appropriation water law is that water users in a water-scarce region undergoing a population increase must need the water for an actual and continuing beneficial use in order to obtain and retain a share of the public’s water resource.”⁴

Under the prior appropriation doctrine, a water right confers not ownership of water, but rather the right to place water to a beneficial use. The framers of Colorado’s Constitution sought to qualify the right to divert water by enacting section 6 of Article XVI to state: “[t]he right to divert the unappropriated waters of any natural stream to beneficial use shall never be denied.”⁵ The “beneficial use” qualification established that any party diverting water from Colorado’s streams must put that water to a specified beneficial use.

Further, under prior appropriation, water rights are allocated according to the “first in time, first in right” principle. With the “first in time, first in right” principle, the priority date of the water right is critically important. When the quantity of water available is insufficient to meet the needs of all those with a right to it, newer – or junior – rights are curtailed for the benefit of older – or senior – rights.

Scarcity of water led not only to Colorado’s prior appropriation system of water allocation, but also to several policy principles that underlie Colorado water law, among them maximum utilization and anti-speculation. In Colorado, the public’s water is subject to the policy of maximum utilization, “a doctrine intended to make water available for as many decreed uses as there is available supply.”⁶ The Colorado Supreme Court has stated that maximum utilization involves, “maximizing the use of Colorado’s limited water supply for as many decreed uses as possible consistent with meeting the state’s interstate delivery obligations under

¹ Colo. Const. art. XVI, § 5.

² *Pagosa Area Water and Sanitation Dist. v. Trout Unlimited*, 170 P.3d 307, 313 (Colo. 2007).

³ Gregory J. Hobbs, Jr., *Reviving the Public Ownership, Antispeculation, and Beneficial Use Moorings of Prior Appropriation Water Law*, 84 U. Colo. L. Rev. 97, 111 (2013).

⁴ *Id.* at 105.

⁵ Colo. Const. art. XVI, § 6.

⁶ *Pagosa*, 170 P.3d at 313.

United States Supreme Court equitable apportionment decrees and congressionally approved interstate compacts.”⁷

The other side of the maximum utilization coin is anti-speculation. While maximum utilization encourages maximum water use, the purpose of Colorado’s anti-speculation doctrine is to “preserv[e] unappropriated water for users with legitimate, documentable needs.”⁸ The roots of anti-speculation “reside in the agrarian populist efforts of miners and farmers to resist speculative investment that would corner the water resource to the exclusion of actual users settling into the territory and state.”⁹ By requiring maximum utilization and beneficial use, the Colorado Doctrine formed “a way of limiting speculation and concentration of wealth in water and encouraging its wide distribution . . . by limiting the amount that could be acquired by any one irrigator to the amount actually needed to water his or her crops at the time of appropriation.”¹⁰

The anti-speculation doctrine is designed to prevent the hoarding of water rights to the detriment of other water users.¹¹ “[T]he anti-speculation doctrine is rooted in the requirement that an appropriation of Colorado’s water resource must be for an actual beneficial use.”¹² The requirement for actual beneficial use means “the right of any landowner to appropriate water . . . could only arise if the appropriator meant to use the water, not just hoard it for later resale.”¹³ In other words, one claiming a water right must demonstrate a specific beneficial use before being granted “the privilege of diversion.”¹⁴

The concept underlying the anti-speculation doctrine is that, in a dry climate, it is critical that water resources be allocated to those with actual water needs and legitimate beneficial uses.

b. Acquiring Water for Future Profit, Rather Than Beneficial Use, is at the Heart of Water Speculation

The mere desire to profit is not a legitimate use of the public’s water resource in Colorado. Indeed, the Colorado Supreme Court has identified profit motive as the heart of water speculation. The Court has explained that:

Our constitution guarantees a right to appropriate, not a right to speculate. The right to appropriate is for use, not merely for profit. As we read our constitution and statutes, they give no one the right to preempt the development potential of water for the anticipated future use of

⁷ *Empire Lodge Homeowners’ Ass’n v. Moyer*, 39 P.3d 1139, 1150 (Colo. 2001).

⁸ *City of Thornton v. Bijou Irrigation Co.*, 926 P.2d 1, 51 (Colo. 1996) (“*Bijou*”).

⁹ *High Plains A & M, LLC v. Southeastern Water Conservancy District*, 120 P.3d 710, 719 (Colo. 2005) (citing David B. Schorr, *Appropriation As Agrarianism: Distributive Justice in the Creation of Property Rights*, 32 Ecology L.Q. 3, 33, 41, 55–56 (2005)).

¹⁰ David B. Schorr, *The Colorado Doctrine: Water Rights, Corporations, and Distributive Justice on the American Frontier* 44 (2012).

¹¹ *Id.* at 45.

¹² *High Plains*, 120 P.3d at 714.

¹³ Schorr, 32 Ecology L.Q. at 47.

¹⁴ *Combs v. Agricultural Ditch Co.*, 28 P. 966, 968 (Colo. 1892).

others not in privity of contract, or in any agency relationship, with the developer regarding that use. To recognize conditional decrees grounded on no interest beyond a desire to obtain water for sale would as a practical matter discourage those who have need and use for the water from developing it. Moreover, such a rule would encourage those with vast monetary resources to monopolize, for personal profit rather than for beneficial use, whatever unappropriated water remains.¹⁵

An intent to profit through the sale of water to others amounts to speculation. To combat profit motive, *Vidler* requires that an applicant demonstrate non-speculative intent to use the water itself or that it has a firm commitment of agency relationship with the ultimate user of the water.¹⁶

c. Statutory and Case Law Further Explain the Anti-Speculation Doctrine as it Applies in Water Court Proceedings

i. *The Anti-Speculation Doctrine Applies to New Conditional and Absolute Water Rights Claims*

The Colorado General Assembly codified the Supreme Court's holding in *Vidler* at C.R.S. § 37-92-103(3)(a). The statute provides:

“Appropriation” means the application of a specified portion of the waters of the state to a beneficial use pursuant to the procedures prescribed by law; but no appropriation of water, either absolute or conditional, shall be held to occur when the proposed appropriation is based upon the speculative sale or transfer of the appropriative right to persons not parties to the proposed appropriation, as evidenced by either of the following:

- (I) The purported appropriator of record does not have either a legally vested interest or a reasonable expectation of procuring such interest in the lands or facilities to be served by such appropriation, unless such appropriator is a governmental agency or an agent in fact for the persons proposed to be benefited by such appropriation.
- (II) The purported appropriator of record does not have a specific plan and intent to divert, store, or otherwise capture, possess, and control a specific quantity of water for specific beneficial uses.¹⁷

Because the General Assembly defined speculation in the context of an appropriation, it is clear that anti-speculation principles apply to claims for new absolute or conditional water

¹⁵ *Colorado River Water Conservation District v. Vidler Water Company*, 594 P.2d 566, 568 (Colo. 1979) (“*Vidler*”).

¹⁶ *Bijou*, 926 P.2d at 37, 42.

¹⁷ C.R.S. § 37-92-103(3)(a).

rights. Either of the factors identified in C.R.S. § 37-92-103(3)(a) can demonstrate speculation and defeat a claim for a new absolute or conditional water right.¹⁸

ii. The Anti-Speculation Doctrine Applies to Hexennial Claims for Diligence

The anti-speculation doctrine is applicable not only to new claims for conditional water rights, but also to an application for a finding of reasonable diligence in the development of conditional water rights.¹⁹ “The existence of a plan, capability, and need for the water is examined periodically by the water court, at the close of each diligence period, to determine whether the applicant is entitled to retain the antedated priority.”²⁰

iii. The Anti-Speculation Doctrine Applies to Applications to Change Absolute Water Rights

Today, the anti-speculation doctrine is applied by the courts not only to conditional rights, but also in cases where an owner seeks to change an absolute water right. An “absolute water right” is a vested property right perfected by the diversion of water for a specific beneficial use, and confirmed by a water court decree that specifies a point of diversion, an amount of water, a date of priority, and the time and place of use. The decree sets the limits of the owner’s right to divert and use water.

Municipalities often seek to expand their water resources by buying absolute water rights originally decreed for irrigation use and filing in water court for a “change of water right” to change the decreed rights to municipal use. If approved, the municipality obtains the right to divert and use the formerly agricultural water in its municipal water supply, on conditions that will prevent injury to other water rights. The anti-speculation doctrine plays a role in such cases when a third party buys an absolute water right and attempts to change it to municipal use so it may sell the water to a municipality, before contracting with a municipal buyer for the water.

The Colorado Supreme Court first confirmed application of the anti-speculation doctrine to a change of absolute water rights in its 2005 decision *High Plains A & M, LLC v. Southeastern Colorado Water Conservancy District*. In that case, High Plains, a private water investment company, bought about 30% of the shares in the Fort Lyon Canal Co., a large mutual ditch company in southeastern Colorado’s Arkansas River valley.²¹ High Plains then applied to change the use of the water to from agricultural to municipal so it could sell the water to municipalities on the Front Range.²² The company listed twenty-eight counties as potential locations of use, but had no evidence of any actual contracts with municipalities agreeing to buy the water.²³ The water court dismissed the application.²⁴

¹⁸ *Dallas Creek Water Co. v. Huey*, 933 P.2d 27, 37 (Colo. 1992).

¹⁹ *Municipal Subdistrict, Northern Colo. Water Conservancy District, OXY*, 990 P.2d 701, 708 (Colo. 1999) (“hexennial diligence applications are subject to the anti-speculation doctrine.”).

²⁰ *Dallas Creek Water Co.*, 933 P.2d at 36.

²¹ *High Plains*, 120 P.3d at 714-715.

²² *Id.* at 715.

²³ *Id.* at 716.

²⁴ *Id.*

High Plains appealed the dismissal to the Colorado Supreme Court, which affirmed the water court's finding that the change application violated the anti-speculation doctrine because the company had no confirmed beneficial use for the changed water right.²⁵ High Plains clearly was attempting to change the use in anticipation of profitable future sales to growing Front Range cities. The court examined the definitions of "appropriation" and "beneficial use" in Colorado's water statutes, explaining these definitions "reinforce each other to the end that an appropriator of the public's water resource will put a specific amount of that water to an actual beneficial use at an identified location within Colorado."²⁶ The statute implements the constitutional beneficial use requirement of Article XVI, the court reasoned. Because an absolute water right is perfected based on demonstrating a beneficial use, to change that right a party must similarly specify and demonstrate a new beneficial use.²⁷ The court noted that an absolute water right "is reopened by virtue of a change application,"²⁸ and explained:

"[T]he anti-speculation doctrine is rooted in the requirement that an appropriation of Colorado's water resource must be for an actual beneficial use.

We hold that, in defining '[c]hange of water right' to include 'a change in the type, *place*, or time of *use*' and "a change in the point of diversion' in section 37-92-103(5), . . . and in defining 'appropriation' in section 37-92-103(3)(a)(I) and (II), the 1969 Colorado Water Right Determination and Administration Act . . . anticipates, as a basic predicate of an application for a decree changing the type and place of use, that the applicant will sufficiently demonstrate an actual beneficial use to be made at an identified location or locations under the change decree, if issued."²⁹

High Plains could not show any agreements with municipalities demonstrating a specific and concrete use for the changed water right, only the potential for a future use. The court stated a "guess that a transferred priority might eventually be put to beneficial use is not what the Colorado Constitution or the General Assembly envisioned as the triggering predicate for continuing an appropriation under a change of water right decree."³⁰ Thus, the Colorado Supreme Court affirmed the dismissal of the application.

To confirm a water right in Colorado, an applicant must prove to the water court that the water will be diverted for a beneficial and non-speculative use. The *High Plains* decision confirms that the statutes encompass changes of absolute water rights within the anti-speculation doctrine. Because an absolute water right requires a beneficial use, any change of that right is predicated on the continuation of a beneficial use when the water is diverted somewhere else.

²⁵ *Id.* at 724.

²⁶ *Id.* at 718.

²⁷ *Id.* at 720.

²⁸ *Id.*

²⁹ *Id.* at 714.

³⁰ *Id.* at 721.

Under *High Plains*, the constitutional requirement of a demonstrated beneficial use is maintained through a change of use proceeding. In such a case, the owner of an absolute water right must demonstrate that the water will continue to be diverted for decreed beneficial use and will not be held from the public to be sold for a higher profit in the future.

iv. Public Water Providers Are Afforded Greater Flexibility Under the Anti-Speculation Doctrine Than Private Appropriators

Because public water providers have a responsibility to provide their constituents with a reliable water supply, they are afforded greater flexibility under the anti-speculation doctrine than a private party claiming water rights. This flexibility for public entities is not unbounded, however. The Colorado Supreme Court has held that:

a municipality may be decreed conditional water rights based solely on its projected future needs, and without firm contractual commitments or agency relationships, but a municipality's entitlement to such a decree is subject to the water court's determination that the amount conditionally appropriated is consistent with the municipality's reasonably anticipated requirements based on substantiated projections of future growth.³¹

The Supreme Court has further held that, to satisfy the anti-speculation doctrine, a public water supply entity must demonstrate three elements: the reasonable planning period; the substantiated population projection for that period; and, the amount of water reasonably necessary to serve the population for the period.³² Allowing public water providers to obtain conditional water rights to satisfy population growth into the indefinite future would undermine Colorado's policy of maximum utilization.

The limited government agency exception to the anti-speculation doctrine "applies only where a government agency is seeking to appropriate water on behalf of end users with whom it has a governmental agency relationship."³³ The Colorado Supreme Court confirmed this principle as recently as November of 2020 in *United Water & Sanitation Dist. v. Burlington Ditch Reservoir & Land Co.*³⁴ The court found that United did not qualify for the governmental planning exception to the anti-speculation doctrine because it has no governmental agency relationship with the end users, and under the facts presented, United was acting as a water broker, not a provider to its own municipal customers.³⁵ United has an approved statewide service area. Its actual district territory, however, is a single acre in Elbert County, and its water service plan states that it does not intend to provide water directly to individual end users. When a government agency is acting as a water supplier on the open market, rather than as a governmental entity seeking to supply water to its citizens, the exception does not apply, and the entity must satisfy the full requirements on the anti-speculation doctrine.³⁶ The court found that

³¹ *Bijou*, 926 P.2d at 39.

³² *Pagosa*, 170 P.3d at 309-10.

³³ *United Water and Sanitation District v. Burlington Ditch Reservoir and Land Company*, 2020 CO 80, ¶ 29 (Nov. 23, 2020).

³⁴ *Id.*

³⁵ *Id.* at ¶ 28.

³⁶ *Id.* at ¶ 28.

United failed to demonstrate a non-speculative intent for its claimed conditional water storage right in a reservoir because it did not have a binding contract or agency relationship with the water users.

d. Water Court Approval is Not Required for Lease or Purchase of an Existing Water Right

In Colorado, a water right is a real property interest, separate and distinct from the land on which it is used, and it can be conveyed independently of the real property. (In some situations, ditch association bylaws or other covenants impose certain restrictions on the severance of a water right from real property). “It is elementary learning in Colorado that a water priority is a property right--not a mere revocable privilege; that it is not a fixed appurtenance; that the right to change its place of use and the point of diversion is an inherent property right....”³⁷ As such, it is subject to the same conveyance requirements as--and has a full, separate, and independent existence from--other real property interests. “In the conveyance of water rights...the same formalities shall be observed and complied with as in the conveyance of real estate.”³⁸

Yet, the conveyance of water rights is not required to be reviewed by the water courts under current law. In contrast, the appropriation of conditional waters, periodic filings for reasonable diligence of conditional water rights, and changes of water rights are required by statute to be reviewed by the water courts. In this way, other water users and the public at large are ensured public notice (i.e., a published water court resume of monthly water court filings in each Colorado Water Division) of any such court filing. The public then has the opportunity (due process) to oppose or contest any such filing on the basis that the water court application is speculative. Opponents also can appeal an adverse water court decision directly to the Colorado Supreme Court.

None of the statutorily required water court proceedings apply to the conveyance of water rights in a situation where the purchaser has a speculative intent. This does not necessarily mean that the anti-speculation doctrine does not apply to the speculative acquisition of water rights. As discussed above, the doctrine is rooted in the constitutional edict that the appropriation of water is for beneficial use – not for speculative profit. Thus, the anti-speculation doctrine actually applies at all times – it is never permissible to hoard water solely for speculative purposes.

The water courts have jurisdiction over all water matters arising in their respective water divisions, including claims that a water right should be abandoned because the owner does not intend to use the water for a beneficial purpose. However, it is not clear whether a water court would accept jurisdiction to hear a case concerning the transfer of water rights to a purchaser that has a speculative intent to profit from the acquisition of the subject water rights. Nor is there any statutory public notice requirement that would alert the public to the existence or proposal of any such speculative acquisition.

³⁷ *Brighton Ditch Co. v. City of Englewood*, 237 P.2d 116, 120 (Colo. 1951).

³⁸ C.R.S. § 38-30-102.

The speculative acquisition of absolute water rights is therefore likely to avoid judicial review, at least until the purchaser “reopens” the rights³⁹ by filing in water court to change the type of use, place of use, or point of diversion of the water rights. Avoidance of public notice and water court review is even more likely if the purchaser is able to secure the speculative profit without needing to secure a change of water rights (such as profiting through the non-use of existing water rights, e.g., receiving payment to not divert the water for a period of time).

e. There Are Limited Tools to Control Speculation Outside of the Water Courts

i. *The Water Conservancy District Act Offers an Opportunity to Control Against Speculation*

Water Conservancy Districts (WCDs) are created under the Water Conservancy Act, a state law created in 1937 and found at C.R.S §37-45-101 to 153. There exist at least 24 such districts in Colorado and they are located across the state. In addition to creating water policy within its boundaries, some WCDs manage water supplies under contracts with the United States for numerous federal water supply projects. The powers provided to those WCDs includes among other broad powers, to appropriate, acquire, use, lease water and to make and enforce rules for the management, control, delivery and use and distribution of those waters. The Boards of those WCDs retain discretion in allowing the use or refusal to allow the use of the developed water supplies.

Some WCDs have created rules to control the use of those water supplies in various ways, including to address the issue of anti-speculation, and to forfeit the use of those waters for violation of those rules. Additional WCD rules provide that if a landowner sells the existing base water supply off of a parcel of land, the WCD may not provide for new water to backfill a water supply to that land parcel. These rules are known by various terms, however, terms such as “base water supply” or “native water” rules are not uncommon. Decisions to both to adopt and to apply WCD rules are subject to judicial review.

ii. *The Four Water Conservation Districts in Colorado Have Powers to Control Against Speculation*

In addition to Water Conservancy Districts, four water conservation districts have been created by Colorado State law. Each conservation district is created by individual statute and those statutes are found in Title 37 of the Colorado Revised Statutes. Although there are important differences from conservancy districts, the conservation districts have similar powers. For example, among other powers, the Colorado River Water Conservation District may adopt rules and regulations that provide for the rental of water and other services furnished by the district, to adopt under the police power such reasonable rules and regulations pertaining to water services provided by the district or any facilities of others affecting the activities of the district, and to exercise implied powers necessary to carry out the district’s statutorily-expressed powers.⁴⁰

³⁹ See *High Plains, supra*, 120 P.3d at 720.

⁴⁰ C.R.S. § 37-46-111, 148(c), 148(d), and 107(k).

iii. *Federal Reclamation Law Limits Speculation in Project Water*

Federal reclamation law governs the Bureau of Reclamation's construction and operation of water projects that were designed to subsidize the irrigation of arid lands in the West. Where Reclamation has funded construction of irrigation projects, it provides project water to eligible landowners through irrigation districts or WCDs. These districts collect fees from users to repay the U.S. for the project costs. Under the Reclamation Act of 1902 and the Reclamation Reform Act of 1982, Reclamation restricts use of project water, primarily in the form of acreage limitations.⁴¹ An individual or entity can only own land up to a maximum acreage limit within a contracting district to receive project water.⁴² Any excess acreage above the limitation is not eligible for subsidized reclamation project water.⁴³ A district is subject to project water restrictions unless explicitly exempted by statute or until the district fully repays its construction obligations to reclamation.⁴⁴ Colorado-Big Thompson Project water is specifically exempted from acreage limitations.⁴⁵

The Reclamation Act provides that the right to appropriate project water is subject to state law.⁴⁶ In Colorado, applicable state laws include the anti-speculation doctrine. However, Reclamation must approve any transfer or change in use of project water, following review to assure the transfer will not conflict with the interest of other project beneficiaries and will comply with reclamation law, other federal laws, and state law.⁴⁷ Transfers of irrigation project water rights remain subject to the same acreage limitations. When project water is converted to municipal use, the acreage limitation does not apply but neither does the irrigation subsidy; Reclamation establishes a new rate to account for project repayment obligations.⁴⁸ These restrictions limit the accumulation of project water for speculative purposes and discourage conversion of project water to non-irrigation uses.

iv. *Colorado Counties and Municipalities Have Limited and Indirect Statutory Authority to Regulate Against Speculation*

In 1974, the Colorado General Assembly enacted a statute, to allow local governments to regulate certain aspects of planning including particular water development matters.⁴⁹ Though these matters are of "statewide interest," the permitting authority is held by local governments which are defined as counties and municipalities. For example, providing a water supply in one county by development of reservoirs, pipelines, canals, and other water supply facilities located in another county requires a permit. These powers are commonly referred to as "1041 powers," based on the bill number of the legislation (HB 74-1041). These 1041 powers allow local governments to identify, designate, and regulate areas, such as geologic hazard areas, and water

⁴¹ 43 U.S.C. § 390dd.

⁴² *Id.*

⁴³ *Id.*

⁴⁴ 43 U.S.C. § 390mm(a).

⁴⁵ 43 U.S.C. § 386.

⁴⁶ 43 U.S.C. § 383.

⁴⁷ Bureau of Reclamation, PEC P09, *Bureau of Reclamation Manual: Transfers and Conversions of Project Water* (2019) available at <https://www.usbr.gov/recman/pec/pec-p09.pdf>.

⁴⁸ Bureau of Reclamation, PEC 09-01, *Bureau of Reclamation Manual: Conversions of Project Water from Irrigation Use to Municipal and Industrial Use* (2019) available at <https://www.usbr.gov/recman/pec/pec09-01.pdf>.

⁴⁹ C.R.S. 24-65.1-101.

facility activities through a local permitting process. Among the activities available for designation are water distribution systems, major facilities of a public utility and efficient utilization of municipal water projects. Among areas available for designation are those having a significant impact upon natural resources of statewide importance.

Each county or municipality may select at its option the matters it chooses to regulate and develop a land use code provision setting out the regulation. Public hearings are provided for in the regulation adoption process. The Department of Local Affairs published a report in 2017 which documents use of 1041 powers.⁵⁰

The utilization of such powers to condition water supply facilities has been upheld in litigation following the adoption of 1041.⁵¹ Anti-speculation is not an identified statutory purpose of 1041 powers but may indirectly be an issue raised in public hearings. No reported cases have identified anti-speculation as a proper purpose of 1041 regulation, but some local governments address speculation concerns in regulating projects that would remove water from agricultural irrigation use.

A county also may be able to create a disincentive to speculative water right acquisitions through its taxing authority. For example, counties often tax land used for agricultural purposes at a lower rate than commercial or residential land uses.⁵² A county may be entitled to revoke its agricultural tax rate for lands with associated irrigation water rights if the water is removed from the land and the land is no longer used for agricultural purposes.

v. *Water May Not Be Diverted for Use Outside the State Without Prior Approval*

In most major river basins, limited supplies of water must meet both the demands of Colorado's citizens as well as downstream users under interstate compacts or equitable apportionment decrees.⁵³ It has been the policy of the state to conserve and prevent waste of its water resources to provide adequate supplies of water necessary to insure the continued health, welfare, and safety of all of its citizens.⁵⁴ Accordingly, existing state law prohibits export of water from the state without prior approvals.⁵⁵ A person may not transport water from the state by any means, including in the natural streams, without first obtaining approval.⁵⁶ Prior to approving an application, the state engineer, ground water commission, or water judge, as the case may be, must find that:

- (a) The proposed use of water outside this state is expressly authorized by interstate compact or credited as a delivery to another state pursuant to section 37-81-103 or that the proposed use of water does not impair the ability of this state to comply with its

⁵⁰ See <https://cdola.colorado.gov/1041-regulations-colorado>.

⁵¹ See *City & County of Denver v. Bd. Of County Commissioners of Grand Co.*, 782 P.2d. 753 (Colo. 1989).

⁵² See C.R.S. § 39-1-102(1.6)

⁵³ C.R.S. §37-81-101(1)(a).

⁵⁴ C.R.S. §37-81-101(1)(b).

⁵⁵ *Id.*

⁵⁶ C.R.S. §37-81-101(2).

obligations under any judicial decree or interstate compact which apportions water between this state and any other state or states;

(b) The proposed use of water is not inconsistent with the reasonable conservation of the water resources of this state; and

(c) The proposed use of water will not deprive the citizens of this state of the beneficial use of waters apportioned to Colorado by interstate compact or judicial decree.⁵⁷

Any diversion of water from the state which does not comply with these requirements “shall not be recognized as a beneficial use for purposes of perfecting a water right to the extent of such unlawful diversion or use.”⁵⁸

⁵⁷ C.R.S. §37-81-101(3).

⁵⁸ C.R.S. §37-81-101(4).



COLORADO RIVER DISTRICT

PROTECTING WESTERN COLORADO WATER SINCE 1937

MEMORANDUM

TO: BOARD OF DIRECTORS, CRWCD

FROM: ANDY MUELLER, GENERAL MANAGER

SUBJECT: 2021 FIRST QUARTERLY MEETING, GENERAL MANAGER'S REPORT

DATE: JANUARY 9, 2021

ACTIONS:

e. Staff requests that the Board authorize the General Manager, after review by counsel, to enter into a Memorandum of Understanding with other stakeholders related to the East Troublesome Fire collaborative restoration project.

f. Staff requests Board action to authorize the General Manager to increase existing financial commitments from \$25,000 per year up to \$50,000 for the 2021 operating year, using General Funds, primarily to help offset decreases in Central Colorado Mountain River Basin cloud seeding support for the 2020-21 season. All associated contracting documents are subject to review and approval by the General Manager and General Counsel.

g. Request delegated authority to the General Manager to enter into a joint funding agreement ("JFA") with the USGS, subject to review and approval by legal counsel, in the gross obligation amount not to exceed \$600,000 to engage in cooperative streamflow gauging and water quality sampling activities in 2021 consistent with the adopted 2021 budget. Delegated authority is also requested for the General Manager to enter into agreements, subject to review and approval by legal counsel, with cooperating partners for reimbursement of some of the USGS gauging and sampling activities, estimated to be an offsetting amount of up to \$110,000 for the year. With these offsetting contributions, the net expenditure of River District funds is not to exceed \$490,000.

h. Staff requests that the Board approve the proposed changes to the 2021 Employment Policies and Procedural Guidelines as explained in this memo and in the applicable redlined sections of the Employment Policies and Procedural Guidelines attached.

i. Staff Requests that the Board appoint the incoming Garfield County Director to the Kobe Water Authority Board.

a. **Drought Contingency Planning and Demand Management Update.** GO BACK TO AGENDA

ACTION REQUESTED: No action requested, informational only.

APPLICABLE STRATEGIC INITIATIVE(S):

4. Colorado River Supplies:

4. A. The River District will advocate for full use of its Colorado River Basin water supplies for the benefit of the District's inhabitants, without undue risk of overdevelopment.

4. B. The River District will advocate for full protection and preservation of water rights perfected by use prior to the effective date of the 1922 Compact and thereby excluded from curtailment in the event of compact administration.

4. C. The River District will continue to study mechanisms, such as a Compact Water Bank and Contingency Planning that include demand management, drought operations of CRSP reservoirs, and water supply augmentation to address the risk of overdevelopment.

4. D. The River District will work with the State Engineer's Office and other interested parties to develop an equitable mechanism for potential compact administration.

6. Agricultural Water Use:

6. A. The River District will continue to study the concept of a voluntary and compensated compact water bank in collaboration with other stakeholders to best preserve western Colorado agriculture.

6. B. The River District will explore alternative transfer methods that allow agricultural water users to benefit from the value of their water rights without the permanent transfer of the rights, and without adverse impacts to the local communities and the regional economy.

6. C. Although the River District recognizes that some reductions in demands of agricultural water rights may be necessary to protect existing water uses in the basin, the District will work to ensure that the burden of demand reduction is shared across all types of water use sectors, and that agricultural water rights, and agriculture itself, are not injured.

6. D. The River District will protect the integrity of senior agricultural water rights within Colorado's prior appropriation system, recognizing the potential risks to those rights posed by the constitution's municipal right of condemnation.

8. Colorado's Water Plan:

8. B. The River District will work with the, Southwestern Water Conservation District, the Southwest Basin Roundtable and the three Basin Roundtables that comprise the District to achieve a consistent West Slope perspective related to contingency planning and compact administration risk matters.

8. E. The River District will work to ensure that the IBCC Conceptual Framework is honored and fairly implemented.

Upper Colorado River Commission. The UCRC continues to make deliberate progress in its study of demand management, reporting in early December that it has its consultants under contract and initiating work on the scope of work approved previously by the Commission related to Demand Management. No substantive progress has been reported, but we look forward to reviewing, learning from and commenting on the work product when and if it becomes available.

Especially considering the pressure from self-interested profit seekers, it is important that the work of the UCRC be deliberate, thorough and free from undisclosed conflicts of interest.

State of Colorado. The CWCB met in November and approved its 2021 staff work plan for Demand Management. That work plan can be found at this link: <https://dnrweblink.state.co.us/cwcbsearch/ElectronicFile.aspx?docid=213416&dbid=0>. As stated in the report, the CWCB is still in its feasibility phase of analysis and, *“The feasibility determination is specifically contemplated and defined in the Demand Management Storage Agreement (DAMS)1 and implicates several related questions for the state, including: whether Demand Management is achievable, whether it is worthwhile from Colorado’s perspective, and whether it is advisable to make a feasibility determination.”* In order to determine whether this program is “achievable”, “advisable” and “worthwhile” for the State, the CWCB will be conducting the following tasks in 2021:

- a. They will develop a “strawman framework of a Demand Management program”
- b. They will “Analyze and learn from existing, ongoing and/or new programs and projects.”
- c. They will conduct an “ongoing assessment of potential larger-scale pilot program”

We support the State in its efforts to fully understand the costs and advisability of moving forward with a demand management program. Due to the potential negative costs to society, it is critical that the State not be pressured into setting up a market before the negative consequences can be fully explored.

Colorado River District. The District continues to be engaged in discussions and studies of demand management and its potential impacts on West Slope water users and communities. Additionally, as discussed below in section c. we are in the process of conducting our stakeholder process to help develop concepts related to the structure and regulations which would be necessary or advisable from a West Slope perspective should the State and UCRC determine that it is a good idea to move forward with a Demand Management market.

Other Developments. As many of you are aware, an article on the front page of the New York Times Business section on January 3 (<https://www.nytimes.com/2021/01/03/business/colorado-river-water-rights.html?searchResultPosition=1>) featuring our state’s former Colorado River Commissioner, James Eklund and his affiliation with Water Asset Management (“WAM”) titled *“Wall Street Eyes Billions in the Colorado’s Water”* and an Op-Ed piece by one of WAM’s advisors and confidants, Brian Richter in the Denver Post, titled *“Western Slope needs to suspend irrigation to avert water shortage catastrophe”* (<https://www.denverpost.com/2021/01/06/water-shortage-lake-powell-colorado-river-basin/>) have caused quite a bit of controversy. The timing of these two pieces was not accidental and they are indicative a significant push by investors looking to benefit themselves and their representatives from the monetization of water rights in western Colorado. Below, I provide my analysis of both for your consideration:

i. *Wall Street Eyes Billions in the Colorado's Water.*

This article is written by a reporter who has little experience in water and a poor understanding of the Colorado River, its history and the communities which are supported by it. The article has a basic premise, expressed from the first to the last sentence: The current distribution and uses of water in the Colorado River are just plain “wrong” and the governing structures which have allowed these uses (communities) to develop and thrive are outdated and should be replaced by a Wall Street driven unconstrained free market system which moves water from the rural southwest to major urban centers based solely upon the monetary value of water. The author, and the article's protagonist, James Eklund (formerly Colorado's Commissioner to the Upper Colorado River Commission and Executive Director of the CWCB), argue that the long history of state, federal and tribal governments dividing and distributing water has no place in today's world and that we should rid the river of these pesky government controls and allow profit seekers from Wall Street, to make billions of dollars off of this resource that Colorado law specifies belongs to the public, subject to the right to use the water for a beneficial purpose. The author seems completely unaware that Colorado's constitution speaks clearly about the nature of the waters of not just the Colorado River, but of all waters which originate within this state's boundaries,

The water of every natural stream, not heretofore appropriated, within the state of Colorado, is hereby declared to be the property of the public, and the same is dedicated to the use of the people of the state, subject to appropriation as hereinafter provided.

Colo. Const. Art. XVI, Section 5.

Our Constitution and subsequent body of statutory and caselaw make it clear that the people of the State of Colorado have the right to divert and use this public property, however, it is only a right to appropriate the use of water for a specified beneficial use. In a case argued and won by the River District, in 1979 the Colorado Supreme Court very clearly established that, “*Our constitution guarantees a right to appropriate, not a right to speculate. The right to appropriate is for use, not merely for profit.*” *Colo. River Water Conservation Dist. v. Vidler Tunnel Water Co.*, 197 Colo. 413, 594 P.2d 566 (1979). In that same case, the Colorado Supreme Court went on to criticize any rule which “*would encourage those with vast monetary resources to monopolize, for personal profit rather than for beneficial use . . .*” While our state's water law allows for the purchase and change of a water right, and while there is a long history of growing cities, buying agricultural water rights to meet the needs of cities' growing populations, there is also a long history in our state of protecting our public resource from investors who look to benefit only themselves.

This time around, it is not the Vidler Tunnel Water Co., but WAM and others that seek to profit from a climate change driven decline in the flows of the Colorado River. According to the article, James Eklund “*believes that the last best hope against the drought is a market-based solution, one that allows private investors seeking a profit a significant hand in redrawing the map of water distribution in the West.*” This concept is antithetical to a long tradition of public policy, statutory and case law. The moves which are celebrated in this New York Times article, indicate that self-interested investors and their paid representatives seek to find a hole in our State's anti-speculation

laws so that they can line their own pockets at the expense of our communities, our rivers and our state's way of life.

What the author misses entirely is the long tradition of collaboration, compromise and innovation that has and continues to thrive in the Colorado River Basin. The federal and state governments, tribes, regional and local governments and water users from agriculture, industry, recreation and environmental groups and even private foundations not seeking to make money in water transactions have historically and are today coming together to meet these challenges and find collaborative solutions.

Yes, we have an issue with declining flows on the Colorado River which in large part is driven by rising temperatures and yes, it will require new and innovative solutions. The answer, however, is not to turn the public resource over to the private market to allow a few to profit enormously. Water users from all sectors continue to work together to find multi-pronged solutions and while we do so, we must also make sure the waters of the state of Colorado are not monetized and traded down river or across the Continental Divide simply to secure profits.

The article makes an argument frequently articulated by Brian Richter, the author of the Op-Ed piece discussed in the next section, that setting up a free market in Colorado water will benefit not only the private investors, but it will also benefit the environment. This is a red herring that needs to be exposed and publicly extinguished. It is antithetical to logic and past experience in natural resource markets that these private investors who are setting up investment funds with names like "Save our Streams Fund" and "Colorado River Restoration Fund" with a partners such as WAM's co-Founder, Disque Dean and are doing it for the primary purpose of saving the ecosystem of the Colorado River. More likely, they are private investors utilizing the cloak of environmentalism for their for-profit investment schemes. They are in it to make themselves money and if they are successful, they will trade the water that supports our local food production, our communities, wildlife, recreation and tourism for a profit. The investors, who the article claims include the likes of T. Boone Pickens and Michael Burry (made infamous in the movie "The Big Short") are looking to set up a free, unrestrained market in water in Colorado and our other Upper Basin states for the sole purpose of bringing monetary benefit to themselves.

We have our work cut out for us in the protection of the water resources of the Colorado River and its tributaries.

While the article is useful in bringing a focus on these present water investment schemes, it also highlights a troubling issue for all of us in Colorado who are concerned about the integrity of government.

The Demand Management storage account in Lake Powell and the other Colorado River Storage Project reservoirs that Mr. Eklund claims credit for in the article is supposed to be held and controlled by the Upper Colorado River Commission for the benefit of all Upper Division States to assist the entire Upper Basin with its compact compliance obligations. According to the article, Mr. Eklund and other investor representatives are "already lobbying for" individual "accounts" for

WAM and other investors. With trust in our government institutions at an all time low, this type of activity will only further erode the public confidence.

What is clear, is that as discussions in our state about a potential demand management market move forward, we must insist on safeguards, legislation and regulations that protect our state's public assets from profiteering by out of state interests. At an absolute minimum the Colorado River District, the State of Colorado, all our sister Upper Basin states and our respective federal delegations have an obligation to the people to prevent the creation of private or individual accounts in our federal public reservoirs that would benefit private entities or only specific water users or types of water users.

ii. ***“Western Slope needs to suspend irrigation to avert water shortage catastrophe”***

Two days after the New York Times' story, an opinion piece calling for the drying up of western Colorado agriculture ran in the Denver Post. This is not a coincidence. The author of the Denver Post article apparently has a long and close financial relationship with WAM. It appears that the author of the Op-Ed piece, Brian Richter did not accurately disclose his financial interest in the subject. The biography listed in the Post Op-Ed piece states that *“Brian Richter led The Nature Conservancy's global water program for two decades. As president of Sustainable Waters, he advises public and private entities about water scarcity risks. He also teaches water sustainability at the University of Virginia. His latest book, Chasing Water: A Guide for Moving from Scarcity to Sustainability” was published in 2014.*” The following pertinent connections and roles were left off his biography:

- He was listed as recently as July 2020 as the “Managing director, Sustainability” of WAM's team managing their “Water Infrastructure Partners” private equity firm.
- He is listed as a partner of Disque Dean's (WAM Co-Founder) in an investment called “Save our Streams” which is targeted at moving and monetizing water from irrigated agriculture in the Colorado River Basin to urban areas.
- He has represented himself and Disque Dean as the founders of the “Colorado River Restoration Fund” which is targeted at removing and monetizing water from irrigated agriculture in the Colorado River Basin. His own LinkedIn page lists him as CEO at the Fund.
- On October 8, 2020, he teamed up with Disque Dean, to attract investment capital to WAM's efforts. In his presentation he utilized hyperbole and inaccurate hydrology to convey the sense that there is an immediate crisis on the Colorado River so that investors will see his pitch as an opportunity to make money out of the crises, not unlike those who invested in hedges on the housing market prior to 2008.

Mr. Richter's biography attempts to build his credibility based on his prior role with TNC. However, TNC has issued a statement indicating that he has no affiliation with their organization and that they do not share the views he has expressed in the piece. It is unfortunate that the Denver Post did not include a complete list of the current affiliations of the author of this piece.

The problems are compounded by Mr. Richter painting an alarmist picture of the Colorado River that simply is not supportable. It appears that his hydrologic predictions fail to account for the operation of the 2007 Operating Guidelines and the Drought Contingency Plan. Is it perhaps likely that his Op Ed was written to pressure the State of Colorado and the other Upper Basin states to rush into setting up a demand management market in order to facilitate private profit?

b. Colorado River Basin Hydrology Short Term Forecast for 2021.

Please see attached memo (accessed in the electronic packet by [clicking here](#)).

c. Colorado River District Demand Management Stakeholder Update. GO BACK TO AGENDA

ACTION REQUESTED: No action requested, informational only.

APPLICABLE STRATEGIC INITIATIVE(S):

3. Climate and Hydrologic Uncertainty: Climate and hydrologic uncertainty should be a major driver of what the River District does in the mid- to long-term. The impacts to precipitation are not clear. However, the overwhelming evidence indicates a warming and increasingly variable climate. Hotter temperatures will certainly result in increased demands for agricultural and municipal water supplies due to longer and warmer growing seasons. Patterns of snowpack accumulation and runoff will change. Runoff is projected to occur earlier and quicker, and there will be an earlier return to possibly lower base flows after runoff. These factors will stress storage supplies. On a local and regional basis, storage supplies may prove inadequate.

4. Colorado River Supplies: Colorado may be closer to full use of its Colorado River supplies than commonly thought. Absent good planning, education, outreach, and mitigation measures to address regional water supply issues, Colorado risks overdevelopment of its Colorado River supplies to the detriment of existing water users. At some level of additional development, all existing uses junior to the compact (more than 500,000 acre feet) are at risk of curtailment under compact administration. The River District's will work on Colorado River Basin contingency planning and compact risk management, both related to low reservoir levels at Lake Powell that threaten power generation and the ability to meet Colorado River Compact obligations, be reflected in the Colorado Water Planning efforts.

6. Agricultural Water Use: Most West Slope agricultural water use is senior to the Colorado River Compact. As Colorado nears full development of its Colorado River system water there will be pressure for temporary and permanent conversion of senior agricultural water rights to other uses. The Colorado River Compact Water Bank may provide a mechanism to protect agricultural water uses.

The District initiated this effort in December with Peter Fleming, Audrey Turner and me taking the lead roles on behalf of the District. We have convened a group of water users pulled from all of the District's basins and from a wide variety of water user sectors. These meetings are being held in an open format allowing for members of the public to observe. Given the sensitive nature of the issue of demand management, we are conducting these meetings in a non-attribution setting asking that participants and observers agree to not attribute statements to individual participants to encourage a broad free ranging discussion among stakeholders. We anticipate nine to ten meetings culminating in a report containing recommendations regarding structure and sideboards to any demand management market set up in this state. The report will first be submitted to the District Board and then we anticipate that it will be forwarded to the CWCB for consideration in the statewide demand management discussions. Our second meeting is scheduled to take place the

week prior to the Board meeting and we will update the Board on our progress at its January quarterly meeting.

d. **Water Bank Workgroup Update.** GO BACK TO AGENDA

ACTION: No Action Requested, informational only

STRATEGIC INITIATIVE(S):

4.C.) Colorado River Supplies - Continue to study mechanisms, such as Compact Water Bank and Contingency Planning that include demand management...

6.A) Agricultural Water Use – Continue to study the concept of a voluntary and compensated water bank in collaboration with other stakeholders to best preserve western Colorado agriculture.

6.B) Agricultural Water Use – Explore alternative transfer methods that allow agricultural water users to benefit from the value of their water rights with the permanent transfer of the rights, and without adverse impacts to the local communities and regional economy.

6.C) Agricultural Water Use – Work to ensure that the burden of demand reduction is shared across all types of water use sectors, and that agricultural water rights, and agriculture itself, are not injured.

The partners in the Water Bank Workgroup (“WBWG”) met in December. The partners reviewed the long history of valuable contributions the WBWG has made to the statewide and Upper Basin discussions regarding compact compliance mitigation. The partners agreed that when the WBWG convened over a decade ago it was one of the only groups studying potential water banking strategies in the Upper Basin. Today, there is a plethora of groups and efforts on this subject. As such, the group has decided to take a hiatus from active work and to reconvene in approximately six months’ time to resurvey the landscape. The partners agreed not to disband at this point noting that the collaborative structure of the group has great value.

e. **East Troublesome Fire Recovery Effort.**

Please see attached memo (accessed in the electronic packet by [clicking here](#)).

f. **Approval of Cloud Seeding Funding Request.**

Please see attached memo (accessed in the electronic packet by [clicking here](#)).

g. **Approval of Joint Funding Agreement, re: USGS Gaging.**

Please see attached memo (accessed in the electronic packet by [clicking here](#)).

h. **Approval of Proposed Employee Policy and Procedural Guidelines Modifications.**

Please see attached memo (accessed in the electronic packet by [clicking here](#)).

i. **Appointment to Kobe Water Authority Board.** GO BACK TO AGENDA

ACTION: Staff Requests that the Board appoint the incoming Garfield County Director to the Kobe Water Authority Board.

STRATEGIC INITIATIVE(S):

7. Water Needs/Project Development: *Through Colorado's Water Plan and the Basin Implementation Plans, water needs within the River District have been, and will continue to be, refined and prioritized. The River District owns a large portfolio of conditional water rights that may be suitable for meeting a portion of the identified water demands. However, developments in judicial case law have made it more difficult for all water users, including the River District, to maintain conditional water rights.*

7. B. The River District will focus on identified water needs and how the use of the District's current and future conditional water rights can effectively help meet these needs.

7. C. The River District will look for opportunities where its efforts are needed as a catalyst to help in-District interests plan for and meet their water needs in a manner that is consistent with the District's compact contingency planning goals and objectives.

12. Financial Sustainability: *The above strategic initiatives cannot be achieved without financial sustainability. The River District enjoys a diversified tax base for its Governmental Funds, which helps to reduce the impacts of dramatic downturns in its overall assessed valuation. Over the long-term, the Enterprise Fund is intended to be self-sustaining, managing the River District's Business-Type Activities.*

12. A. The River District will evaluate all projects and investments for the potential impact on cash flows.

13. Asset Management: *The River District will plan and implement operation, maintenance and replacement (OM&R) activities to ensure the reliable and safe operation of all River District owned facilities and properties. The District recognizes that the significant investment in these assets as well as the financial stability of our District and Enterprise must be protected by regular maintenance and repair of its assets.*

In 1983, the River District and the Bluestone Water Conservancy District created a Joint Management Committee to control and manage certain water rights in the vicinity of Debeque and Palisade on the mainstem of the Colorado River. In 2015, the Joint Management Committee decided to move forward with the Kobe Project, a pump and pipeline project designed to meet the water needs of the agricultural and industrial water users in the vicinity of Debeque. In 2015, the River District and the Bluestone Water Conservancy District decided to create the Kobe Water Authority to develop and operate the project. The Kobe Water Authority is managed by a Board consisting of two directors from the Bluestone Water Conservancy District and two from the River District. Because the project serves water users in both Mesa and Garfield Counties the River District representatives to the Kobe Water Authority Board have historically been the District's Board members from those two counties. Pursuant to the bylaws of the Kobe Water Authority, the Directors representing the River District serve at the pleasure of the River District Board. With the retirement of David Merritt as Garfield County's Director to the River District, it is appropriate for this Board to appoint a new representative to the Kobe Water Authority Board. Staff recommends that the River District Board consider appointing the new Garfield County Director to serve on the Kobe Water Authority.

I wanted to take this opportunity to provide an update on the status of the Kobe Water Authority. The project was constructed and has provided water supplies to the intended industrial and agricultural water users. Since the inception of the Joint Management Committee, including after formation of the Kobe Water Authority, the River District has provided staffing assistance to the Management Committee and the Kobe Water Authority regarding the Kobe Project and its water

rights. Specifically, the District has provided engineering, legal, accounting and administrative assistance to the water authority board. Pursuant to the River District's agreement forming the Kobe Water Authority, the River District has been reimbursed for the costs associated with staffing this project. At times, staffing demands for Kobe have been significant, demanding as much as 20% of our Deputy Chief Engineer's time. District staffing assistance was critical in working with expert consultants in designing, constructing and operating the project. The Authority now has significant financial reserves and an income stream.

The River District has a long history in providing initial assistance to water conservancy districts operating within our District boundaries, often filing on water rights, assisting local project proponents with the formation of a water conservancy district and providing staffing and financial assistance in the development of the conservancy district's initial project. It has been the District's practice to assist its conservancy districts in developing capacity to manage their own projects with the goal of phasing out of the operation of the project. Due to Ray Tenney's retirement and increasing demands on the District related to other projects, including the maintenance of our own assets, it is time that the District phase out of the operation and maintenance of the Kobe Project. District staff and Board representatives to the Kobe Water Authority have initiated this process with the Bluestone Conservancy District representatives. We will keep you informed as we move through this process and make recommendations for applicable Board action to implement this phase-out when appropriate.

j. **General Manager's 2021 Goals and Objectives.**

Please see attached memo (accessed in the electronic packet by [clicking here](#)).



COLORADO RIVER DISTRICT

PROTECTING WESTERN COLORADO WATER SINCE 1937

MEMORANDUM

TO: BOARD OF DIRECTORS
FROM: DAVE “DK” KANZER, P.E. & DON MEYER, P.E. *DK & Don*
SUBJECT: COLORADO RIVER BASIN CONDITIONS & OUTLOOK -WINTER 2021
DATE: DECEMBER 30, 2020

***NO ACTION:** This is an informational status report on water supply conditions for Colorado River Basin, its sub-basins and related River District water enterprise operations*

STRATEGIC INITIATIVE(S):

3. B. The River District will engage in support efforts aimed at understanding climate change and how it may affect water supplies.

3. C. The River District will engage in and support water supply planning efforts, local and regional, which include adapting to climate change impacts.

Colorado River Basin Snowpack Lags, Preliminary Water Supply Outlook Below Average

Continuing the trend that started in April of 2020, water supply conditions remain well below average in the Upper Colorado River Basin (UCRB). Although it is still early and conditions can and will change, as of today, snowpack readings and streamflows are below average across the board within the River District.

As we approach the heart of the snowpack building months, it appears that there may be some near-term signs that weather patterns may shift in a favorable direction, however the longer outlook is unclear and leans drier, especially to the south (according to NOAA CPC, see Figure 3). Because snowpack typically makes up about 80% of our water supplies in western Colorado, staff is carefully monitoring the hydro-climate and seeking opportunities for cloud seeding activities to increase snow production in the central Rocky Mountain region.

The first official UCRB water supply forecast from the Colorado Basin River Forecast Center (CBRFC) is due to be published next week; relevant updates will be provided at the Board meeting.

Because of persistent dry conditions, reservoir storage conditions across are below average within most of the River District and with the exception of the Upper Colorado headwaters region, with many large water storage facilities having less than average carryover storage, especially to the south, that is, the Gunnison Basin.

Regionally, the six-month period from April to September 2020 is the driest on record, as represented by unregulated inflow to Lake Powell. And with early winter precipitation in the Upper Colorado River Basin being below average, this dry trend may continue.

Figure 1 below illustrates how the snowpack has evolved to date above Lake Powell, both as Snow Water Equivalent (SWE) and as a percent of average as compared to other similar years. The blue line indicates that snow accumulation is tracking slightly above WY2018, which had the third driest unregulated inflow on record for Lake Powell.

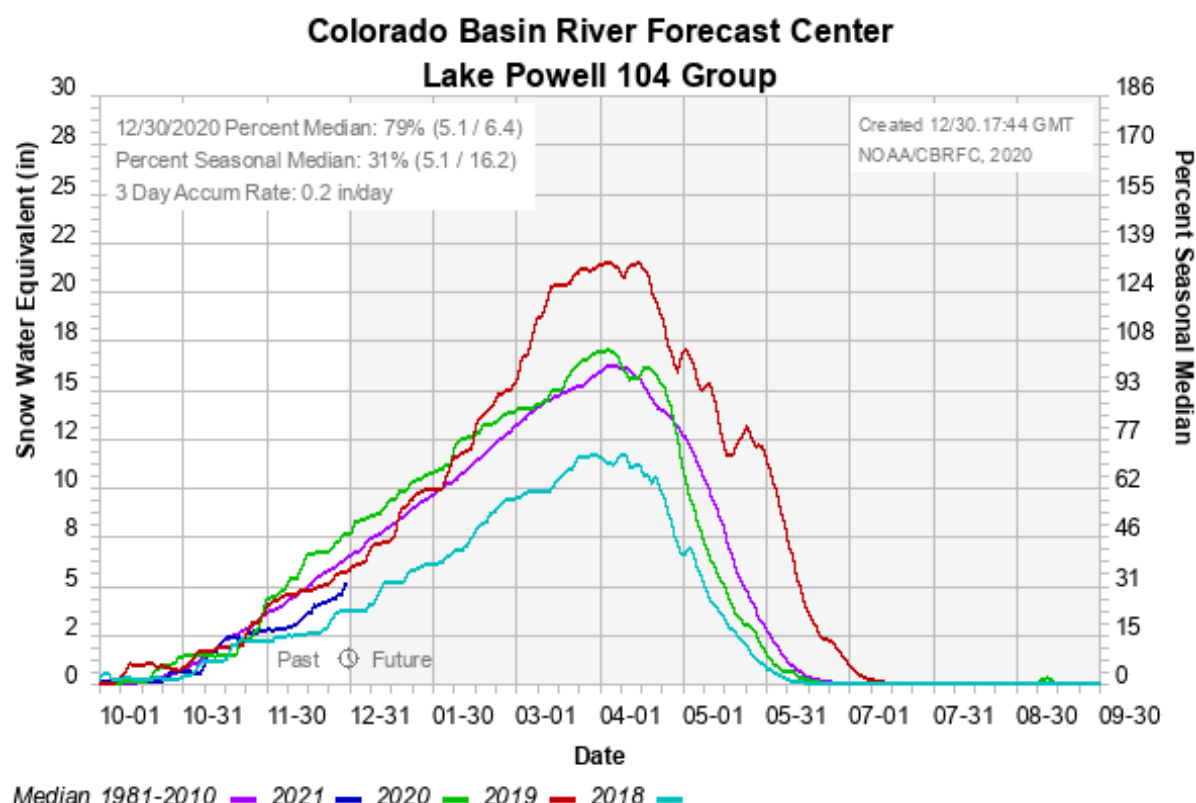


Figure 1: Seasonal snow hydrograph for Water Year 2021 from 104 Snotel stations above Lake Powell as compared to recent years and 30 year median.

This combination of lack of precipitation and dry soil conditions does not bode well for the 2021 runoff season as shown in **Figure 2**. This map from the CBRFC (December 30, 2020) shows that the soil moisture conditions in the UCRB is at or below 70-90% of the long-term average. This is overlain with color-coded water supply forecast points.

With these dry conditions across the UCRB region, the projected unregulated inflow volume into Lake Powell for WY2021 has fallen to 6.25 million acre-feet or 58% of the long-term average. Unfortunately, this is only a little above WY2020's unregulated inflow volume of 5.85 million acre-feet or 54% of the long-term average.

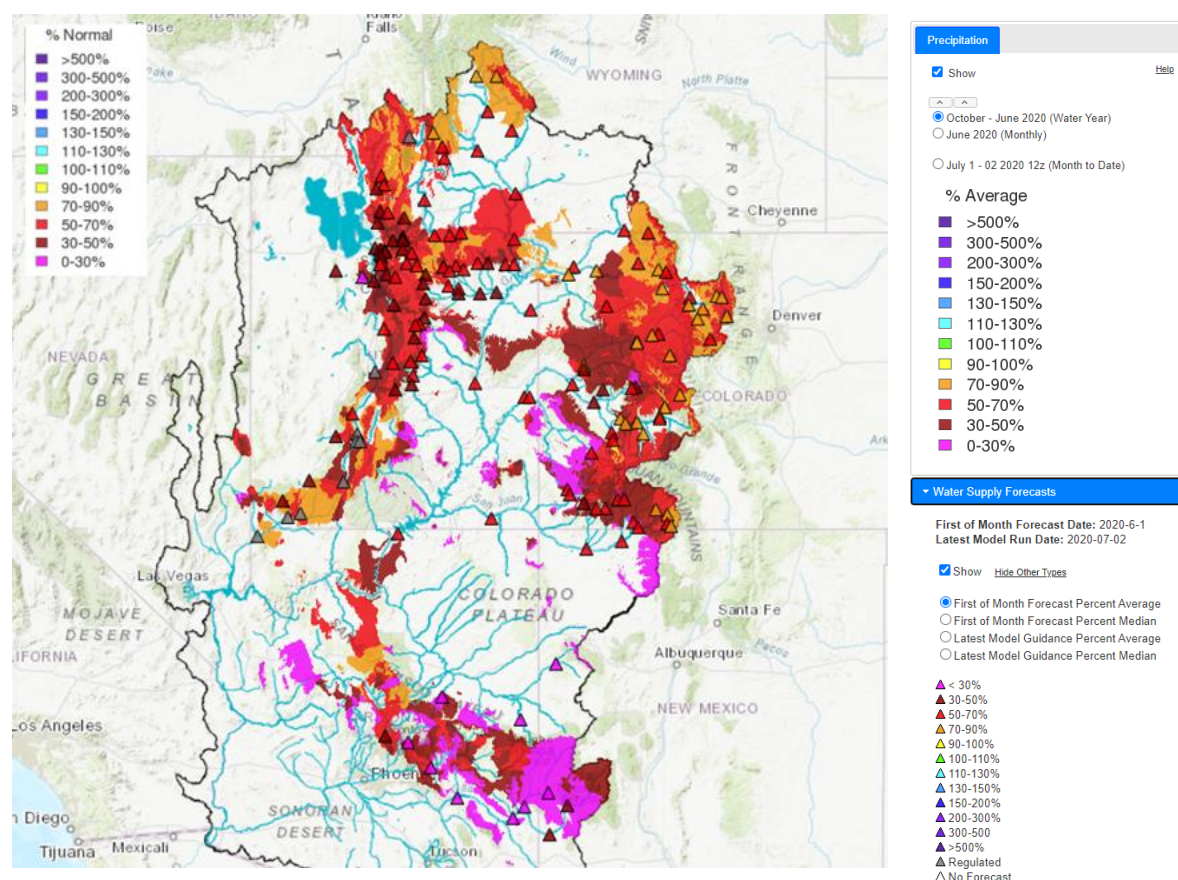


Figure 2: Soil moisture conditions as a percent of long-term average with water supply forecast points, showing below average conditions across the entire Colorado River basin

Using this preliminary projected inflow volume, operational projection for Lake Powell published by Reclamation, in their December 24-month study indicates storage levels will drop below 3575 feet AMSL by late 2021, which is more than 36 feet below this year’s high (June 2020). Pursuant to the 2007 Interim Guidelines, 8.23 million acre-feet will be released from Glen Canyon Dam in Water Year 2021 under ‘upper elevation balancing’ releases, Drought Contingency Plan (DCP) operations will continue in the Lower Basin in 2021 with lowered deliveries (approximately 200,000 acre-feet) to the Central Arizona Project and Southern Nevada under “Tier 0”.

However, and importantly, should these projections play out, the Lower Basin will enter “Tier 1” declared shortage in 2022, prompting mandatory cut backs for the first time under the 2007 Interim guidelines, reducing releases from Lake Mead by over 600 thousand acre-feet and Lake Powell will release only 7.48 million acre-feet in 2022.

These forecasts and related operational information are subject to change and will be updated when they become available and relevant updated planning study information may be provided at the Board meeting, as appropriate.

Furthermore, looking forward, the three-month outlook shown in **Figure 3** is not favorable, with warmer and dryer than average conditions forecasted in the upper Colorado River Basin, according to the Climate Prediction Center (published December 19th – updated, monthly).

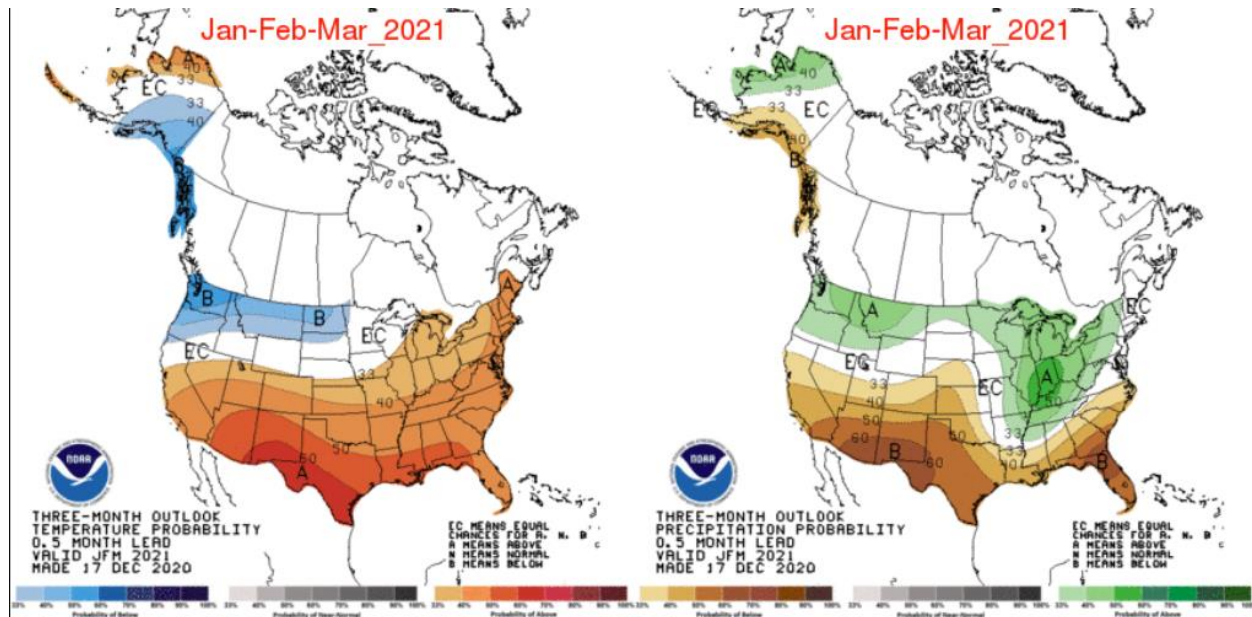


Figure 3: NOAA Three Month Temperature and Precipitation Outlook (Climate Prediction Center, December 17, 2020)

This combination of factors has caused an expansion of moderate to severe drought conditions throughout much Colorado, the Upper Colorado River Basin and in Northern California, according to the U.S. Drought Monitor shown in **Figure 4**.

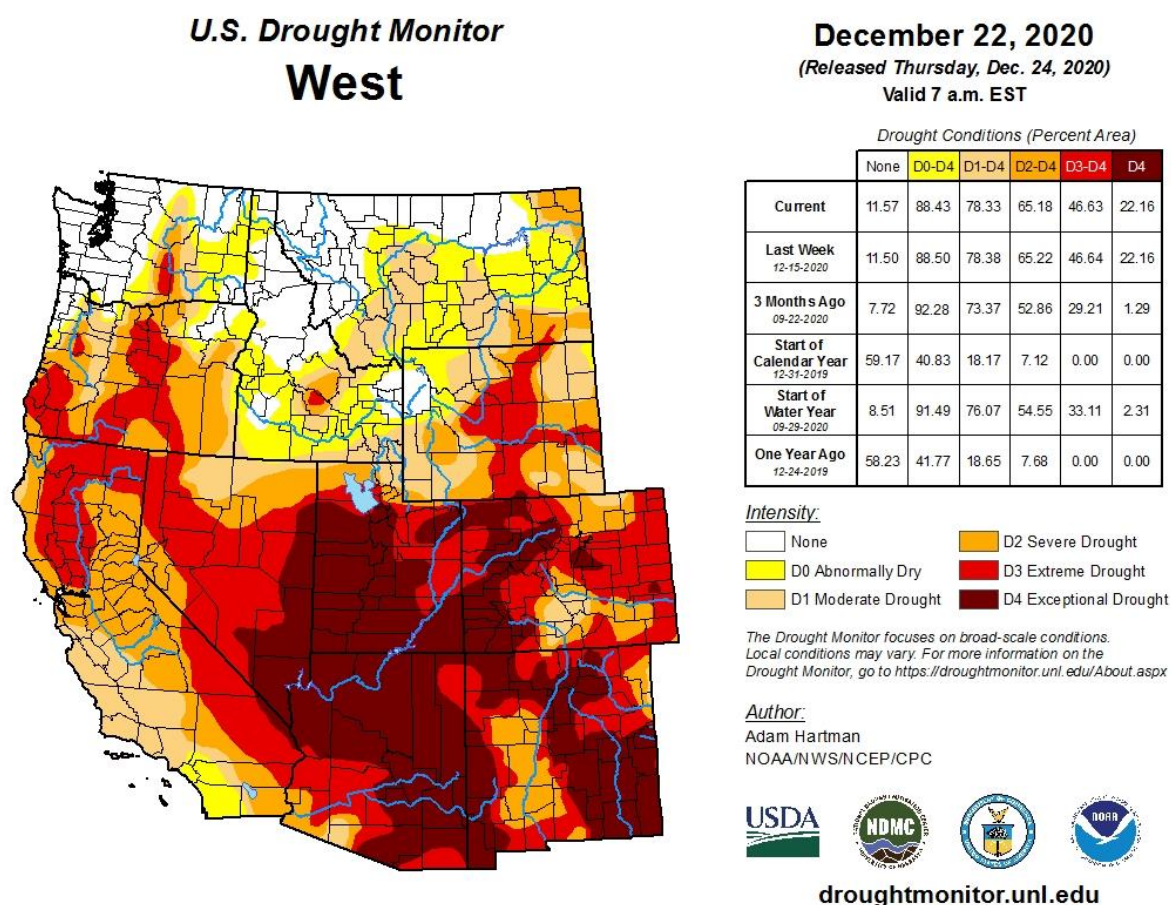


Figure 4: Western U.S. Drought Monitor published December 22, 2020

Colorado River Headwaters within Colorado and Woford Operations

As a result of the warm and dry conditions experienced in the Upper Colorado River Basin since April, inflows to Woford Mountain, Green Mountain, Granby, Williams Fork, Dillon and Ruedi Reservoirs are all well below average. **Figure 5** below reflects the results of persistent below average conditions within the Colorado River basin this winter, as shown by the USGS Cameo gauge.

These low inflow conditions have impacted Enterprise water supplies at Ruedi Reservoir. Planned releases designed to mitigate against harmful anchor ice are to be decreased; from the 3,500 acre-foot pool that was contracted to CWCBC. The maximum optimal release would have been set to 70 cubic feet per second. Because of low inflows, averaging 34 cfs, the target flow has been lowered to 60 cubic feet per second beginning January 1st so that contract releases of approximately 26 cubic feet per second can last through the first week in March, 2021.

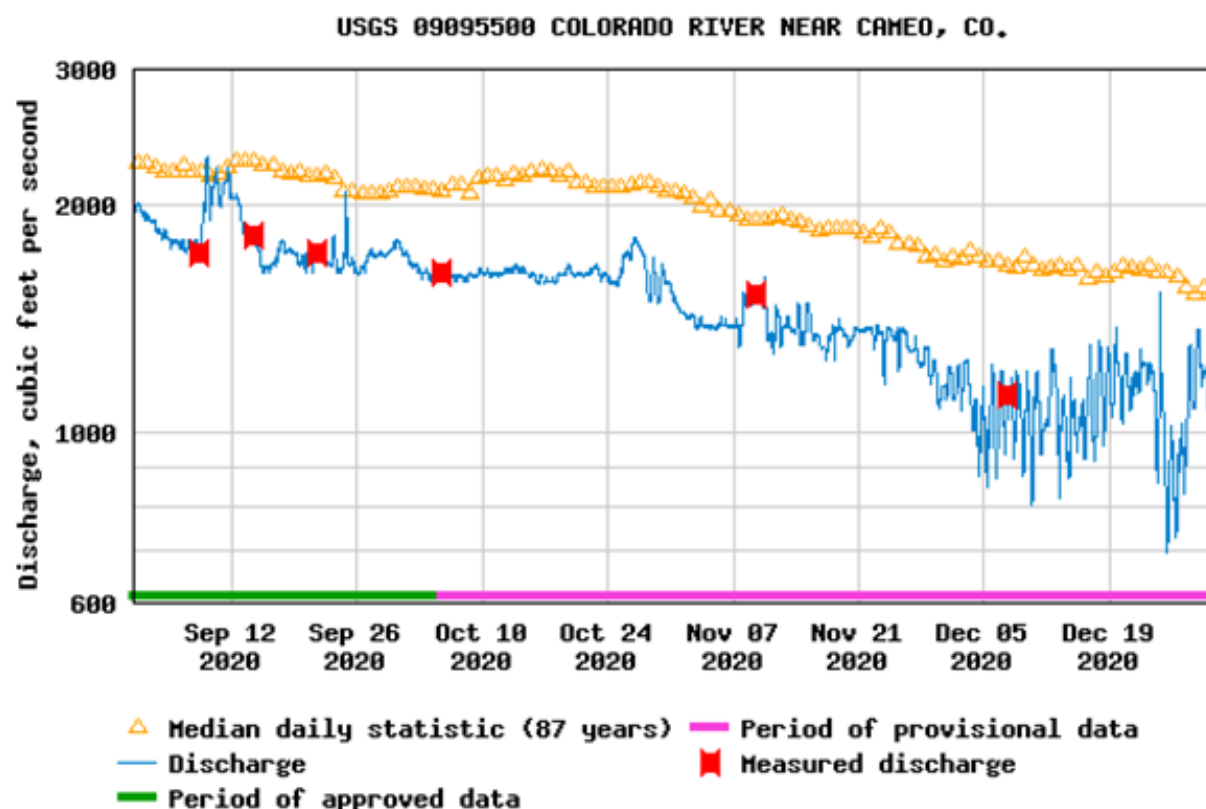


Figure 5: Chart of recent streamflow at the USGS gage at Colorado River at Cameo, reflecting 60 percent of average streamflow conditions

Recent Wolford Mountain Reservoir operations are shown in **Figure 6**. Wolford began filling in mid-April, 2020 and filled and began spilling by May 11th. The spill rate was decreased using increased bypasses through the outlet works, at times up to 500 cubic feet per second, to minimize non-native fish escapement over the spillway. Unfortunately, undesirable Northern Pike have reportedly been caught by anglers in the stilling basin and in Muddy Creek below the reservoir.

In 2020, April through July inflow was 65,500 acre feet or 120 percent of average. Contract releases during the summer and fall included 6,000 acre feet from the permanent Endangered Fish pool, 2357 acre feet for River District contract replacement, and 225 acre feet from the Middle Park Water Conservancy District pool for contract replacement and snowmaking. Currently the reservoir is 8 feet down from full pool releasing 22 cubic feet per second.

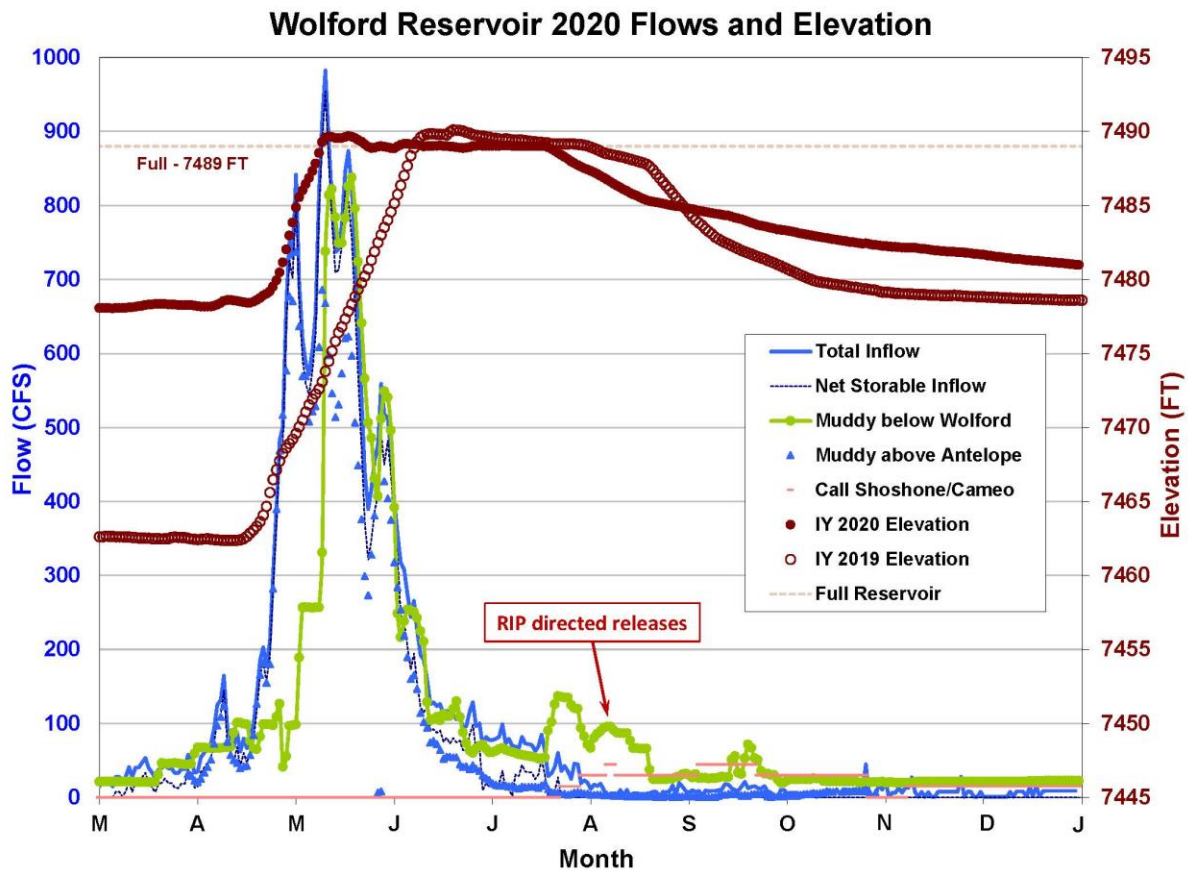


Figure 6: Chart of 2020 operations for Wolford Mountain Reservoir in comparison to 2019

Yampa River Basin and Elkhead Reservoir Operations

Despite near average snowpack in the Yampa basin in spring of 2020, streamflows were below average throughout the basin during the irrigation season. The chart in **Figure 7** reflects the low baseflows in the Yampa River due to warm and dry conditions in summer and fall of 2020.



Figure 7: Chart of recent streamflow conditions at the USGS gage Yampa River at Deerlodge Park, reflecting below average streamflow conditions

Elkhead Reservoir operations are shown in **Figure 8**. The reservoir began spilling May 2nd as inflow peaked around 1800 cfs. April through July inflow was 70,000 acre-feet or 96 percent of average. Contracted endangered fish releases began August 6th from the 5,000 acre-feet CWCB Fish pool. The Recovery Program leased 1,500 acre feet of additional 'short-term water supply' from the River District, and the Colorado Water Trust leased 250 acre feet for in-channel use as conditions worsened. On August 25th the Yampa River came under administration when the Division Engineer was unable to protect Elkhead Fish releases to Deerlodge Park. At that time the River District Board authorized up to 1,000 acre feet to be released from Elkhead to mitigate Call impacts to junior diverters.

On August 28th water from this mitigation pool was released “to the river” at a rate of 15 cubic feet per second, and Tri-State agreed to make an additional 9 cubic feet per second available to junior diverters “in priority”. These releases together with early September precipitation caused the administrative call to be removed by the Division Engineer on September 3rd. A total of 720 acre feet were released “to the river”, about 500 acre feet of which was from the River District pool. Discussions among Yampa River stakeholders have begun to explore the potential for establishing a pool or several pools to mitigate future Calls in the Yampa basin.

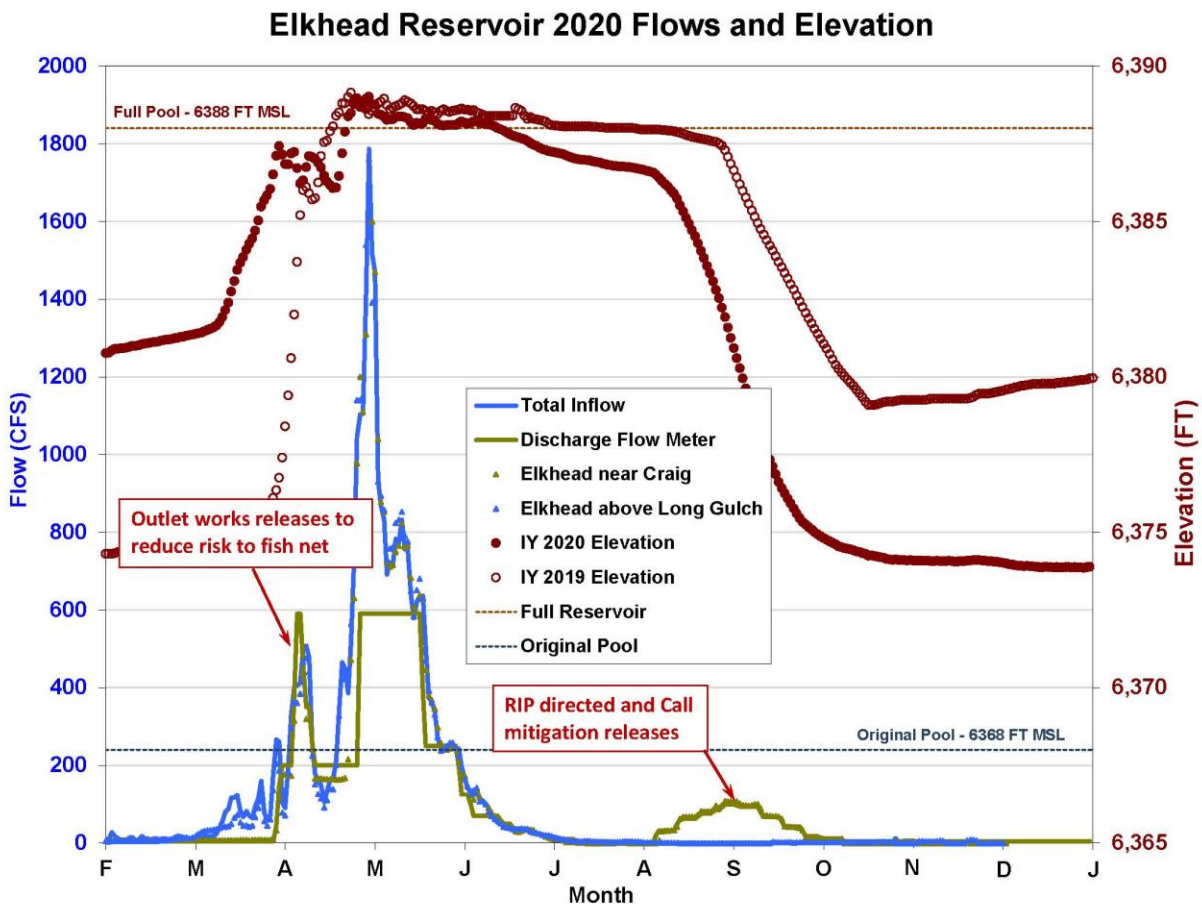


Figure 8: Chart of 2020 Elkhead Reservoir Operations as compared to 2019

Gunnison River Basin Operations

In the Gunnison River Basin, dry conditions persisted for the entire 2020 water year despite a near average March 1 snowpack. This resulted in a significant drawdown in basin water storage facilities, including Blue Mesa Reservoir, that dropped below 50% of active capacity for the second time in 3 years. If it weren't for the abundant snows and strong recovery in WY2019, water supplies in 2020 would have been dramatically limited and water users adversely impacted.

With the low reservoir levels, Aspinall Unit releases in 2020 were made pursuant to drought rules, enabling releases to be decreased below 'normal year' flow recommendations. Figure 9 shows below average streamflow conditions in the lower Gunnison River at the USGS gauge near Grand Junction.

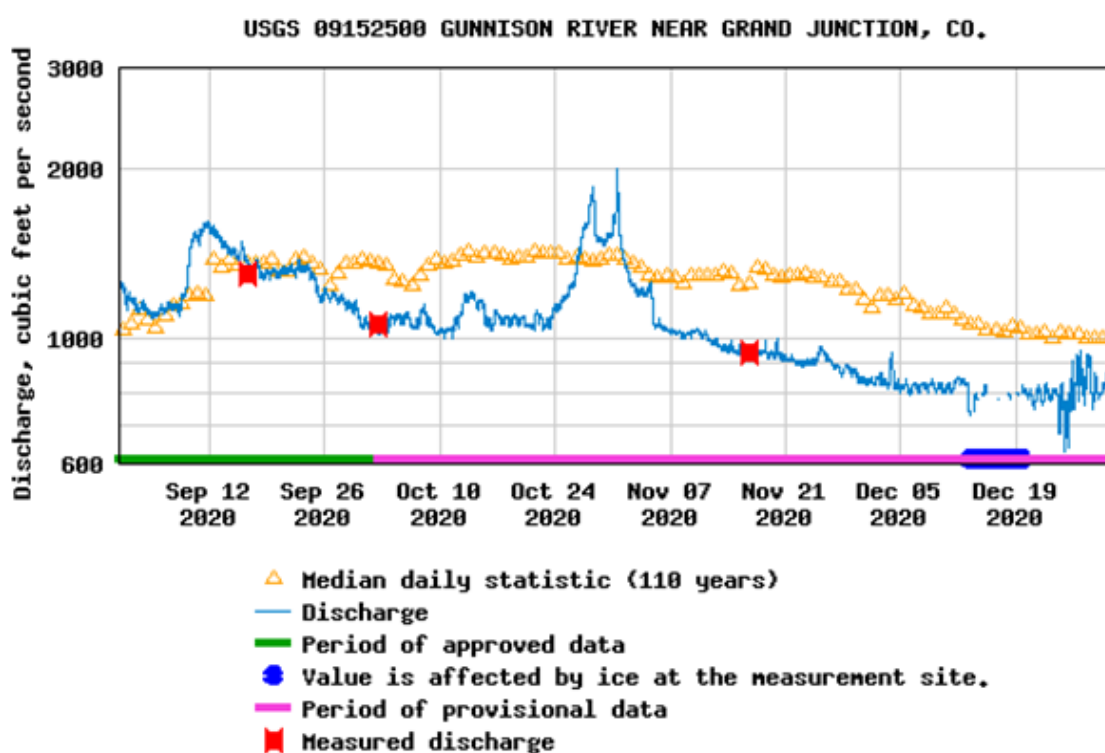


Figure 9: Chart of recent streamflow conditions at the USGS gage Gunnison River near Grand Junction, showing late season below average river conditions

According to Reclamation's early projections for the state's largest reservoir, Blue Mesa, will not fill and may only reach 73% of active capacity by July 2021. Similarly, unless there is a dramatic turnaround in snowpack by runoff season, it is likely that other Gunnison Basin facilities may not fill, with Taylor Park storage projected to reach only 75% of active capacity; Ridgway Reservoir may fall short of filling, as well. Although there is time for conditions to improve significantly, the lack of carry-over storage is a concern for Gunnison Basin water users in 2021.



GO BACK TO AGENDA

COLORADO RIVER DISTRICT

PROTECTING WESTERN COLORADO WATER SINCE 1937

MEMORANDUM

TO: BOARD OF DIRECTORS, CRWCD

FROM: MIKE EYTEL, SR WATER RESOURCE SPECIALIST

SUBJECT: East Troublesome Fire Emergency Watershed Protection Program

DATE: JANUARY 6, 2021

Action: We request that the Board authorize the General Manager, after review by counsel, to enter into a Memorandum of Understanding with other stakeholders related to the East Troublesome Fire collaborative restoration project.

STRATEGIC INITIATIVES: 1. Outreach and Advocacy
3. Climate and Hydrologic Uncertainty
4. Colorado River Supplies
5. Transmountain Diversions
6. Agricultural Water Use
10. Water Quality.

The East Troublesome Fire (ETF) complex covers an area over 182,000 acres. Between Oct. 21 and Oct. 22, the blaze exploded by more than 150,000 acres becoming the State's second largest fire with the help of hurricane-speed winds, burning through neighborhoods and crossing the Continental Divide in Rocky Mountain National Park. Burn severity throughout the complex ranges from low to moderate with pockets of severe burn areas mostly within the East Troublesome Creek watershed. While most of the fire occurred on federal lands, nearly 23,000 acres of private land were directly impacted. Over 500 structures were destroyed or damaged. Figures 1 and 2 below depict burn severity and land ownership within the burn area.

River District's staff has been in discussions with Grand County, Northern Water and other stakeholders regarding a collaborative restoration effort related to the East Troublesome Fire. This restoration effort is anticipated to rely heavily on NRCS Emergency Watershed Protection Funding. Through the Emergency Watershed Protection (EWP) program, the U.S. Department of Agriculture's Natural Resources Conservation Service (NRCS) can help communities address watershed impairments that pose imminent threats to *lives and property*. The EWP process is an emergency program that is intended to be focused on emergency restoration and has tight work commencement and completion timelines. Once a "Request for Assistance" has been submitted by a potential sponsor, the NRCS has a 60-day period to complete a Damage Survey Report which will direct the types of projects which are eligible for funding and construction. Once an EWP Sponsor's funding request has

been approved, there is a 220-day period between commencement of construction and construction close out. Grand County submitted their request for assistance from NRCS EWP in early December. The NRCS accepted Grand County's request on December 28, 2020, effectively starting the 60-day clock for the Damage Survey Report.

The EWP provides funding for up to 75% of the construction costs for emergency restoration. The remaining 25% comes from local sources and can be from cash and/or in-kind services. EWP projects consist of a wide range of treatments to reduce threats to ***lives and property***. A focus of the EWP program is to address watershed impairments. The following are some examples of EWP treatments:

- Debris-clogged stream channels
- Rehabilitation or replacement of jeopardized water control structures and public infrastructure
- Wind-borne debris removal
- Damaged upland sites stripped of protective vegetation by fire or drought
- Bank stabilization
- Construction of sediment basins
- Mulching
- Reseeding
- Drainage modification

The potential scope of the EWP funding is significant. Preliminary cost-estimates for EWP funding for the ETF could come in around \$16 million or greater. The private land component eligible for EWP funding is estimated at \$3.5 – 4 million depending on results from the Damage Survey Report. The lands within the East Troublesome Creek watershed and other tributaries of the Colorado River include numerous active irrigation ditches and their associated senior water rights in Grand County. While most of the active irrigation structures are physically outside of the burn area perimeter, the water rights receive their supplies from within the burn area. In addition, the Town of Hot Sulphur Springs' primary water supply comes directly from the Colorado River below the burn area. Restoration efforts in these areas are going to be critical in order to minimize long term adverse impacts to the residents and water users of Grand County.

All projects undertaken through EWP must have a project sponsor. Sponsors must be a legal subdivision of the State, such as a city, county, general improvement district, or conservation district, or an Indian Tribe or Tribal organization. Sponsors are responsible for:

- Providing land rights to do repair work.
- Furnishing the local cost share.
- Accomplishing the installation of work.
- Performing any necessary operation and maintenance.

Grand County and Northern staff inquired whether the River District would consider being a Sponsor for a portion of the impacted watershed (Northern will be a sponsor for the areas impacted above the C-BT collection facilities). While we are very much interested in assisting Grand County in these efforts we had significant concerns about our ability to staff such an effort. Additionally, much of the work will be on private lands and focus on home/structure, road and infrastructure protection that falls beyond the

scope of the River District’s direct mission. Accordingly, we are not recommending that the River District become a sponsor.

We do, however, believe that many of the activities which the EWP will fund are aligned with the categories of projects that the River District will fund pursuant to its Partnership Project Funding Program. We have encouraged Grand County to keep this in mind as a potential source of funding match for local landowners or the County to assist with its required “local match” for the EWP funds.

Staff also believes that we can assist Grand County and the other stakeholders by continuing to participate in the collaborative restoration effort. Currently the stakeholders anticipate entering into an MOU that will outline the roles of the various entities in this collaborative process. It is anticipated by the parties that the River District will be member of the executive committee. The executive committee will be charged with evaluating various project proposals and guiding how the EWP funds are spent. The MOU will not commit the River District, or any of the parties, to any expenditures but instead outlines the roles of the various parties as they move forward with this collaborative effort.

We recommend that the Board authorize the General Manager, subject to review and approval by counsel, to enter into a Memorandum of Understanding regarding the East Troublesome Fire collaborative restoration project.

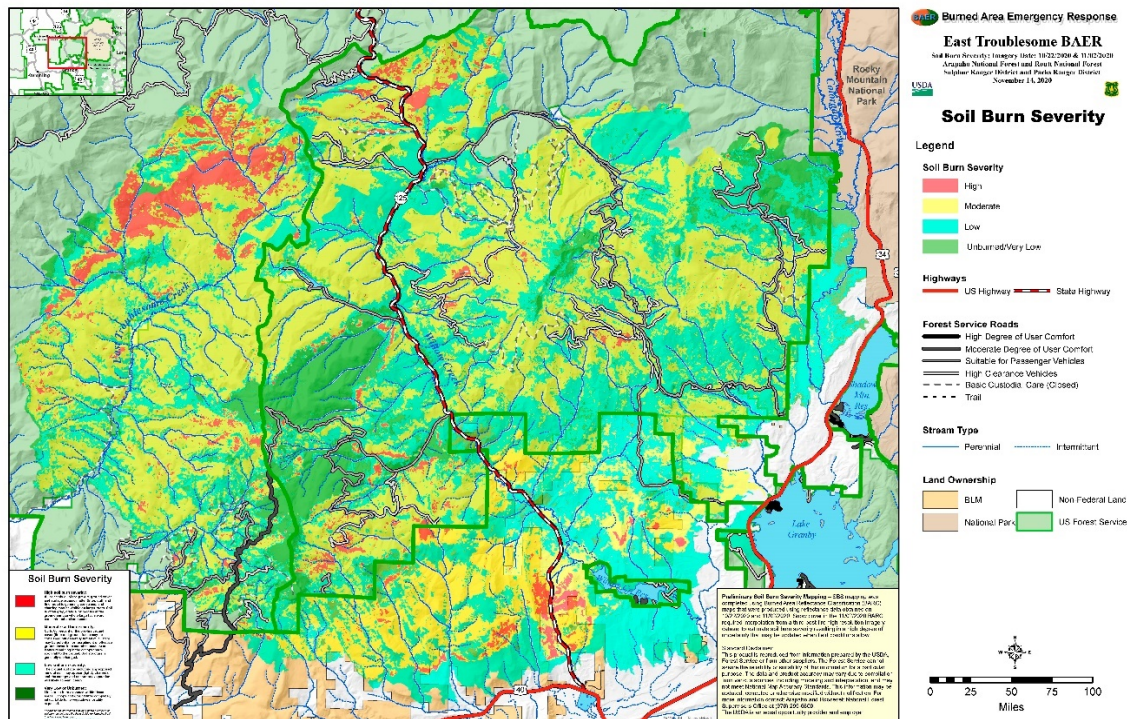


Figure 1. USFS East Troublesome Fire Burn Severity

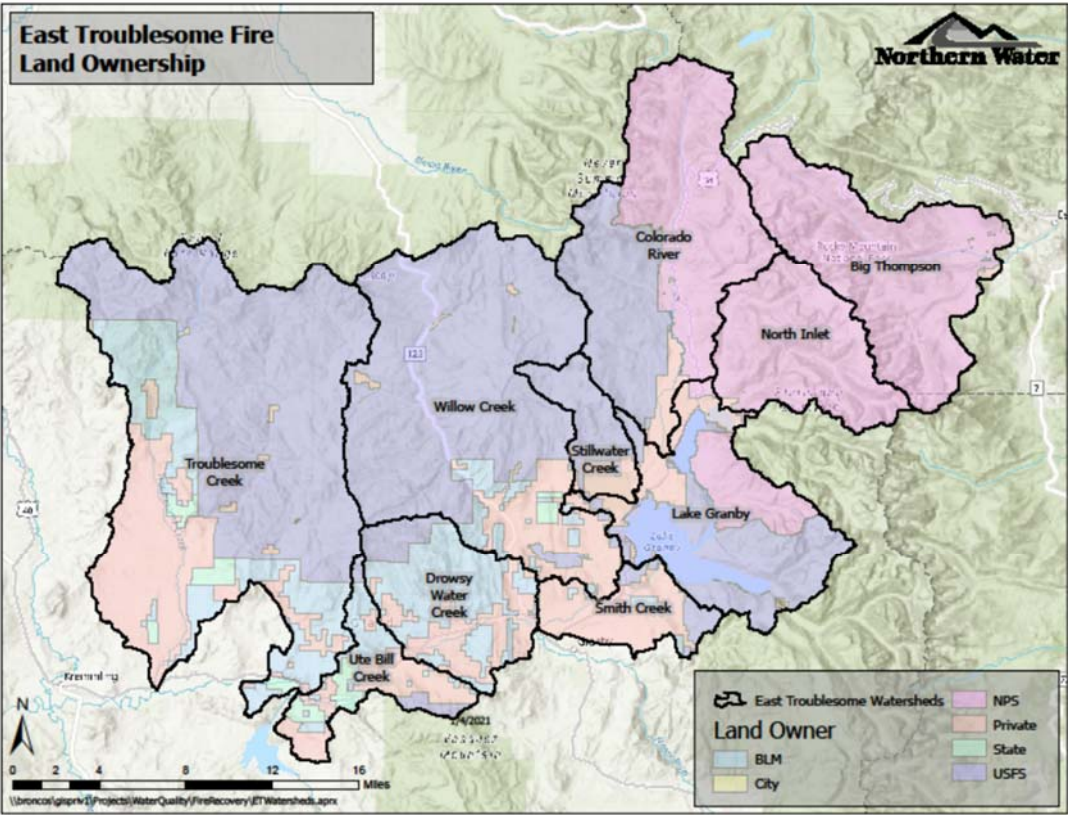


Figure 2. East Troublesome Fire Land Ownership created and provided By Northern Water



GO BACK TO AGENDA

COLORADO RIVER DISTRICT

PROTECTING WESTERN COLORADO WATER SINCE 1937

MEMORANDUM

TO: BOARD OF DIRECTORS, CRWCD

FROM: DAVE KANZER, P.E., DEPUTY CHIEF ENGINEER DK

SUBJECT: ADDITIONAL FINANCIAL REQUEST FOR CLOUD SEEDING PROGRAM

DATE: DECEMBER 30, 2020

ACTION(S):

Staff requests Board action to authorize the General Manager to increase existing financial commitments from \$25,000 per year up to \$50,000 for the 2021 operating year, using General Funds, primarily to help offset decreases in Central Colorado Mountain River Basin cloud seeding support for the 2020-21 season.

All associated contracting documents are subject to review and approval by the General Manager and General Counsel.

STRATEGIC INITIATIVE(S):

- 3. A. The River District will continue to evaluate and pursue options to increase local water storage supplies and optimize and expand, where appropriate, existing water storage.*
 - 3. B. The River District will engage in support efforts aimed at understanding climate change and how it may affect water supplies.*
 - 3. C. The River District will engage in and support water supply planning efforts, local and regional, which include adapting to climate change impacts.*
-

Background

In May 2020, the Colorado River District Board re-authorized the District staff to manage the Central Colorado Mountain River Basin cloud seeding program (hereafter referred to as the “CCMRB”) on behalf of 7 principal cost share partners, including the Front Range Water Council (FRWC), several ski areas, the CWCB and Lower Colorado River Basin contributors. Since 2012 and under previous direction, the River District has participated as a financial contributor to the CCMRB at \$25,000 per year.

The CCMRB is one of many permitted cloud-seeding programs in Colorado, regulated by the Colorado Department of Natural Resources for the primary purpose of water supply augmentation and, in some cases, for recreational enhancement on ski areas. In fact, Vail Resorts (VR) had, until this year, the longest continuous cloud seeding programs in the state, if not the western US. It was

primarily geared towards increasing early season snow conditions on their slopes. This program was administered and operated separately from the CCMRB, but VR cloud seeding activities directly supported water supply augmentation within the Upper Colorado River Basin (UCRB). Due to Covid19-related budget impacts, Vail Resorts terminated support for all cloud seeding in 2020 related to four of their properties: Vail Mountain, Beaver Creek, Keystone and Breckenridge. All together this amounted to a loss of approximately \$300,000 of cloud seeding support.

While this decision did not directly impact the CCMRB operations, the cessation of cloud seeding activities in these ski areas, directly decreases the cloud seeding hours and the associated amount of water supply augmentation in the UCRB. This is contrary to the objective of the CCMRB to increase snow production in the Upper Colorado River Basin for the purpose of increasing ‘system water’ and to increase Lake Powell inflows. Such augmentation is part of the Upper Colorado River basin “Drought Contingency Plan” or DCP. Under Colorado state law, this ‘system water’ has no specific owner and is available to Colorado River water users in priority.

Proposed Funding Request:

To help offset some of the loss of cloud seeding support from Vail Resorts, River District staff has worked to bring together some new funding sources. Specifically, stakeholders from the Eagle River watershed, including Eagle River and Water and Sanitation District and the Eagle River Water Authority have agreed to contribute up to \$30,000 to CCMRB in support of cloud seeding activities for this season. Additionally, the FRWC have agreed to increase their participation level on a commensurate basis related to all new funding contributed to the CCMRB.

To further leverage these new funding sources, it is requested that the River District increase funding support for 2020-21 by \$25,000 up to a total \$50,000. With this additional funding approval, the FRWC would contribute an additional \$55,000 bringing the total stopgap funding to \$110,000 for 2020-21.



COLORADO RIVER DISTRICT

PROTECTING WESTERN COLORADO WATER SINCE 1937

MEMORANDUM

TO: BOARD OF DIRECTORS, CRWCD

FROM: DAVE 'DK' KANZER, P.E., DEPUTY CHIEF ENGINEER DK

SUBJECT: AUTHORIZATION REQUEST: USGS JOINT FUNDING AGREEMENT FOR 2021

DATE: DECEMBER 30, 2021

ACTION(S): *Request delegated authority to the General Manager to enter into a joint funding agreement ("JFA") with the USGS, subject to review and approval by legal counsel, in the gross obligation amount not to exceed \$600,000 to engage in cooperative streamflow gauging and water quality sampling activities in 2021 consistent with the adopted 2021 budget.*

Delegated authority is also requested for the General Manager to enter into agreements, subject to review and approval by legal counsel, with cooperating partners for reimbursement of some of the USGS gauging and sampling activities, estimated to be a offsetting amount of up to \$110,000 for the year. With these offsetting contributions, the net expenditure of River District funds is not to exceed \$490,000.

STRATEGIC INITIATIVE(S):

2. A. The River District will increase its outreach efforts with water organizations and other local organizations in the Gunnison, White and Yampa River basins. The goal will be to use River District resources to help those basins address their consumptive and non-consumptive water needs.

3. C. The River District will engage in and support water supply planning efforts, local and regional, which include adapting to climate change impacts.

7. A. The River District will work proactively with District constituents and basin roundtables to better quantify and refine both the consumptive and non-consumptive water needs, in amount, location and timing, throughout the District, including projected needs that may result from climate change.

7. C. The River District will look for opportunities where its efforts are needed as a catalyst to help in-District interests plan for and meet their water needs in a manner that is consistent with the District's compact contingency planning goals and objectives.

10. A. The River District will proactively convene and facilitate, as needed, local stakeholder groups to address local and regional water quality concerns to protect against regulatory actions.

Subject: Authorization Request: USGS Joint Funding Agreement for 2021

December 30, 2020

Page 2 of 3

Background

Since the early 90s, the Colorado River District has been one of the largest USGS cooperators in Colorado, collecting, analyzing and publishing water quality and quantity data across the River District. These resulting publicly-available data products are highly valued by water resource managers and water users to support water resource planning, management and to inform decision making, due to their unbiased and high quality character.

In 2021, the CRD-USGS cooperative water program will continue to be the largest such program in the State of Colorado and, except for the newly proposed CRD partnership funding program, it represents the largest single River District budget item, at \$600,000. This amount represents the 'customer cost' to cover stream gaging, water quality sampling and continuous monitoring of temperature and specific conductivity at different locations across the entire River District area. The USGS provides an offset of about 30% of total program costs via their cooperative cost sharing program and the River District and partners provide the rest of the funding.

Proposed 2021 USGS Joint Funding Agreement Details

The total cost of USGS activities as outlined in the draft 2021 JFA is \$834,391 with a cost share of \$245,199 being provided by the USGS, approximately one third of the annual total program expenditures. These cooperative monitoring and assessment activities are detailed in annual Joint Funding Agreement (JFA) that specify the cost, frequency, location, parameters collected, and technologies employed summarized in a series of complex workbook tables; these are reviewable upon request.

Every year the cooperative monitoring programs are carefully reviewed by staff and partner groups (*e.g.*, conservancy districts, watershed groups and local governments) to ensure that strategic initiative objectives are being met and to help constituents understand and manage their water resources. All major tributary sub-basins in the Colorado River District have active groups that coordinate water resource data collection efforts to increase efficiency and reduce redundancy.

Specifically, there are groups in the Upper and Lower Gunnison, the middle Colorado River, the Roaring Fork, the Eagle, the White and the Yampa River Basins that are supported by the River District-USGS JFA. Such coordination efforts have resulted in significant contributions from these interested stakeholder group participants. These cooperative funding partnerships should reach \$110,000 in 2021. Partnerships in the Eagle River watershed make up almost two-thirds of this amount. This will result in a net expenditure of River District funds of not exceed \$490,000.

Potential Workplan – Colorado River Wildfire Impacts Monitoring

Separately from the abovementioned JFA, and in response to a record wildfire season in 2020, staff is working with the USGS and local partners to develop a water quality monitoring plan to assess and evaluate threats to water resources, primarily in the Colorado mainstream watershed.

Although the details of this potential workplan program are yet to be finalized, it is anticipated that at least three mainstem locations downstream of the three fire-impacted watersheds, including East Troublesome, Grizzly Creek and Pine Gulch, will be monitored for a series of chemical parameters

Subject: Authorization Request: USGS Joint Funding Agreement for 2021

December 30, 2020

Page 3 of 3

and/or indicator surrogates. The intent is to gather multi-year data to study and quantify both short-term and long-term issues brought about watershed-scale changes.

It is hoped that by the board meeting, staff will be able to present a proposed, multi-year scope of work in conjunction with the USGS, subject to a new JFA, to inform restoration and watershed protection efforts. It is possible that staff may recommend utilizing Partnership Project Funds to further the development of data for use in the protection of watersheds.



COLORADO RIVER DISTRICT

PROTECTING WESTERN COLORADO WATER SINCE 1937

MEMORANDUM

TO: BOARD OF DIRECTORS, CRWCD

FROM: AUDREY TURNER, CHIEF OF OPERATIONS

SUBJECT: CHANGES TO THE EMPLOYMENT POLICIES AND PROCEDURAL GUIDELINES

DATE: JANUARY 1, 2021

ACTION:

Staff requests that the Board approve the proposed changes to the 2021 Employment Policies and Procedural Guidelines as explained in this memo and in the applicable redlined sections of the Employment Policies and Procedural Guidelines attached.

STRATEGIC INITIATIVE:

11.A The River District will seek to be an attractive and competitive employer in the region, state, and water community. This includes maintaining, to the best of its ability, a highly competitive compensation package and supporting the work-life balance that is valued by the District and its employees.

Staff is proposing several changes to the 2021 Employment Policies and Procedural Guidelines.

First, staff is recommending a modification to the distribution timing of River District matching funds to the Retirement Health Savings (RHS) and 457 plans as well as employer contributions to the employee's Health Savings Accounts (HSA). Staff proposes to distribute the matching funds equally throughout the year, instead of within the first six months or in two installments as was previously the case for the HSA. Additionally, staff proposes to accrue the matching funds for an employee and make them available for a contribution when the employee is able to do so. For instance, if an employee is unable to make an equal contribution to their 457 plan in the first six months, but is able to financially do so beginning in July, the first six months of matching funds would be available for the employee to receive upon making an equivalent contribution.

Next, staff is proposing another modification to the RHS plan contributions. Staff completed a survey on the desired employee and employer contributions and after several discussions, staff is proposing a simplification and modification to the contributions. For employees age 49 and under, the mandatory contribution remains at 1% of gross salary. For employees age 50 and older, the mandatory contribution will be 2% of gross salary. Staff proposes to eliminate the third tier of contributions of 3% of gross salary after age 55. For employer contributions, the Board approved annual matching funds will all go to the 457 plan for employees age 49 and under. Once an

CHANGES TO THE EMPLOYMENT POLICIES AND PROCEDURAL GUIDELINES

January 1, 2021

Page 2 of 2

employee reaches age 50, the matching funds will all be contributed to the employee's RHS plan. The eligibility requirements for the RHS plan remain the same as full-time (defined as 40 hours) employees only after completing one year of employment.

Third, staff is proposing to change the accrual of Floating Holidays and PPL to be on a quarterly basis instead of all hours awarded to be accrued on December 15th of the payroll year.

Lastly, staff is proposing to eliminate the requirement for employees to complete six months of service before being awarded paid vacation, even though new employees begin accruing vacation time on a monthly basis immediately upon hire. Staff supports the use of vacation time to relax and rejuvenate, and we believe that employees should have the ability to use the vacation time they have accrued.

The redline pages of the Employment Guidelines are included as Attachment A to this memo.

457 Deferred Compensation Plan Matching Funds

The Board may, at its discretion, provide matching contributions for the 457 Deferred Compensation Plan. The amount of matching contributions, if any, shall be set by the Board through the annual budget process.

The Secretary shall administer the matching funds under the following guidelines:

- To receive matching contributions, an employee must be a regular, full-time employee, must have completed a minimum of one year of service as a full-time employee, and must be enrolled in the 457 Deferred Compensation Plan. The matching contributions begin the month following one year of service. Regular part-time employees will not receive matching contributions. The total matching funds shall be divided equally among eligible participating employees.
- To receive matching contributions, eligible employees must make at least an equivalent salary reduction contribution.
- The District's annual matching funds to each employee will be distributed equally over a ~~minimum of a twelve~~ six month period, however the matching funds will accrue throughout the year and will be available when the employee makes an equivalent salary reduction contribution if the employee does not maximize the matching funds in any month.

Employees are advised that the amount of the District's matching contribution reduces the maximum

amount as established by law which employees may elect to defer from their compensation.

For example: If the maximum amount that may be contributed to the 457 Deferred Compensation Plan for or by any employee is \$18,000.00, and the District's matching contribution is \$1,000.00 for a plan year, then the employees' maximum salary reduction contributions will be \$17,000.00 for that plan year.

Employees will be notified in the fourth quarter as to what the maximum deferral amount allowed will be for a particular plan year.

Employees are further advised that the District's matching contribution is treated as wages for purposes of the FICA and Medicare taxes. As a result, each employee's FICA and Medicare taxes will increase slightly for each year in which the District makes a matching contribution.

Retirement Health Savings Plan (RHS)

In addition to the 457 plan, the River District participates in a Retirement Health Savings Plan. The RHS plan allows for the tax deferred growth of self-directed funds and the withdrawal of the funds as tax exempt as long as they are used for qualified medical expenses for the employee, their spouse, and/or dependents once the employee terminates employment. Employees become eligible for participation in the RHS plan after completion of one year of employment. Both employee and employer contributions to this plan are mandatory.

Employee Contributions

Every employee makes a mandatory contribution of a set percentage of their annual gross salary dependent on their age at the beginning of the calendar year. The contribution percentages are as

follows:

- 49 and under: 1% of annual gross salary
- 50 ~~up to 55~~ and older: 2% of annual gross salary
- ~~55 and older: 3% of annual gross salary~~

Employer Contributions

~~For employees age 50 and older, A percentage of the River District's additional benefit matching funds, currently designated for the 457 matching and the RHS, will be contributed to the RHS based on age.~~ The total funds amount is determined by the Board.

The Board, at its discretion, may elect to designate other methods of contribution to the RHS such as an additional employer contribution and mandatory designation of excess annual leave. The Board has currently authorized the mandatory cash equivalent contribution of excess annual leave on a 2:1 ratio.

3.13 CAFETERIA PLAN

The Board, at its discretion, may elect to contribute funds to an approved cafeteria plan for the purposes of reimbursement of medical expenses. The expenses qualified for reimbursement are dictated by the IRS. The monthly contribution is prorated for regular part-time employees based on the number of scheduled hours worked. In addition, an employee may choose to re-direct a portion of their taxable earnings to a tax-free status for medical expenses or child care expenses in accordance with current IRS guidelines. Employees who elect to enroll in the High Deductible Health Plan insurance option cannot participate in the medical portion of the Cafeteria plan. Additional information regarding plan participation, changes, benefits and withdrawals is contained in the plan document maintained by the human resources manager.

3.14 HEALTH SAVINGS ACCOUNT

Employees who elect to participate in the High Deductible Health Plan insurance option will have the opportunity to open a Health Savings Account (HSA). The River District will contribute an amount set by the Board into the employee's HSA in ~~two~~ twelve equal monthly installments ~~paid in January and July.~~

4 - ABSENCES/LEAVE FROM WORK

4.01 HOLIDAYS

The District observes a total of 12 holidays each year with dates of observance announced on a timely basis prior to the holiday.

All regular full-time employees receive holiday pay. Regular part-time employees will receive holiday pay only if the holiday falls on one of their regularly scheduled work days. Employees on **unpaid** leaves of absences are not eligible for holiday pay.

On occasion, not all of the 12 holidays will be prescheduled by the General Manager. The resultant "Floating Holidays" will be accrued on a quarterly basis and can be utilized anytime within that payroll year. The General Manager may approve a prorated amount of Floating Holiday hours commensurate with hours worked for a part-time employee. Employees can request the use of Floating Holiday time in hourly increments with their supervisor by sending an e-mail request to their supervisor and the payroll administrator. Unused Floating Holiday time cannot be carried over into subsequent payroll years and employees will not be compensated for any unused Floating Holiday time upon termination of their employment at the District. Also, Floating Holiday time is not eligible for donation to another employee.

The District offices are closed on observed holidays. As necessary, some employees may be required to work an observed holiday to maintain operations. Non-exempt status employees required to work on a holiday will receive compensatory time for all hours worked on holidays. As operational requirements and workload permit, those exempt employees who are required to work on an observed holiday may receive an alternate day off. Alternative holidays should be scheduled at least one week in advance with supervisors.

WOLFORD MOUNTAIN PROJECT personnel

In order to maintain appropriate coverage for the project, it may not always be possible to take the District scheduled holidays at the same time they are taken by the District office personnel. Holidays for Wolford Mountain Project personnel will be dealt with in the following fashion:

A) When a holiday falls on a day when an employee is normally working, and is required to work, that employee may take an equivalent 8 hours holiday within the adjacent two week period.

B) If the project needs dictate light coverage, then those hours shall be accrued at time and one-half over and above the 8 hours of holiday normally allotted, and either accounted for by reduced hours in the same week, or accrued as "compensatory time".

C) If the holiday falls on a day in which the employee is not normally scheduled to work due to a modified work week, that employee may take an equivalent 8 hour holiday within the adjacent two week period.

4.02 VACATION BENEFITS

~~Upon completion of six month's continuous employment, a~~ All regular full-time and part-time employees are awarded paid vacation based on their length of service with the District. Vacation is awarded initially on employees' ~~first employment anniversary~~ hire date and monthly thereafter for each full month of service as follows:

4.02 VACATION BENEFITS continued

<u>Length of Service</u>	<u>Full/Part-Time Annual Vacation Available*</u>	<u>Full-Time Employee Earned For Each Full-Month's Service**</u>	<u>Part-Time Employee Earned For Each Full-Month's Service**</u>
Less than 6 months***	none	none	none
More than 6 months Upon initial employment	12 / 6 days	1 day (8 hours)	½ day (4 hours)
More than 6 years Following completion of the 6 th year of employment	18 / 9 days	1 ½ days (12 hours)	¾ day (6 hours)
More than 12 years Following completion of the 12 th year of employment	24 / 12 days	2 days (16 hours)	1 day (8 hours)
More than 18 years Following completion of the 18 th year of employment	30 / 15 days	2 ½ days (20 hours)	1 ¼ day (10 hours)

Formatted Table

Formatted: Superscript

Formatted: Superscript

Formatted Table

Formatted: Superscript

* Assumes employee meets full-month's service requirements and maintains vacation balance below the maximum accumulation permitted.

** Based on an 8 hour day. General Manager may approve a prorated vacation accrual amount commensurate with hours worked for a part-time employee on a case by case basis.

*** ~~Upon completion of 6 months of employment, employees will be awarded 5 days of annual leave (full-time) or 2 ½ days of annual leave (part-time).~~

When hiring a new employee, the General Manager, General Counsel and/or the District's Board of Directors have the authority to "credit" the new employee up to six years of service for previous work experience. This "crediting" is only for the purposes of calculating vacation benefits and is not applicable to any other employee benefit offered by the District.

Vacation time may be requested and utilized in hourly increments. To schedule vacation, employees are expected to request time off at least two weeks in advance with their supervisor by submitting a time off request form.

Only with prior approval, employees with more than one year's service can use up to but not more than 5 vacation days in advance of earning them. Each situation will be considered on a case-by-case basis and must be approved in advance by the Secretary or General Counsel, as appropriate.

Upon termination, any advanced vacation days used and not earned by meeting the service requirement will be deducted from employee's final pay.

Employees may not receive cash payouts in lieu of taking vacation benefits. However, any vacation earned on or after January 1, 1997 may be accumulated. The maximum accumulation permitted is two times the annual vacation available given employees' length of service. For example, regular full-time employees with 8 years of service may accumulate up to 36 days vacation (2 x annual limit of 18 days); regular part-time employees with 8 years of service may accumulate up to 18 days (2 x annual limit of 9 days).

Vacation benefits continue to be earned up to the maximum accumulation permitted. Once the maximum is reached, employees continue to accrue additional vacation throughout the remainder of that calendar year, however at the end of each payroll year (December 14th), any vacation in excess of the maximum accumulation will be converted to a cash-equivalent contribution to the employee's Retirement Health Savings Account (RHSA) plan on a 2:1 basis.

WOLFORD MOUNTAIN PROJECT personnel

It is expected that vacation leave be scheduled at least two weeks in advance with the Secretary or Chief Engineer. Leave will be taken in the same fashion as the "regular" work week is scheduled, i.e., taking Monday off during a week in which the employee normally works 10 hours/day, Monday through Thursday, will require 10 hours of vacation.

4.03 PAID PERSONAL LEAVE, PPL (Exempt Employees only)

Numerous positions within the District are classified "exempt" as defined by the Fair Labor Standards Act (FLSA). Employees occupying these positions are exempt from the overtime provisions of the FLSA. For these positions, the work demands are normally very high. These positions often include after hours work and travel as well as the occasional need to work/travel on a weekend. In recognition of the disruption these work demands may have on an exempt employee's personal life, the District awards 32 hours of paid personal leave, PPL, annually to exempt full-time employees, with 8 hours accrued at the beginning of each quarter on December 15th of each year. Regular exempt part-time employees are awarded a prorated amount of paid personal leave, PPL, on December 15th of each year accrued equally on a quarterly basis. Utilizing PPL requires prior approval of the employee's supervisor via an e-mail request. Unused PPL time cannot be carried over into subsequent payroll years and employees will not be compensated for any unused PPL time upon termination of their employment at the District. In addition, PPL time is not eligible for donation to another employee nor as a contribution to the Retirement Health Savings Account plan (RHSA).



COLORADO RIVER DISTRICT

PROTECTING WESTERN COLORADO WATER SINCE 1937

MEMORANDUM

TO: BOARD OF DIRECTORS, CRWCD

FROM: ANDY MUELLER

SUBJECT: GENERAL MANAGER 2021 GOALS AND OBJECTIVES

DATE: JANUARY 1, 2021

I continue to have numerous goals and priorities and for 2021, I have attempted to distill these many goals into a few, relatively straightforward goals which reflect the Board's priorities as expressed in the Strategic Plan.

- I. Goal: Develop and implement Partnership Project Funding Program in a manner that is consistent with the language of ballot question 7A and the Board's Fiscal Implementation Plan.**

APPLICABLE STRATEGIC INITIATIVES:

- 1. Outreach and Advocacy;***
- 2. Outreach in All Basins;***
- 3. Climate and Hydrologic Uncertainty;***
- 7. Water Needs/Project Development;***
- 8. Water Efficiency and Conservation; and***
- 12.A. Financial Stability;***

- a. Create and implement the framework and application and review process for partnership funding opportunities.
- b. Hire and train new Partnership Projects Manager to help implement and manage the program.
- c. Develop training and staff understanding of the Partnership Project Funding Program to ensure consistent, Districtwide information.
- d. Collaborate with external affairs team to ensure appropriate level of outreach and accuracy of information on the program.
- e. Continue efforts to enhance staff awareness and appreciation of importance of financial transparency.
- f. Communicate directly with key constituents regarding the program.

2. Goal: Continue to provide statewide and basin-wide leadership on Colorado River supplies and operations.

APPLICABLE STRATEGIC INITIATIVES:

4.A. through 4.D. Colorado River Supplies;

5.A. through 5.C. Trans Mountain Diversions; and

6.A. Agricultural Water Use

- a. Provide leadership and direction in the Upper Basin on Interim Guideline renegotiations.
- b. Continue to support the District's work on hydrologic modeling and the development of accurate and unbiased information so that the River District retains its position as a trusted source and important participant in these ongoing matters.
- c. Continue involvement in the Upper Basin DCP planning efforts focusing our efforts on CRSP Reservoir reoperation protocols, water supply augmentation.
- d. Provide structure and leadership for the Colorado River District Demand Management Stakeholder group and the necessary West Slope-wide discussion regarding a Demand Management Program in a manner that fosters open and respectful communication with a goal of reaching a consensus on West Slope priorities.
- e. Develop and strengthen collaborative working relationships with our intra and interstate partners in the Basin.

3. Goal: Personally lead the District's effort to implement the provisions of the CRCA related to the permanency of the Shoshone call.

APPLICABLE STRATEGIC INITIATIVE: 5.A. Trans Mountain Diversions

- a. Continue to explore, evaluate and implement all alternatives available to the West Slope including collaboration with a wide range of partners.
- b. Work collaboratively with the General Counsel to create a viable path forward for progress in this matter.
- c. Develop necessary coalition of allies for successful completion of this goal.

4. Goal: Develop and implement a successful plan of action addressing issues arising from the operation, maintenance and rehabilitation of Wolford Mountain Reservoir.

APPLICABLE STRATEGIC INITIATIVES:

12. Financial Sustainability; and

13. Asset Management.

- a. Provide direct oversight and leadership in developing confidence in understanding of the risks associated with operations.
- b. Engage with our partnering agencies in all appropriate venues to resolve any differing perspectives regarding obligations.
- c. Devise and implement necessary course of action in a manner which keeps public safety as the District's number one priority and is financially responsible to the District.

5. Goal: Provide direction and leadership to District staff as we continue to transition the District workforce and optimize our impact through more efficient, team driven efforts.

APPLICABLE STRATEGIC INITIATIVES: 11.A. and 11.B. River District Staff Resources

- a. Continue to restructure work assignments and organizational hierarchy to enhance flexibility and optimization of our team members' assets and knowledge as we continue through the retirement and replacement of long-time employees.
- b. Continue the development of a more consistent and systemized cross departmental, team approach to projects with the goal of leveraging our existing staff resources to more effectively and consistently meet our Strategic Plan Initiatives. Model and encourage cross departmental communication and the strengthening and development of a willingness to identify areas and efforts where employees can provide unique skills and knowledge to assist other team members in accomplishing their goals and projects.
- c. Develop and support staff in innovative methods of achieving our District's mission and strategic goals.
- d. Provide sense of stability and security among employees through frequent professional and positive communications. Strive to be accessible to all employees so that they are properly supported and engaged in fulfilling work.

6. Goal: Provide leadership in the development of data to better understand the impacts of climate and hydrologic uncertainty and to develop efforts within the District, State and Basin to mitigate the effects of variable climate.

APPLICABLE STRATEGIC INITIATIVE: 3.A. Climate and Hydrologic Uncertainty

- a. Assist in the collation, synthesis and distribution of study results addressing this issue.
- b. Develop opportunities to identify and financially support efforts at further development of unbiased data on this issue.
- c. Work with local communities within the District to assist in the development of plans related to firm water supply considering climate change and uncertain hydrology in the Colorado River.
- d. Support staff efforts to identify water users who may be particularly vulnerable to variable climate and support staff efforts to assist those constituents in developing and implementing plans to address these issues.



GO BACK TO AGENDA

COLORADO RIVER DISTRICT

PROTECTING WESTERN COLORADO WATER SINCE 1937

MEMORANDUM

TO: BOARD OF DIRECTORS, CRWCD

FROM: ANDY MUELLER, GENERAL MANAGER

SUBJECT: PROPOSED PARTNERSHIP PROJECT FUNDING PROGRAM FRAMEWORK

DATE: JANUARY 8, 2021

ACTION: *Staff requests that the Board Approve the Partnership Project Funding Framework.*

STRATEGIC INITIATIVE(S):

12. Financial Sustainability: *The above strategic initiatives cannot be achieved without financial sustainability. The River District enjoys a diversified tax base for its Governmental Funds, which helps to reduce the impacts of dramatic downturns in its overall assessed valuation. Over the long-term, the Enterprise Fund is intended to be self-sustaining, managing the River District's business-type activities.*

2. Outreach in All Basins: *While we have not ignored or been unhelpful to needs in other basins, a significant amount of the River District's time, energy and resources in the recent past have been focused on the mainstem of the Colorado River and helping to address the long-term needs of the mainstem. A priority in the near-term will be to put significant focus on the needs of the other basins within the River District.*

2. A. *The River District will increase its outreach efforts with water organizations and other local organizations in the Gunnison, White and Yampa River basins. The goal will be to use River District resources to help those basins address their consumptive and non-consumptive water needs.*

2. B. *The River District will look for and focus on opportunities where the River District can act as a catalyst to create partnerships that work for these other basins. A recent example of this is the cooperatively funded Lower Gunnison Project, orchestrated by the River District.*

3. Climate and Hydrologic Uncertainty: *Climate and hydrologic uncertainty should be a major driver of what the River District does in the mid- to long-term. The impacts to precipitation are not clear. However, the overwhelming evidence indicates a warming and increasingly variable climate. Hotter temperatures will certainly result in increased demands for agricultural and municipal water supplies due to longer and warmer growing seasons. Patterns of snowpack accumulation and runoff will change. Runoff is projected to occur earlier and quicker, and there will be an earlier return to possibly lower base flows after runoff. These factors will stress storage supplies. On a local and regional basis, storage supplies may prove inadequate.*

3. A. The River District will continue to evaluate and pursue options to increase local water storage supplies and optimize and expand, where appropriate, existing water storage.

3. C. The River District will engage in and support water supply planning efforts, local and regional, which include adapting to climate change impacts.

3. D. The River District will work with water users to ensure practicable and cost-effective water use efficiencies in all sectors where appropriate for the local conditions.

7. Water Needs/Project Development: *Through Colorado's Water Plan and the Basin Implementation Plans, water needs within the River District have been, and will continue to be, refined and prioritized. The River District owns a large portfolio of conditional water rights that may be suitable for meeting a portion of the identified water demands. However, developments in judicial case law have made it more difficult for all water users, including the River District, to maintain conditional water rights.*

7. C. The River District will look for opportunities where its efforts are needed as a catalyst to help in-District interests plan for and meet their water needs in a manner that is consistent with the District's compact contingency planning goals and objectives.

7. D. The River District will actively pursue funding sources and provide financial assistance to be used for the refurbishment and modernization of the aging water supply infrastructure within the District in order to help preserve and improve existing supplies and operations.

9. Water Efficiency and Conservation: *We are transitioning from an era emphasizing new supply development to an era which includes higher emphasis on wise use of our limited water resources, including higher water use efficiency and conservation of consumptive use. This is driven by both environmental imperatives, changing values, and increasing shortages of water resources available for development. The River District historically has supported efforts to increase water use efficiency and conservation. Examples of this are the number of grants the District has awarded for efficiency and conservation and the District's financial and staff support of the Orchard Mesa Irrigation District Efficiency Project and the Lower Gunnison Project.*

Thank you for your engagement and feedback on the draft Partnership Project Funding Framework presented and discussed at your December 3, 2020 special meeting. In response to your comments and direction at that meeting I have revised the Partnership Project Funding Framework ("Framework") and request that you review, suggest edits and approve the Framework so that the staff can expeditiously move forward with creation and implementation of our Funding Program.

The attached revised Framework (both a clean final and redline version are attached for your review ([CLICK HERE](#))) was modified in the following substantive areas under the Required Elements to Staff Analysis and Recommendation:

- In Section III, we added the option of loaning funds to the existing options of granting or investing funds.
- We added a new Section VII listing Additional Factors to be Evaluated, which include many of the factors and types of projects mentioned by Board members during our December 3 discussion.

- In Section VIII we added a process for applicants who were unsuccessful in getting staff level approval to appeal to the Board. Additionally, we added a paragraph delegating authority and directing staff to create and implement a process for disbursement of funds, submission of progress and completion reports, and other requirements deemed necessary for appropriate administration of the project.
- In Section IX we added the suggested delegation of small grant authority to the General Manager capping such delegation at no more than \$50,000.00 per application or project with an annual cap of \$400,000.00. This section also requires the General Manager to provide a report to the Board on a quarterly basis identifying and describing the projects approved under this delegated authority.

**CRD
PARTNERSHIP PROJECT
FUNDING PROGRAM
FRAMEWORK**

January 19, 2021

Introduction:

On November 3, 2020, the registered electorate of the Colorado River Water Conservation District (the District or CRD) approved Ballot Question 7A. Ballot Question 7A, in its entirety reads:

Shall Colorado River Water Conservation District, also known as the Colorado River District, taxes be increased by an amount up to \$4,969,041 in 2021 (which increase amounts to approximately \$1.90 in 2021 for every \$100,000 in residential home value), and by such amounts as are generated annually thereafter from an additional property tax levy of 0.248 mills (for a total mill levy of 0.5 mills) to enable the Colorado River District to protect and safeguard Western Colorado water by:

- *Fighting to keep water on the West Slope;*
- *Protecting adequate water supplies for West Slope farmers and ranchers;*
- *Protecting sustainable drinking water supplies for West Slope communities;*
- *and*
- *Protecting fish, wildlife, and recreation by maintaining river levels and water quality;*

provided that the District will not utilize these additional funds for the purpose of paying to fallow irrigated agriculture; with such expenditures reported to the public in an annually published independent financial audit; and shall all revenues received by the District in 2021 and each subsequent year be collected, retained and spent notwithstanding any limits provided by law?

When taking action to place this ballot question on the November 2020 ballot, the CRD Board adopted Resolution 2020-01 which included within it an Implementation Plan. The Implementation Plan articulates the River District's clear intent and commitment as to how the newly authorized funds would be used by the District if the voters approved the ballot question. Specifically, the Board committed to allocating approximately 86% of the funds annually to fund partnerships with water users and communities within the District on projects identified as priorities by local communities and Basin Roundtables.

The Implementation Plan adopted by the Board pledged that the Board and staff of the Colorado River District will prioritize multi-purpose projects that meet needs in one or more of the following five categories:

- productive agriculture,
- infrastructure,
- healthy rivers,
- watershed health and water quality; and

- conservation and efficiency.

The Board indicated that the District is committed to expending funds in an equitable manner which, over time, disperses the benefits of the program geographically within the District boundaries and between the identified categories. The District is also committed to utilizing these funds to drive the initiation and completion of projects that are priorities for residents of the District by utilizing District funds as a catalyst for matching funds from state, federal and private sources.

In Resolution 2020-01, the District expressly stated that it will not utilize the funds raised by this ballot question for the purpose of paying to temporarily or permanently fallow irrigated agriculture and the Implementation Plan affirms the River District's commitment to coordinating and consulting local elected officials in all relevant counties prior to committing funds to any specific project or activity pursued by the District.

The purpose of the following document is to provide a transparent framework and common understanding as to how this program will function for all Colorado River District stakeholders, i.e. our taxpayers, water users, potential applicants, elected officials, community members, and River District Board members and staff.

Commencing with the 2021 budget cycle, the CRD shall create a line item in the General Fund Budget which identifies the funds available in the budget year for appropriation for partnership project funding. Except as otherwise provided for herein, these funds shall only be allocated and committed with Board approval. The District recognizes and values the importance of transparent and public accounting and allocation of these funds; therefore, CRD staff shall be charged with conducting the following analysis and recommendation to the Board for each request to allocate partnership project funding.

Purpose: To provide District Board and staff with an appropriate, objective and transparent tool and process to evaluate any new external or internal request for partnership project funding in order to determine the appropriateness of the request within the District's mission, the District's commitment to the citizens of the District as set forth in ballot question 7A approved on November 3, 2020 and as more specifically articulated by the Board in Resolution 2020-01.

Intent: To provide an objective framework and transparent process by which staff will initiate or receive, evaluate and potentially recommend to the Board of the CRD, requests for partnership project funding from funds received by the District as a direct result of Ballot question 7A's passage. Additionally, this document is intended to provide guidance to the CRD Board members as they evaluate and make approval decisions on these partnership project funding requests.

Process: All requests for funding under the CRD Partnership Project Funding Program shall be analyzed by staff pursuant to the following criteria. Projects that the staff determines meet the criteria shall be recommended to the Board for funding at the regular quarterly meeting or special Board meeting following staff's analysis hereunder. Staff members receiving requests for assistance from any party, (i.e. constituent, other government, Board Member, or non-governmental organization) and/or desiring to initiate any new project with funding from these funds on behalf of the District must collaborate with their department head to work through the analysis set forth below and, utilizing the District-approved form, draft a concise written analysis

recommending or advising against providing the assistance requested.

Required Elements to Staff Analysis and Recommendation:

I. Mission Alignment:

Does the request/project fit within the Mission of the District as expressed in the Board's Mission Statement, its Strategic Plan, and the language of question 7A?

- Staff should be able to objectively articulate which (hopefully multiple) strategic plan initiatives the request fits within.
- Is the requested activity in compliance with or contravene any written policy of the District? Staff should provide a reference to relevant policies and if no policies apply, explain why the project should be funded.

II. Identification of which Categories from the Implementation Plan are Fulfilled:

A. Category Allocation: Staff shall identify which of the following categories or buckets apply to the proposed project and if more than one (which is preferred) identify the approximate percentage applied to each applicable category. This section of the analysis should contain a narrative prepared by staff which articulates the rationale supporting the identification of and allocation between categories.

- (I) Productive agriculture projects which could include multiple-use storage that addresses regional priorities; developing innovative and functional water leasing; suitable agriculture efficiency and conservation approaches; technical assistance and technological innovation; and dedicated resources for increasing community literacy about irrigated agriculture and supporting agricultural market growth. The District will not utilize these funds for the purpose of permanently or temporarily fallowing irrigated agriculture;
- (II) Infrastructure projects which could include upgrading aging infrastructure while incentivizing new storage and delivery projects that collaboratively address multiple needs, such as improved flows to meet demands, stream and watershed health, and habitat quality; multi-purpose projects and storage methods that are supported in the Water Plan and the Basin Implementation Plans;
- (III) Healthy rivers projects which could include those identified in stream management plans or similar projects, projects that support and sustain fish and wildlife, healthy aquifer conditions as they connect to healthy streams, economically important water-based recreation, wetland habitat, fish passage construction for new or revised water diversion structures, stream restoration projects, and environmental and recreational enhancements for new or revised water supply projects;
- (IV) Watershed health and water quality projects which could include projects identified in collaborative and science-based watershed management plans that reduce the risk from and increase resilience to fires and/or floods, rehabilitate streams, or make landscapes resilient to climate change, including, but not limited to science-based mechanical forest treatments and prescribed fire, projects that address drinking water quality for under-resourced communities, and projects that

address pollutants such as selenium, salts, and others, as well as mine remediation activities; and

- (V) Conservation and efficiency projects which could include supporting agricultural water infrastructure that increases reliability and efficiency; municipal and industrial projects that promote efficiency, water conservation, green infrastructure, and outdoor landscaping to reduce consumptive use; increase leak detection for infrastructure repair and replacement; assisting communities with water-smart community development and water conservation programs; and targeting smaller, fast-growing, and communities with older infrastructure with strategic, incentive-based investments.

B. Fund Distribution by Category:

To implement the District's commitment to funding each of these categories in approximately equal amounts over time, the District shall exert a reasonable effort to expend these partnership project funds in a such a manner that the above five listed categories will receive approximately equal funding on a running five-year average. In order to assist the District Staff and Board, the District accounting staff shall keep a current year and a running five-year average as to how the District has allocated Partnership Project funds. Staff shall include the effect of any recommended funding to the current year and running five-year average allocation when presenting any recommendation to the Board.

C. Geographic Equity:

The District has committed to expending the Partnership Project funds in a manner which equitably disperses the funds geographically within the District boundaries over time. The District staff shall keep track of a five-year running average of where partnership project funds are allocated, both on a county by county basis and on a sub-basin drainage basis (i.e. Gunnison, mainstem Colorado and Yampa/White/Green). When considering equitable geographic distribution, the staff and Board will consider all relevant factors, including but not limited to: the running average distribution of funds, the relative population of counties and basins, the relative financial contribution, the number of requests for funding from certain counties and or drainages and the relationship of any particular request to the strategic goals of the District. With each funding recommendation, the staff shall provide the current running five-year allocation of funds by basin and staff's analysis on the factors listed in this paragraph.

III. Analysis of Project Funding and Leverage of CRD Funds:

The intent of the District is that District funds shall not be the sole source of funding for any project. It is the expectation and intent of the District that the applicant or project proponent will contribute funds and utilize District funds to leverage state, federal or private funds to the project. While there is, at this time, no minimum percentage contribution required by a project proponent, the extent of project proponent and non-District funding shall be a factor in evaluating any project for District funding.

For any Partnership Project Funding request recommended for CRD funding, District staff shall require applicant or project proponent to provide a complete disclosure of all funds and funding sources being utilized to complete the project. If District funds are to be used as matching funds from a different source (i.e. federal, state or private funding sources), the District may award funds in a manner that is contingent upon the applicant receiving the matching funds.

District Partnership Project Funding may be made in the form of grant, loan and/or investment in a project. If a project has funding from a non-public entity (whether in-kind or direct funding) and that entity has the intent to receive a profit from the operation or construction of the project, the applicant or project proponent shall disclose and deliver to the staff of the CRD all relevant funding agreements, letters of intent or understanding, contracts, operating agreements or corporate documents which serve as the basis of the agreement between the proponent and the non-public entity. In some circumstances, non-public partner projects may profit from projects funded by the River District. In such circumstances, staff may suggest conditions for the approval of project funding that provides a return on the River District's investment that is equitable in comparison to the rate of return to the private entity. In doing so, District staff shall evaluate all risks posed to the District related to this investment and/or loan and staff shall not commit the District to any obligation which is not authorized by law or may be considered a multi-year fiscal obligation.

IV. Local Community Support:

The District is committed to coordinating and consulting local elected officials in any and all relevant counties prior to committing funds to any specific project or activity pursued by the District.

Any applicant or project proponent shall, as part of the application process submit a letter of support for the project from the board(s) of county commissioners in which county the project is located and/or water from the project will be utilized. If a project is proposed to occur within the boundaries of a municipality, it is strongly recommended that the project proponent provide a letter of support from the governing body of said municipality. Should a letter of support for a project not be available from the appropriate local government(s), project proponents shall provide a detailed explanation of the reasons. Prior to recommending a project for funding to the Board in which there is not a letter of support from the local board(s) of county commissioners, the staff member in charge of processing the request shall work with the Director of Government Affairs and the General Manager to communicate with the District Director from the affected county and the relevant board(s) of county commissioners. Staff shall accurately convey any concerns or opposition to the project expressed by the board(s) of county commissioners to the CRD Board as part of the recommendation.

V. Human Resource Requirements:

It is the intent of the District that the partnership project funding shall primarily be a financial relationship with the project applicant. There are, however, instances where the District may desire or need to contribute technical, legal, administrative or government advocacy resources to the project. Projects for which staff recommends staff involvement beyond the partnership funding shall require staff to conduct the following additional analysis.

Staff should prepare a detailed and realistic analysis of the short, and long-term number of staff hours and the nature of the staff involvement.

- Identify who would be the lead District staff on any new project.
- The estimate should include the number of months/years of involvement, the number of hours for each anticipated staff member on a monthly or quarterly basis and a computation of the actual, loaded cost for each of the involved employees.
- If such request involves multiple departments, those department heads shall be brought into this initial analysis process.
- Need to have an affirmative finding that proposed staffing needs can be met by existing District staff capacity.

VI. Risk Analysis:

Staff shall conduct a thorough risk analysis of any partnership funding request. Areas of risk to be analyzed shall include but not be limited to:

- Public health, safety and welfare;
- Consequences of project failure;
- Potential injury to vested absolute water rights;
- Potential for ongoing financial need (whether operational or during construction phase);
- Reputational risk to the District;
- Potential for District staff involvement beyond that identified above; and
- Evaluation and disclosure of any potential conflict of interest by District staff or Board members.

VII. Additional Factors to be Evaluated:

The District recognizes that the scope and type of projects which will be funded by this program will cover a wide spectrum of water projects and as such the District desires to keep funding criteria broad enough to be inclusive of as many different types of projects as possible. However, there are a number of elements that the District may consider when evaluating a funding request:

- A. Preservation of pe-Compact Water Rights;
- B. Non-injury to other water users;
- C. Negative effects caused by reduction in return flows;
- D. Reduction of water consumption;
- E. Reduction of operational costs to the operator;
- F. Enhancement of a project's long-term viability;
- G. Promotion of innovation within a water use sector;
- H. Development of applied research, science and data beneficial to the mission and strategic goals of the District;
- I. Size, complexity and importance of a project which may warrant consideration of multiple sequential funding awards; and

- J. Any other factors deemed relevant by the District.

VIII. Timing and Process:

- A. Application Forms. The District staff shall create an application form and an internal staff evaluation form. The District shall provide access to those forms together with the District's strategic plan, written policies and this framework to any interested applicant or project proponent.
- B. Application Timing. The program will be funded annually with a rolling application process. The Board may consider any staff recommendation at any of its regular quarterly or special meetings. For a project proponent's request to be considered at a meeting of the Board, the project proponent shall submit all information required by staff no later than six weeks prior to the next regularly scheduled District Board meeting. The General Manager may make exceptions for emergency situations which, in the opinion of the General Manager, warrant such consideration. Neither the staff or Board shall be required to evaluate a request that is not complete or contain all relevant information and documentation. While the District will make every attempt to process funding requests in a timely manner, the District reserves the right to delay consideration of any request if the District has other business which it determines is of higher importance to the mission of the District.
- C. Reconsideration Process. Should staff make a determination not to fund a project which is within the delegated authority of the General Manager (see, Section IX below), or make a determination not to recommend funding for a project of any size that does not satisfy all applicable criteria, an applicant may, within 30 days of receiving a notice of adverse determination, request that the River District reconsider the request. Such request shall be delivered in writing to the General Manager and shall specify the grounds for reconsideration. Upon receipt of a timely request for reconsideration, the General Manager shall schedule the request on the agenda of the next quarterly meeting of the Board at which there is practicable time to consider said appeal. The Board shall review and consider the request and may grant the applicant the opportunity to present their case or the Board may act on the request based on its review of the written reconsideration and any material submitted by the General Manager. The Board's determination of a request for reconsideration shall be final. The River District's determinations with respect to Partnership Project funding is a purely discretionary policy-making function of the River District and there are no adjudicatory or substantive rights associated with funding requests from the River District's Partnership Program.
- D. Execution of Funding Program. Staff shall create and implement processes for successful applicants with respect to disbursement of funds, progress reports and completion reports and inspections and methods for appropriate recognition of District Funding on project literature and location. Applicants shall adhere to any such requirements.

IX. Delegation of Authority to General Manager:

The Board hereby delegates authority to the General Manager to review, consider, approve and/or deny application for Partnership Project Funding in amounts up to \$50,000 for any single project. This delegation of authority shall not exceed an aggregate total of \$400,000 in any single calendar year. The General Manager shall abide by the terms of this Framework in considering any grant requests which fall within this delegation of authority. The General Manager shall provide a report to the Board on a quarterly basis of all requests approved or denied under this authority.

X. Board Discretion:

The Board reserves the right to modify this Framework at anytime in the future and further reserves the right to waive any requirement set forth herein.

CRD
~~PROJECT~~ PARTNERSHIP
PROJECT FUNDING PROGRAM
FRAMEWORK
~~November 30, 2020~~
January 19, 2021

Introduction:

On November 3, 2020, the registered electorate of the Colorado River Water Conservation District (the District or CRD) approved Ballot Question 7A. Ballot Question 7A, in its entirety reads:

Shall Colorado River Water Conservation District, also known as the Colorado River District, taxes be increased by an amount up to \$4,969,041 in 2021 (which increase amounts to approximately \$1.90 in 2021 for every \$100,000 in residential home value), and by such amounts as are generated annually thereafter from an additional property tax levy of 0.248 mills (for a total mill levy of 0.5 mills) to enable the Colorado River District to protect and safeguard Western Colorado water by:

- *Fighting to keep water on the West Slope;*
- *Protecting adequate water supplies for West Slope farmers and ranchers;*
- *Protecting sustainable drinking water supplies for West Slope communities;*
- *and*
- *Protecting fish, wildlife, and recreation by maintaining river levels and water quality;*

provided that the District will not utilize these additional funds for the purpose of paying to fallow irrigated agriculture; with such expenditures reported to the public in an annually published independent financial audit; and shall all revenues received by the District in 2021 and each subsequent year be collected, retained and spent notwithstanding any limits provided by law?

When taking action to place this ballot question on the November 2020 ballot, the CRD Board adopted Resolution 2020-01 which included within in it an ~~implementation plan~~. Implementation Plan. The ~~implementation plan articulated~~ Implementation Plan articulates the ~~Board and River~~ District's clear intent and commitment as to how the newly authorized funds would be used by the District if the voters approved the ballot question. Specifically, the Board committed to allocating approximately 86% of the funds annually to fund partnerships with water users and communities within the District on projects identified as priorities by local communities and Basin Roundtables.

The Implementation Plan adopted by the Board pledged that the Board and staff of the Colorado River District will prioritize multi-purpose projects that meet needs in one or more of the following five categories:

- productive agriculture,
- infrastructure,
- healthy rivers,

- watershed health and water quality; and
- conservation and efficiency.

The Board indicated that the District is committed to expending funds in an equitable manner which, over time, disperses the benefits of the program geographically within the District boundaries and between the identified categories. The District is also committed to utilizing these funds to drive the initiation and completion of projects that are priorities for residents of the District by utilizing District funds as a catalyst for matching funds from state, federal and private sources.

In Resolution 2020-01, the District expressly stated that it will not utilize the funds raised by this ballot question for the purpose of paying to temporarily or permanently fallow irrigated agriculture and the ~~Board affirmed its~~ Implementation Plan affirms the River District's commitment to coordinating and consulting local elected officials in all relevant counties prior to committing funds to any specific project or activity pursued by the District.

The purpose of the following document is to provide a transparent framework and common understanding as to how this program will function for all Colorado River District stakeholders, i.e. our taxpayers, water users, potential applicants, elected officials, community members, ~~current~~ and ~~future~~ River District Board members and staff.

Commencing with the 2021 ~~Budget~~ budget cycle, the CRD shall create a line item in the General Fund Budget which identifies the funds available in the budget year for appropriation for partnership project funding. ~~These~~ Except as otherwise provided for herein, these funds shall only be allocated and committed with Board approval. The District recognizes and values the importance of transparent and public accounting and allocation of these funds; therefore, CRD staff shall be charged with conducting the following analysis and recommendation to the Board for each request to allocate partnership project funding.

Purpose: To provide District Board and staff with an appropriate, objective and transparent tool and process to evaluate any new external or internal request for partnership project funding in order to determine the appropriateness of the request within the District's mission, the District's commitment to the citizens of the District as set forth in ballot question 7A approved on November 3, 2020 and as more specifically articulated by the Board in Resolution 2020-01.

Intent: To provide an objective framework and transparent process by which staff will -initiate or receive, evaluate and potentially recommend to the Board of the CRD, requests for partnership project funding from funds received by the District as a direct result of Ballot question 7A's passage. Additionally, this document is intended to provide guidance to the CRD Board members as they evaluate and make approval decisions on these partnership project funding requests.

Process: All requests for funding under the CRD Partnership Project Funding Program shall be analyzed by staff pursuant to the following criteria ~~and projects.~~ Projects that the staff ~~funds determines~~ meet the criteria shall be recommended to the Board for funding at the regular quarterly meeting or special Board meeting following staff's analysis hereunder. Staff members receiving requests for assistance from any party, (i.e. constituent, other government, Board Member, or non-governmental organization) and or desiring to initiate any new project with funding from these funds on behalf of District must collaborate with their department head to

work through the analysis set forth below and utilizing the District approved form, draft a concise written analysis recommending or advising against providing the assistance requested.

Required Elements to Staff Analysis and Recommendation:

I. Mission Alignment:

Does the request/project fit within the Mission of the District as expressed in the Board's Mission Statement, its Strategic Plan, and the language of question 7A?

- Staff should be able to objectively articulate which (hopefully multiple) strategic plan initiatives the request fits within.
- Is the requested activity in compliance with or contravene any written policy of the District? Staff should provide a reference to relevant policies and if no policies apply, explain why ~~this~~the project should be funded.

II. Identification of which Categories from the Implementation Plan are fulfilled:

A. Category Allocation: Staff shall identify which of the following categories or buckets apply to the proposed project and if more than one (which is preferred) identify the approximate percentage applied to each applicable category. This section of the analysis should contain a narrative prepared by staff which articulates the ~~rational~~rationale supporting the identification of and allocation between categories.

- (I) Productive agriculture projects which could include multiple-use storage that addresses regional priorities; developing innovative and functional water leasing; suitable agriculture efficiency and conservation approaches; technical assistance and technological innovation; and dedicated resources for increasing community literacy about irrigated agriculture and supporting agricultural market growth. The District will not utilize these funds for the purpose of permanently or temporarily fallowing irrigated agriculture;
- (II) Infrastructure projects which could include upgrading aging infrastructure while incentivizing new storage and delivery projects that collaboratively address multiple needs, such as improved flows to meet demands, stream and watershed health, and habitat quality; multi-purpose projects and storage methods that are supported in the Water Plan and the Basin Implementation Plans;
- (III) Healthy rivers projects which could include those identified in stream management plans or similar projects, projects that support and sustain fish and wildlife, healthy aquifer conditions as they connect to healthy streams, economically important water-based recreation, wetland habitat, fish passage construction for new or revised water diversion structures, stream restoration projects, and environmental and recreational enhancements for new or revised water supply projects;
- (IV) Watershed health and water quality projects which could include projects identified in collaborative and science-based watershed management plans that reduce the risk from and increase resilience to fires and/or floods, rehabilitate streams, or make landscapes resilient to climate change, including, but not limited to science-based mechanical forest treatments and prescribed fire, projects that address drinking water quality for under-resourced communities, and projects that

address pollutants such as selenium, salts, and others, as well as mine remediation activities; and

- (V) Conservation and efficiency projects which could include supporting agricultural water infrastructure that increases reliability and efficiency; municipal and industrial projects that promote efficiency, water conservation, green infrastructure, and outdoor landscaping to reduce consumptive use; increase leak detection for infrastructure repair and replacement; assisting communities with water-smart community development and water conservation programs; and targeting smaller, fast-growing, and communities with older infrastructure with strategic, incentive-based investments.

B. Fund Distribution by Category:

To implement the District's commitment to funding each of these categories in approximately equal amounts over time, the District shall exert a reasonable effort to expend these partnership project funds in a such a manner that the above five listed categories will receive approximately equal funding on a running five-year average. In order to assist the District Staff and Board, the District accounting staff shall keep a current year and a running five-year average as to how the ~~Board~~District has allocated ~~project-partnership~~Partnership Project funds. Staff shall include the effect of any recommended funding to the current year and running five-year average allocation when presenting any recommendation to the Board.

C. Geographic Equity: -

The District has committed to expending the ~~Project~~Partnership ~~Funds~~Project funds in a manner which equitably disperses the funds geographically within the District boundaries over time. The District staff shall keep track of a five-year running average of where partnership project funds are allocated, both on a county by county basis and on a sub-basin drainage basis (i.e. Gunnison, mainstem Colorado and Yampa/White/Green). When considering equitable geographic distribution, the staff and Board ~~shall~~will consider all relevant factors, including but not limited to:- the running average distribution of funds, the relative population of counties and basins, the relative financial contribution, the number of requests for funding from certain counties and or drainages and the relationship of any particular request to the strategic goals of the District~~);~~. With each funding recommendation, the staff shall provide the current running five-year allocation of funds by basin and staff's analysis on the factors listed in this paragraph.

III. Analysis of Project Funding and Leverage of CRD Funds:

The intent of the District ~~with its partnership project funding program,~~ is that District funds shall not be the sole source of funding for any project. It is the expectation and intent of the District that the applicant or project proponent will contribute funds and utilize District funds to leverage state, federal or private funds to the project. While there is, at this time, no minimum percentage contribution required by a project proponent, the extent of project proponent and non-CRD funding shall be a factor in evaluating any project for District funding.

For any Partnership Project Funding request recommended for CRD funding, District staff shall require applicant or project proponent to provide a complete disclosure of all funds and funding sources being utilized to complete the project. If District funds are to be used as matching funds from a different source (i.e. federal, state or private funding sources), the District may award funds in a manner that is contingent upon the applicant receiving the matching funds.

District Partnership Project Funding may be made in the form of grant-, loan and/or investment in a project. If a project has funding from a non-public entity (whether in-kind or direct funding) and that entity has the intent to receive a profit from the operation -or construction of the project, the applicant or project proponent shall disclose and deliver to the staff of the CRD all relevant funding agreements, letters of intent or understanding, contracts, operating agreements or corporate documents which serve as the basis of the agreement between the proponent and the non-public entity. ~~If there is a~~ In some circumstances, non-public partner ~~in the project who intends to make a project's~~ may profit from the construction or operation of the project, the projects funded by the River District. In such circumstances, staff ~~shall not recommend grant may suggest conditions for the approval of project funding for the project. However, should District staff determine that the project is of high value in achieving the strategic goals of the District, staff may recommend that the Board invest funds in the project in a manner that creates the same or similar right to provides a return on the River District's investment for the District that is equitable in comparison to the rate of return to the private entity.~~ In doing so, District staff shall evaluate all risks posed to the District related to this investment and or loan and staff shall not commit the District to any obligation which is not authorized by law or may be considered a multi-year fiscal obligation.

IV. Local Community Support:

The District is committed to coordinating and consulting local elected officials in any and all relevant counties prior to committing funds to any specific project or activity pursued by the District.

Any applicant or project proponent shall, as part of the application process submit a letter of support for the project from the board(s) of county commissioners in which county the project is located and/or water from the project will be utilized. If a project is proposed to occur within the boundaries of a municipality, it is strongly recommended that the project proponent provide a letter of support from the governing body of said municipality. Should a letter of support for a project not be available from the appropriate local government(s), project proponents shall provide a detailed explanation of the reasons. Prior to recommending a project for funding to the Board in which there is not a letter of support from the local board(s) of county commissioners, the staff member in charge of processing the request shall work with the Director of Government Affairs and the General Manager to communicate with the District Director from the affected county and the relevant board(s) of county commissioners. Staff shall accurately convey any concerns or opposition to the project expressed by the board(s) of county commissioners to the CRD Board as part of the recommendation.

V. Human Resource Requirements:

It is the intent of the District that the partnership project funding shall primarily be a financial relationship with the project applicant. There are, however, instances where the District may desire

or need to contribute technical, legal, administrative or government advocacy resources to the project. Projects for which staff recommends staff involvement beyond the partnership funding shall require staff to conduct the following additional analysis.

Staff should prepare a detailed and realistic analysis of the short, and long-term number of staff hours and the nature of the staff involvement.

- Identify who would be the lead District staff on any new project.
- The estimate should include the number of months/years of involvement, the number of hours for each anticipated staff member on a monthly or quarterly basis and a computation of the actual, loaded cost for each of the involved employees.
- If such request involves multiple departments, those department heads shall be brought into this initial analysis process.
- Need to have an affirmative finding that proposed staffing needs can be met by existing District staff capacity.

VI. Risk Analysis:

Staff shall conduct a thorough risk analysis of any partnership funding request. Areas of risk to be analyzed shall include but not be limited to:

- Public health, safety and welfare;
- Consequences of project failure;
- Potential injury to vested absolute water rights;
- Potential for ongoing financial need (whether operational or during construction phase);
- Reputational risk to the District;
- Potential for District staff involvement beyond that identified above; and
- Evaluation and disclosure of any potential conflict of interest by District staff or Board members.

VII. Additional Factors to be Evaluated:

The District recognizes that the scope and type of projects which will be funded by this program will cover a wide spectrum of water projects and as such the District desires to keep funding criteria broad enough to be inclusive of as many different types of projects as possible. However, there are a number of elements that the District may consider when evaluating a funding request:

- A. Preservation of pe-Compact Water Rights;
- B. Non-injury to other water users;
- C. Negative effects caused by reduction in return flows;
- D. Reduction of water consumption;
- E. Reduction of operational costs to the operator;
- F. Enhancement of a project's long-term viability;
- G. Promotion of innovation within a water use sector;

- H. Development of applied research, science and data beneficial to the mission and strategic goals of the District;
- I. Size, complexity and importance of a project which may warrant consideration of multiple sequential funding awards; and
- J. Any other factors deemed relevant by the District.

VII.VIII. Timing and Process:

- A. Application Forms. The District staff shall create an application form and an internal staff evaluation form. The District shall provide access to those forms together with ~~this document~~ the District's strategic plan, written policies and this framework to any interested applicant or project proponent.
- B. Application Timing. The program ~~shall~~will be funded annually with a rolling application process. The Board may consider any staff recommendation at any of its regular quarterly or special meetings. For a project proponent's request to be considered at a meeting of the Board, the project proponent shall submit all information required by staff no later than six weeks prior to the next regularly scheduled District Board meeting. The General Manager may make exceptions for emergency situations which, in the opinion of the General Manager, warrant such consideration. Neither the staff or Board shall be required to evaluate a request that is not complete or contain all relevant information and documentation. While the District will make every attempt to process funding requests in a timely manner, the District reserves the right to delay consideration of any request if the District has other business which it determines is of higher importance to the mission of the District.
- C. Reconsideration Process. Should staff make a determination not to fund a project which is within the delegated authority of the General manager (see, Section IX below), or make a determination not to recommend funding for a project of any size does not satisfy all applicable criteria, an applicant may, within 30 days of receiving a notice of adverse determination, request that the River District reconsider the request. Such request shall be delivered in writing to the General Manager and shall specify the grounds for reconsideration. Upon receipt of a timely request for reconsideration, the General Manager shall schedule the request on the agenda of the next quarterly meeting of the Board at which there is practicable time to consider said appeal. The Board shall review and consider the request and may grant the applicant the opportunity to present their case or the Board may act on the request based on its review of the written reconsideration and any material submitted by the General Manager. The Board's determination of a request for reconsideration shall be final. The River District's determinations with respect to Partnership Project funding is a purely discretionary policy-making function of the River District and there are no adjudicatory or substantive rights associated with funding requests from the River District's Partnership Program.
- D. Execution of Funding Program. Staff shall create and implement processes for successful applicants with respect to disbursement of funds, progress reports and

completion reports and inspections and methods for appropriate recognition of District Funding on project literature and location. Applicants shall adhere to any such requirements.

IX. Delegation of Authority to General Manager:

The Board hereby delegates authority to the General Manager to review, consider, approve and/or deny application for Partnership Project Funding in amounts up to \$50,000 for any single project. This delegation of authority shall not exceed an aggregate total of \$400,000 in any single calendar year. The General Manager shall abide by the terms of this Framework in considering any grant requests which fall within this delegation of authority. The General Manager shall provide a report to the Board on a quarterly basis of all requests approved or denied under this authority.

X. Board Discretion:

The Board reserves the right to modify this Framework at anytime in the future and further reserves the right to waive any requirement set forth herein.

~~Does the Board want to delegate its approval authority to the General Manager for projects involving District funding up to \$25,000.00 per project with an annual limitation of \$250,000.00 and a quarterly reporting requirement? Or should all projects be submitted to and approved by the Board?~~

9.b. Presentation and Consideration of Funding Recommendation for Windy Gap Bypass Channel.

GO BACK TO AGENDA

**COLORADO RIVER WATER CONSERVATION DISTRICT
BOARD OF DIRECTORS**

OFFICERS AND EXECUTIVE COMMITTEE HISTORY

President/V.P. History	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
PRESIDENT	Routt	Routt	Grand	Grand	Eagle	Eagle	Delta	Delta	Garfield	Garfield	
VICE PRESIDENT	Grand	Grand	Eagle	Eagle	Delta	Delta	Garfield	Garfield	Ouray	Ouray	
ROTATION HISTORY											
MONTROSE OURAY DELTA	Ouray	Delta	Montrose	Ouray	Delta	Montrose	Ouray	Montrose	Ouray	Delta	Montrose
GARFIELD MESA PITKIN	Garfield	Mesa	Pitkin	Garfield	Mesa	Pitkin	Garfield	Mesa	Pitkin	Mesa	Pitkin
GUNNISON SAGUACHE HINSDALE	Gunnison	Saguache	Hinsdale	Gunnison	Saguache	Hinsdale	Gunnison	Saguache	Hinsdale	Gunnison	Saguache
GRAND EAGLE SUMMIT	Summit	Eagle	Summit	Eagle	Grand	Summit	Eagle	Grand	Summit	Eagle	Grand
ROUTT RIO BLANCO MOFFAT	Moffat	Rio Blanco	Routt	Moffat	Rio Blanco	Routt	Moffat	Rio Blanco	Routt	Moffat	Rio Blanco

11. Public Comment (No Material Available).

GO BACK TO AGENDA

12. General Counsel's Report – Executive Session: Wednesday
(No Material Available)

13. General Counsel' Report – Pubic Session, Wednesday (No Material Available).

14. Directors' Updates and Concerns. (No Material Available)



GO BACK TO AGENDA

COLORADO RIVER DISTRICT

PROTECTING WESTERN COLORADO WATER SINCE 1937

MEMORANDUM

TO: BOARD OF DIRECTORS, CRWCD
ANDY MUELLER, GENERAL MANAGER
PETER FLEMING, GENERAL COUNSEL

FROM: AUDREY TURNER, CHIEF OF OPERATIONS
ZANE KESSLER, DIRECTOR OF GOVERNMENT RELATIONS

SUBJECT: 2021 ANNUAL POLICIES REVIEW

DATE: JANUARY 7, 2021

ACTION: No formal action requested. Staff requests that the Board review and advise of any desired changes to the attached policies.

STRATEGIC INITIATIVE(S): 1. Outreach and Advocacy; 4. Colorado River Supplies; and 6. Agricultural Water Use

The Board's adopted practice is to review approximately one-third of the River District's existing policy statements on a rotating three-year basis. The process starts each January. For a complete list of River District policies, refer to our website: www.coloradoriverdistrict.org/policies/

While this annual review of policies is a worthwhile endeavor, staff wants to be mindful of the Board's time and would like the discussion and input to be on substantive matters. Staff proposes to only bring substantive changes to the policy to the Board's attention for discussion and will internally handle minor edits such as punctuation and grammar. As the policy review process is primarily intended to be an opportunity for the Board to review and revise policies, we strongly encourage Board members to drive this process, review the attached policies and bring desired necessary changes to the Board meeting.

This annual policy review is also an opportunity for Directors to consider and request drafting of new policy areas. Under your adopted process, a policy must be on the Board's agenda for at least two quarterly meetings before you take final action to adopt or re-adopt the policy.

Below and attached are five policies due for triennial review in 2021. Staff's recommended revisions for these policies are shown in redline format.

- Agricultural Water Use,
- Colorado River Storage Project Act,
- Colorado's Prior Appropriation Doctrine,

- Federal Water Rights, and
- Upper Colorado River Recovery Program.

Adopted: 07/28/2015

Revised and readopted: 04/17/2018

Draft 1: 01/08/2021

Agricultural Water Use

Colorado River Water Conservation District Policy Statements:

Agriculture is a critical component of Western Colorado's economy, environment, and community. The River District supports and promotes Western Colorado agriculture and will partner with agricultural interests to ensure a vibrant agricultural sector in Western Colorado. Moreover, the River District recognizes the considerable value of Western Colorado's agricultural water rights, especially those senior to the Colorado River Compact, and will work to protect and maintain agricultural rights on the West Slope and in local ownership.

Accordingly, the River District:

- Supports federal and state legislation directed at increasing overall economic viability for producers of food and fiber,
- Supports legislative and administrative actions protecting pre-Colorado River Compact water rights,
- -Will pro-actively pursue avoidance of Colorado River compact administration in order to avoid disproportionate impacts to West Slope agriculture,
- Encourages innovation that adds value for producers and enhances productivity,
- Supports land use policies and programs protective of agricultural lands, water rights, and property values,
- Supports voluntary, cooperative relationships between fish and wildlife agencies and agriculture to realize mutual benefits,
- Supports land and water use decisions that support or enhance West Slope agricultural productivity,
- Will seek alternatives to involuntary transfer or use of Western Colorado-based water rights to meet any municipal demands outside of the West Slope, and
- Will evaluate and consult, as requested, on water efficiency projects and programs to determine potential return flow consequences.

Background & Discussion:

Statewide, agriculture is the majority user of Colorado's water, much of it with senior water rights. For this, Colorado enjoys affordable food and fiber - much of it locally sourced - abundant open space, environmental and recreational river flows, and important employment and other economic benefits.

Agricultural water rights, primarily in Eastern Colorado, have become a primary source of new water supplies for growing Front Range municipalities. While most of the buy-and-dry (and conversion from ag to municipal use) has been on the East Slope to date, the purchase and

conversion of West Slope farm and ranch land and associated water rights for municipal uses is real and must be addressed.

Certain efficiency and conservation measures have unintended consequences, such as reductions in delayed return flows, impacting stream conditions during naturally low flow periods. Other measures may have multiple consequences, some not intuitively obvious or intended, all of which should be considered.

Colorado has historically, and is currently, experiencing periods of severe, sustained droughts. The River District, in cooperation with producers and other interests, is exploring voluntary, compensated mechanisms for the temporary use of senior agricultural water rights to meet critical water supply needs to prevent or to mitigate the impacts of compact administration under the 1922 and 1948 Colorado River compacts. The River District believes that these pro-active explorations are critical to the long-term protection and sustainability of agriculture and agricultural water rights in Western Colorado. Without some alternative mechanism, we foresee municipalities and water speculators pursuing buy-and-dry strategies on the West Slope to protect or mitigate against the consequences of Compact curtailment. Moreover, it must be remembered that municipalities in Colorado have the powers of eminent domain.

Adopted July 19, 2005
Readopted April 2008
Revised and readopted July 2011
Revised and readopted April 2014
Readopted April 2017
Revised and readopted January 2018
DRAFT 1: January 8, 2021

Colorado River Storage Project Act

Colorado River Water Conservation District Policy Statements:

The Colorado River Water Conservation District (Colorado River District) supports the intent of the 1956 Colorado River Storage Project Act (CRSPA) – “The Comprehensive Development of the Water Resources of the Upper Colorado River Basin Act.” (43 U.S.C. 620)

To that end, the Colorado River District supports the implementation of plans and policies that optimize the use of the initial units; Aspinall, Flaming Gorge, Glen Canyon dam, and Navajo for the purpose of “making it possible for the states of the upper basin (*sic*) to utilize, consistent with the provisions of the Colorado River compact, the apportionments made to and among them in the Colorado River and Upper Colorado River compacts.” (43 U.S.C. 620)

Further, under the act, a number of participating projects were authorized and constructed. These projects, such as the Paonia, Bostwick Park, and Collbran projects, provide critical water supplies to water users within the district.

Maintaining and refurbishing these participating projects so that they can continue to provide water for future generations will require a substantial investment by the federal government, as well as state, regional, and local water agencies. ~~To~~ that end, the Colorado River District supports the full use of power revenues generated by the initial units together with appropriations, as needed, to fully maintain these projects and integrated facilities, as well as to construct those projects authorized by CRSPA that are still needed and feasible.

Background & Discussion:

In 1956, the U.S. Congress passed the Colorado River Storage Project Act (CRSPA). CRSPA authorized the construction of four large storage reservoirs: Powell (‘Glen Canyon’), Flaming Gorge, Navajo, and Aspinall (‘Curecanti’) called the “Storage Projects.” A primary purpose of these reservoirs is to regulate the Colorado River to allow the Upper Basin States to fully develop their compact entitlements while meeting 1922 Compact and Mexico Treaty requirements.

Additionally, CRSPA authorized the following “participating projects” in Colorado: Florida, Paonia, Pine River Extension, Silt, Smith Fork, Bostwick Park, Savery-Pot Hook, and Fruitland Mesa. Finally, the CRSPA directed completion of planning reports on the Juniper, Parshall, Troublesome, Rabbit Ears, Eagle Divide, San Miguel, West Divide, Bluestone, Battlement Mesa,

Tomichi Creek, East River, Ohio Creek, Grand Mesa, Dallas Creek, Dolores, Fruit Growers Extension, Animas-LaPlata, and Yellow Jacket projects.

The CRSPA also established the Upper Basin Fund, which was to be funded with a portion of Colorado River derived federal power revenues. Excess revenues, after reimbursement for certain storage project costs, were to be apportioned among the Upper Basin states, with Colorado receiving 46%. These revenues, in turn, were to repay the federal treasury for the construction costs of participating projects.

In 1968, Congress, with the concurrence of the basin states, passed the Colorado River Basin Project Act. Among other things, this Act authorized construction of the Central Arizona Project (CAP) but at a heavy price to Arizona. In order to secure political support, the CAP accepted the first and predominant burden of any Lower Basin shortage allocations. Additionally, one of then-House Interior and Insular Affairs Committee Chairman Wayne Aspinall's conditions for support of the Act was for the Secretary of the Interior to proceed "as nearly as practicable" with the construction of the projects authorized in the 1956 CRSPA, ensuring that construction of these projects would start no later than the date of first delivery of water from the CAP. Clearly, this has not occurred for all CRSPA-authorized projects.

Low levels at Lake Powell raise the prospect of no longer being able to produce hydroelectric power under certain hydrologic conditions. Without stored water being released through the power conduits at such low lake levels, continued compact compliance is no longer assured. Strategically releasing larger quantities of water from Flaming Gorge, Navajo, and the Aspinall unit during prolonged drought conditions can at least delay Lake Powell reaching critical lake levels at which hydropower can no longer be produced.

Adopted July 18, 2006
Revised and readopted April 21, 2009
Revised and readopted April 17, 2012
Readopted April 15, 2015
Revised and readopted April 17, 2018
Re-revised and readopted July 17, 2018
DRAFT 1: January 8, 2021

Prior Appropriation

Colorado River Water Conservation District Policy Statement:

The Colorado River Water Conservation District supports Colorado's system of prior appropriation as a fair and orderly system for allocating Colorado's scarce water resources. Moreover, Colorado's prior appropriation system has been proven to be both successful and flexible in addressing the public's changing demands, beneficial uses, and values regarding Colorado water resources (e.g., instream flow and recreation in-channel diversion water rights). Additional flexibility and adaptation of the prior appropriation doctrine may be warranted to ensure the equitable allocation of Colorado's remaining Colorado River Compact entitlement among the river's sub-basins within Colorado and to equitably allocate water uses and to ensure water rights (including conserved consumptive use) are equitably administered in the event of interstate compact administration.

Background:

Water often does not naturally exist in sufficient quantities where and when it is needed to sustain human settlement and enterprise in Colorado. As a scarce resource, the demand for which exceeds its supply, water in Colorado requires a system of allocation and enforcement to meet the needs of Colorado's citizens and the natural environment, both current and future.

Colorado's prior appropriation doctrine is enshrined in the state's constitution, which states in relevant part:

"Section 5. Water of streams public property: The water of every natural stream, not heretofore appropriated, within the state of Colorado, is hereby declared to be the property of the public, and the same is dedicated to the use of the people of the state, subject to appropriation as hereinafter provided," and

"Section 6. Diverting unappropriated water - priority preferred uses: The right to divert the unappropriated waters of any natural stream to beneficial uses shall never be denied. Priority of appropriation shall give the better right as between those using the water for the same purpose; but when the waters of any natural stream are not sufficient for the service of all those desiring the use of the same, those using the water for domestic purposes shall have the preference over those claiming for any other purpose, and those using the water for agricultural purposes shall have preference over those using the same for manufacturing purposes."

(Colorado Constitution, Article XVI)

Additionally, a rich body of law, both legislative and judicial, has evolved to address the state's need for an orderly and transparent system of water administration and the embodiment of the prior appropriation doctrine as that system.

Colorado's prior appropriation doctrine has proven its ability to adapt to the changing needs and values of the state regarding its scarce water resources. Notable among recent adaptations of Colorado's water allocation system are the 1972 Instream Flow Act (C.R.S. 37-92-102) and the 2001 Recreation In-Channel Diversion Act (C.R.S. 37-92-103(10.1) & (10.3)), both of which were adopted in a manner consistent with and incorporated into the prior appropriation system.

The 1922 Colorado River Compact and the 1948 Upper Colorado River Basin Compact provide that under certain circumstances, Colorado may be required to curtail water uses within the Colorado River basin to comply with interstate compact administration. The strict application of the prior appropriation doctrine in the event of compact administration could result in extreme hardship and economic disruption throughout the state. Merely the potential for future curtailment may result in undesirable speculation and competition for firm water supplies as Colorado moves closer to its full compact entitlement. Therefore, limited and targeted future adaptation of the prior appropriation doctrine may be necessary in order to equitably allocate the state's remaining Colorado River entitlement and to equitably address the curtailment of water uses that may be necessary to comply with the 1922 and 1948 compacts.

Adopted July 18, 2006

Revised and readopted April 21, 2009

Revised and readopted April 17, 2012

Revised and readopted April 15, 2015

Revised and readopted April 17, 2018

DRAFT 1: January 8, 2021

Federal Water Rights

Colorado River Water Conservation District Policy Statements:

The policy of the Colorado River Water Conservation District (Colorado River District) is that when the Congress or the President creates special federal land designations, such designations must clearly and explicitly specify and quantify the minimum amount, if any, of water necessary to fulfill the purpose of the land reservation. The Colorado River District will advocate that the quantification of any reserved rights be the minimum amount **essential sufficient to preserve the primary purpose of the Congressional or Executive action that creates the federal land designation.**

Background & Discussion:

The “Winters Doctrine” arose from the Supreme Court’s 1908 decision in *Winters v. United States*, 207 U.S. 564 (1908). The Winters Doctrine stands for the proposition that when the federal government makes a reservation of land, it necessarily and impliedly reserves (and exempts from appropriation under state law) sufficient water to meet the needs of the land reservation.

The dispute in the Winters’ case involved conflicts between claims to water by American Indian Tribes on the Fort Belknap Indian Reservation in Montana and appropriation claims made under state law by settlers in the Milk River basin. The U.S. Supreme Court held that the Indian treaty establishing the reservation impliedly reserved sufficient water of the Milk River for tribal use which would be necessarily continued indefinitely. The court found that without water the reservation would be worthless and the purpose of the reservation would be destroyed.

The Supreme Court later clarified that when the federal government makes any reservation of land (not just an Indian reservation) it impliedly reserves only that amount of water sufficient to fulfill the purpose of the reservation, no more. *Cappaert v. United States*, 426 U.S. 128 (1978)

The U.S. Congress adopted the McCarran Amendment in 1952 (43 U.S.C. 666) providing for state adjudicatory and administrative jurisdiction over federal water claims, both reserved rights and in-priority appropriations. The River District believes that the McCarran Amendment appropriately provides for adjudication of federal, reserved water rights in state water courts following the same manner and procedures as for other water rights.

Revised and readopted 4/17/13

Revised and readopted April 17, 2018

DRAFT 1: January 8, 2021

Upper Colorado River Recovery Program

Colorado River Water Conservation District Policy Statements:

The Colorado River Water Conservation District (Colorado River District) supports the Upper Colorado River Endangered Fish Recovery Program (Recovery Program) and its dual purpose of recovering fish species listed as endangered while allowing historical water use and water development to continue consistent with state law and Colorado's entitlements under the Colorado River Compacts.

The Colorado River District, as an active participant in the Recovery Program, will advocate to:

- Accomplish recovery with less than existing flows in the Colorado River and its tributaries to allow for additional consumptive use development on the West Slope in accordance with Colorado's compact water entitlements;
- Include nonnative elimination and control, habitat modification and restoration, and stocking of endangered fishes among the Recovery Program's priorities;
- Ensure that the burden of the Recovery Program's implementation, operation, and compliance is equitably distributed on all power and water users, including transmountain diverters;
- Remove any risk of allegations that impacts from water depletions endanger, threaten or take the fish or harm their habitat and protect against the potential for adverse incidental take of the species or adverse modifications of their habitat;
- Consider inclusion of water quality protections for the listed fishes within the Recovery Program's purpose and mission;
- Ensure that if a Programmatic Biological Opinion (PBO) or individual project's Section 7 consultation requires actions that address water quality, then the Colorado River District will advocate that the recovery program assume the responsibility, including adequate funding, for addressing the required water quality-related actions; and
- Ensure that the Recovery Program assumes the full responsibility for the successful completion of the Program's recovery implementation elements.

Any permanent reallocation of waters from "compensatory storage reservoirs" (i.e., Green Mountain Reservoir and Ruedi Reservoir) must occur only with the approval of the Colorado River District and other West Slope beneficiaries of those projects.

Additionally, the U.S. Bureau of Reclamation should timely issue water contracts from federal facilities, relying on the Recovery Program to implement all necessary, reasonable and prudent measures to offset any identified impacts to the listed fish species.

Background & Discussion:

The Recovery Program was created to "provide for recovery of the endangered fish species,

consistent with federal law and all applicable state laws and systems for water resource development and use." (Recovery Implementation Program for Endangered Fish Species in the Upper Colorado River Basin, September 29, 1987) Since its inception in 1987, the Recovery Program has successfully protected the interests of present and future Western Slope water users and the right of Colorado River water users within the state to fully utilize Colorado's entitlement under the Colorado River Compacts of 1922 and 1948.

The Recovery Program has successfully served as the reasonable and prudent alternative offsetting impacts to the endangered fishes and adverse modification to their habitat for existing and future water depletions. The Recovery Program has served as the mitigation for depletion impacts for more than 2.1 million acre-feet of historical and new water depletions within the River District. Measures necessary to accomplish recovery of the fish are the responsibility of the Recovery Program and its participants, not individual water users seeking Section 7 consultations under the Endangered Species Act. As such, the Recovery Program has served as a vital regulatory shield at substantial cost savings to individual Colorado water users.

The Recovery Program has implemented actions necessary to achieve the recovery goals established by the U.S. Fish & Wildlife Service (USFWS) for each of the listed species. Additionally, the Program serves as the reasonable and prudent measure relied upon by the USFWS in its development of basin-specific PBOs by implementing specific recovery actions to offset water use and development activities.

Funding of the Recovery Program has been principally through Congressional appropriations (Reclamation's budget), Colorado River Storage Projects (CRSP) power revenues, and state contributions to the Recovery Program, consistent with the Recovery Program's organic agreement.

The Recovery Program currently relies, in part, upon normal operations and releases from compensatory storage reservoirs (i.e., releases from Green Mountain Reservoir and Ruedi Reservoir) to achieve recommended flows. As such, the Recovery Program represents a substantial compromise by West Slope water users on the historical bargains that mitigate transmountain diversions. This compromise must be recognized and any such future compromises must be minimized or eliminated as both reservoirs are fully contracted.



COLORADO RIVER DISTRICT

PROTECTING WESTERN COLORADO WATER SINCE 1937

MEMORANDUM

TO: BOARD OF DIRECTORS, CRWCD

FROM: ALESHA FREDERICK, ZANE KESSLER AND ELEANOR HASENBECK

SUBJECT: EXTERNAL AFFAIRS ACTIVITIES UPDATE AND 2021 PLAN

DATE: DECEMBER 30, 2020

ACTIONS:

Information only. No action requested with this memo.

STRATEGIC INITIATIVE(S):

1. Outreach and Advocacy:

1.A. The River District will continue to enhance and expand partnerships and working relationships with key elected and appointed officials to advance western Colorado's perspectives on proposed legislation and regulations affecting western Colorado water resources at both the state and federal levels.

1.B. The River District will assume a leadership role in offering timely and accurate public information regarding topical trends and developments concerning water resources, water use, and water conservation.

1.C. The River District will make special efforts to inform and involve community leaders, especially elected leaders, in water-related matters.

1.D. The River District will expand its efforts to actively engage the public through our website and other social media, including new and emerging media platforms, with a goal of reaching and engaging younger generations of water users.

1.E. The River District will ensure its outreach and communications extend to all 15 counties of the District.

1.F. The River District will expand its branding efforts to ensure grassroots support and understanding of the River District and its mission.

2. Outreach in All Basins:

2.A. The River District will increase its outreach efforts with water organizations and other local organizations in the Gunnison, White and Yampa River basins. The goal will be to use River District resources to help those basins address their consumptive and non-consumptive water needs.

9. Water Efficiency and Conservation:

9.A. The River District will continue to promote, encourage and support wise and efficient use of all of Colorado's water resources

Consistent with direction from the Board and the District's Strategic Plan, External Affairs staff invested significant resources towards marketing and educational efforts last year. Our work in 2020 focused primarily on increasing brand awareness and public understanding of the River District's work in the communities we serve. As a result, engagement with individual constituents and partner organizations resulting from our educational and outreach programs, social media platforms, earned press coverage and email newsletter has increased severalfold. In 2021, our overall goal is to build on the success of 2020 to continue highlighting the District's ongoing efforts to protect West Slope water and keep water on the Western Slope.

Last year, the River District was successful in rapidly redesigning its "normal" approach to information and outreach efforts by offering virtual programs that provided timely and engaging content. Our constituents and partners have adjusted to new digital platforms, and we expect that once the public health crisis has subsided, the "new normal" for 2021 and beyond will include hybrid events that mix in-person and virtual elements. With more and more constituents growing comfortable with digital, remote options, we expect changes in constituent preferences. Looking ahead, we will explore new ways to offer events, including livestreaming an in-person event or hosting a mix of in-person and virtual events.

As you know, 2020 also brought the successful passage of Ballot Measure 7A. As the Partnership Projects Funding Program funded by 7A revenue takes shape, 7A-funded water projects will be a key focus of communications and outreach in the coming year. Information about the program will be highlighted at all River District events, including State of the River meetings and Water With Your Lunch webinars. We are also planning workshops specific to the partnership program, which will outline the application process and qualities we are looking for in projects for potential funding recipients. We will also assemble a webpage for the program which will be the information hub for the Partnership Project Funding Program.

1. Here are the External Affairs team's goals for 2021:

- a. Build an informed community that seeks and obtains knowledge and awareness of West Slope water issues from the River District.
- b. Develop new opportunities for bilateral communication with local elected officials in the District about key water issues affecting the Western Slope.
- c. Form creative partnerships with organizations with diverse missions, to provide enhanced educational outreach opportunities that represent the River District's diverse geography and types of water use.
- d. Maintain close working relationships with West Slope legislators and relevant members of Colorado's congressional delegation.

- e. Host events that water users at all levels of Western water fluency can participate in.
 - f. Continue to inform the public of legislative matters the River District is monitoring and/or supporting as appropriate.
 - g. Expand partnerships and working relationships with key elected and appointed officials to advance western Colorado's perspectives on state and federal policy matters.
 - h. Connect water supply issues and concerns with climate change. Connect constituents with the technical side of climate change and show effects within our District.
 - i. Build consistent, collaborative and informed communication efforts among all Colorado River District staff, including communications related to River District projects.
 - j. Launch a redesigned website that is clean, well-organized and intuitive.
- 2. In 2021, the River District will use similar key messages as in 2020.**
The Colorado River District is:
- a. Fighting to keep water on the West Slope;
 - b. Protecting adequate water supplies for West Slope farmers and ranchers;
 - c. Protecting sustainable drinking water supplies for West Slope Communities;
 - d. Protecting fish, wildlife, and recreation by maintaining river levels and water quality;
 - e. Protecting West Slope water supplies in times of increasing unpredictability and rising temperatures;
 - f. Protecting West Slope water by helping farmers and ranchers modernize irrigation systems; and
 - g. Maintaining water security for West Slope communities.
- 3. In terms of outreach and programming, these are the areas of the River District's work that we plan to focus on this year:**
- a. Partnership Projects Funding Program
 - b. Projects
 - i. Woford Mountain Reservoir
 - ii. Elkhead Reservoir and the Yampa River Basin
 - iii. Lower Gunnison Project
 - c. Threats to West Slope water, including impacts of climate
 - d. Intrastate and interstate issues
 - e. Virtual events and ability to adapt to hybrid events – some virtual and some in person

Outreach planning

Below is a high-level overview of the River District's proposed information and outreach plan for 2021. We welcome the Board's input.

With an end to pandemic restrictions on in-person events still out of sight, the External Affairs team is preparing for another year of adaptation. We want to build on the success of our 2020 events, which were nearly all virtual, while eventually returning to in-person events when it is safe and permissible by state and local regulations. Events in 2021 will require flexible planning as the pandemic develops. We will explore hybrid events – in-person events that are also livestreamed. We are also weighing the options in shifting when our State of the River meetings are held, as autumn State of the River meetings might provide a better chance of in-person meetings. We plan to keep up with our successful Water With Your Lunch webinar series as a virtual event throughout the year.

Here is an overview of educational programs and activities planned for 2021:

1. Events/Webinars

- a. Annual Water Seminar
- b. Water With Your Lunch webinars
- c. State of the River meetings
- d. Partnership Program workshops

2. Outreach programs and activities

- a. Speaking engagements – Staff plan to participate in speaking engagements as we are invited.
- b. Radio ads
 - i. The River District plans to use short 30 second advertisements during specific times of the day to effectively reach broad cross-sections of our constituents. Staff plan to record two to three new messages to add to the rotation. These ads will target radio stations in the River District's population centers.
- c. Legislative relations
 - i. Continued outreach to county and municipal governments throughout the District.
 - ii. Director Briefings – As individual directors desire and request, staff is available to assist in any briefings or public meetings you may have in your county.
 - iii. Elected Official Briefings/Updates – In the coming year, it is imperative that we continue to inform and advise legislators and elected officials in the District on water issues and policy matters. The External Affairs team has developed a plan for increased engagement with county commissioners and local elected officials on the West Slope in 2021, as well as with legislators and key officials under the gold dome. Engagement in this area will include in-person briefings as well as written correspondence with elected officials.

3. Digital outreach

- a. Website
 - i. Staff plan to redesign and launch a new website in 2021.
- b. Social

- i. In 2020 we were successful in rolling out a sophisticated social media marketing strategy that reached every county within the River District.
 - ii. Our social media strategy in 2021 aims to build on the success of 2020. We want to keep doing what we were doing – because we found success in it – and make small improvements along the way. The chief improvement will be a consistent schedule of boosted posts, which provides a cost-effective way to get River District messages and events in front of constituents.
- c. Blog posts
 - i. An exciting new feature of our website will be a River District blog. We will post press releases, newsletter stories and columns to our website using this function.
- d. Email newsletters
 - i. River District Water News
 - 1. In 2020, the Colorado River District rebranded its water news newsletter and introduced the River District News Drop, increasing subscribers from about 64 people in Dec. 2019 to about 2,800 in June 2020 and about 5,400 in December 2020.
 - 2. Staff wants to build on the success of the existing newsletter to further improve the News Drop and welcome suggestions from the Board.
 - ii. Quarterly board meeting newsletters
 - 1. Due to staff capacity, the EA Team plans to eliminate pre-board meeting email newsletters, which were introduced last year. Going forward, we plan to focus our efforts on our four post-board meeting newsletters. We will preview key topics up for discussion at board meetings in a blog post published before each quarterly meeting.
 - 2. These newsletters are emailed broadly to the public, the press and local governments after each quarterly Board meeting. This is an all-electronic endeavor, but the reports are designed for easy printing for hard-copy distribution. Stories included in these newsletters will also be featured as blog posts on the River District's website.



COLORADO RIVER DISTRICT

PROTECTING WESTERN COLORADO WATER SINCE 1937

MEMORANDUM

TO: BOARD OF DIRECTORS, CRWCD

FROM: ZANE KESSLER, DIRECTOR OF GOVERNMENT RELATIONS

SUBJECT: STATE LEGISLATIVE AFFAIRS

DATE: JANUARY 1, 2021

ACTIONS:

Staff requests you establish bi-weekly telephone meetings during the Colorado legislative session.

STRATEGIC INITIATIVE(S):

1.A, 1.B Outreach and Advocacy

State Legislative Session Delayed: Facing a spike in statewide COVID-19 case numbers, House and Senate leadership on Dec. 18th announced a five-week delay to the start of regular work Colorado's 2021 legislative session.

As of now, the General Assembly plans to gavel in on January 13 to deal with swearing in new members and other constitutional and statutory obligations, and then temporarily recess until February 16. They have, however, reserved the ability to reconvene at any time before February 16 if emergency legislative action is needed.

Last year, the Colorado Supreme Court agreed with the General Assembly's position that Joint Rule 44 allows the legislature to pause its work during a declared public health emergency and return at a later date without those days during the recess counting towards the constitutional 120-day limit. That Supreme Court ruling led to an abbreviated session in 2020 that was halted in March and resumed at the end of May.

Regardless of when "regular" work recommences at the Capitol, most analysts agree that public health and economic recovery will dominate the legislative agenda in 2021.

Makeup of the State Legislature: The House of Representatives will keep a Democratic majority at 41-24 after picking up one seat in Centennial and losing one seat in SE Colorado/Pueblo area. The Senate will also remain in Democratic control and increased its majority to 20-15 after picking up a seat in Centennial.

West Slope Representation: November elections only brought two new faces to the River District delegation. Rep-elect Judy Amabile (D-Boulder) will replace former Speaker KC Becker (term limited) in House District 13, representing Grand County. And Sen-elect Cleve Simpson (R-Alamosa), General Manager of the Rio Grande Water Conservation District, was elected to Senate District 35, representing Saguache County.

The full slate of River District legislators is below:

House District	Name	River District Counties
HD 13	Rep-elect Judy Amabile (D)	Grand
HD26	Rep. Dylan Roberts (D)	Eagle and Routt
HD54	Rep. Matt Soper (R)	Mesa and Delta
HD55	Rep. Janice Rich (R)	Mesa (Clifton, Fruitvale, Grand Junction, Orchard Mesa and Redlands)
HD57	Rep. Perry Will (R)	Garfield, Rio Blanco and Moffat
HD58	Rep. Marc Catlin (R)	Montrose
HD59	Rep. Barbara McLachlan (D)	Gunnison, Hinsdale and Ouray
HD61	Rep. Julie McCluskie (D)	Summit, Pitkin, Gunnison and Delta
HD62	Rep. Donald Valdez (D)	Saguache

Senate District	Name	River District Counties
SD5	Sen. Kerry Donovan (D)	Delta, Eagle, Gunnison, Hinsdale and Pitkin
SD6	Sen. Don Coram (R)	Montrose and Ouray
SD7	Sen. Ray Scott (R)	Mesa
SD 8	Sen. Bob Rankin (R)	Garfield, Rio Blanco, Moffat, Routt, Grand and Summit
SD 35	Sen-Elect Cleve Simpson (R)	Saguache

Leadership Elections: Colorado's four legislative caucuses met in early November to elect their leadership for the next two years. Leadership matters a great deal in the Colorado legislature. The Speaker/President and the Majority Leaders have the power to set committee sizes, assign bills to committees and determine the order of business on the floor and make committee assignments for their caucus. Minority Leaders make committee assignments for their caucus. And Joint Budget Committee members have enormous power when it comes to the state budget.

- The House Democrats will be led by Alec Garnett (D-Denver) as Speaker of the House. Rep. Garnett served as the House Majority Leader for the past two years. Rep. Daneya Esgar (D-Pueblo) was elected as the House Majority Leader and will no longer serve on the JBC. Rep. Julie McCluskie (D-Dillon) will continue to hold one of two House Majority seats on the JBC.
- The Senate Democrats re-elected Sen. Leroy Garcia (D-Pueblo) to serve as President for the next term. Senator Stephen Fenberg (D-Boulder) will continue as Senate Majority Leader and Senator Kerry Donovan (D- Eagle) will serve as President Pro Tem.

- The Senate Republican leadership remains the same with Sen. Chris Holbert (R-Douglas) as Senate Minority Leader, John Cooke (R-Weld) as Assistant Minority Leader and Senator Bob Rankin will represent the Senate Republicans on the Joint Budget Committee.
- House Republicans will be led by Hugh McKean (R-Loveland) as Minority Leader. Rep Janice Rich (R-Grand Junction) will serve as Caucus Chair for the House Republicans while Kim Ransom (R-Lone Tree) will represent the House Republicans on the JBC.

Governor's Budget Proposal: Gov. Jared Polis rolled out his 2021-22 budget proposal for the state, including nearly \$1.3 billion in an economic stimulus package. Key components of the proposed stimulus packages include:

- \$220 million in "shovel-ready public works and infrastructure projects," mostly for the department of transportation and parks improvements.
- \$160 million for broadband investments, including telehealth and education.
- \$78 million for wildfire response.
- \$106 million for small businesses. Mostly direct aid grants to restaurants and bars affected by capacity restrictions imposed by state and local governments.
- \$168 million to provide \$375 payments to low-and middle-income earners who lost jobs due to the pandemic.

When all is said and done, the fate of Polis' budget proposal will depend on decisions made by the Joint Budget Committee, which writes the state budget, and will also be affected by relief provided by Congress.

2021 Legislative Outlook: In the absence of Interim Committee hearings this summer, we've seen significantly less public discussion on water- and natural resource-related legislation for the upcoming session. Staff does, however, expect to see legislative proposals related to Recreational In-Channel Diversions (RICD) and Mutual Ditch Companies in the coming session.

Following a summer stakeholder process hosted by the Colorado Water Congress, it now appears that the Colorado Department of Public Health and Environment (CDPHE) has opted not to pursue legislation to establish a state Dredge and Fill Permit Program within CDPHE's Water Quality Control Division. The future of a state Dredge and Fill program will likely depend on the Biden Administration's approach to WOTUS at the federal level.



COLORADO RIVER DISTRICT

PROTECTING WESTERN COLORADO WATER SINCE 1937

MEMORANDUM

TO: BOARD OF DIRECTORS, CRWCD

FROM: ZANE KESSLER

SUBJECT: FEDERAL AFFAIRS UPDATE

DATE: JANUARY 1, 2021

ACTIONS: *No specific action requested with this memo; however, as always, Board direction and priority-setting welcomed.*

STRATEGIC INITIATIVE(S):

1.B Outreach and Advocacy

7. Water Needs/Project Development

In the coming year, staff will work to develop and maintain close working relationships with all relevant Congressional delegation offices and with key offices in President-Elect Joe Biden's incoming administration. Staff will actively monitor water-related legislative and administrative proposals for potential impact to West Slope water users and leverage the District's membership/involvement in national and west-wide organizations to secure their assistance on issues of importance.

Generally speaking, the River District will focus its efforts on issues, both regulatory and legislative, that uniquely or disproportionately affect western Colorado. In keeping with past practices, we generally will not champion nationwide issues on an individual basis, though we may add our voice to larger campaigns when appropriate.

Federal policy priorities for the coming year include:

- Infrastructure Opportunities and Financing
- Watershed and Forest Health Funding
- Tax Exemption for Water Conservation Rebates
- Authorizing/Funding for Control of Aquatic Nuisance (Invasive) Species
- Climate Policy: Legislative and Regulatory Proposals for Planning and Mitigation
- Endangered Species: Recovery Implementation Programs and ESA Reform
 - *Colorado River Basin Appropriation*
 - *Legislative Changes to Authorized Annual Spending*

- *NEPA Changes and Permit Streamlining*
- Abandoned Mine Reclamation
 - *Superfund Programmatic Funding for Abandoned Mines*
 - *Good Samaritan Legislation*
- Land & Water Conservation Fund (Disbursement of Funding)
- Waters of the United States Rule Promulgation
- NRCS Funding
 - EQIP/RCPP
 - Manual Snow Course Measurement
- U.S. Bureau of Reclamation Colorado River Basin Study

Transition Updates:

President-elect Joe Biden has announced a number of appointments for key agriculture, energy, environment and climate change positions. These include **Tom Vilsack as Secretary of Agriculture**, a role he held previously under President Obama; **Rep. Deb Haaland (D-NM) for Secretary of the Interior**; North Carolina DEQ Director **Michael Regan for EPA Administrator**, and; NRDC President **Gina McCarthy as National Climate Czar**. Vilsack, Haaland and Regan will all, of course, require Senate confirmation. River District staff will continue to track the transition process and key hires/appointments as they are announced.

Representative-elect Lauren Boebert (R-Rifle) has announced a handful of key hires from within the Trump administration and staffers from outgoing Sen. Cory Gardner's office to lead her D.C and in-District offices.

Jeff Small, former senior adviser to Interior Secretary David Bernhardt, will be Rep. Boebert's chief of staff. **Paige Agostin** will serve as the Congresswoman's legislative director. Agostin previously served as associate director of domestic policy in Vice President Mike Pence's office. **Clarice Navarro**, who was appointed by the Trump administration to be Colorado executive director for USDA's Farm Service Agency, has been selected as Rep. Boebert's district director. **Hogan Peterson**, will serve as the Congresswoman's Western Colorado Regional Director. Mr. Peterson has served the past four years as a Regional Representative for U.S. Senator Cory Gardner.

Federal Funding and Policy Update:

On December 21, 2020, **Congress passed a massive legislative package that included all twelve FY2021 Appropriations Bills, COVID-19 relief legislation, and the Water Resources Development Act of 2020 (WRDA 2020), among other items.** This \$2.3 trillion package is titled the Consolidated Appropriations Act of 2021 (H.R. 133).

Reclamation Title: Throughout the course of the year, several Western water bills related to the U.S. Bureau of Reclamation were considered by Congress with the anticipation of either passing a standalone Reclamation bill or adding a "Reclamation Title" to WRDA 2020. While agreement was not reached on a full Reclamation Title, provisions that both the House Natural Resources

Committee and the Senate Environment and Public Works Committee reached agreement on were included in the final version of H.R. 133. The following provisions are among the Reclamation highlights:

WaterSMART Extension & Expansion (Sec. 1106). Increases the authorization ceiling for the WaterSMART grant program by \$170 million, expands project applicant eligibility to nonprofit conservation organizations, and makes modifications to project eligibility, prioritization, and cost sharing, including prioritizing projects developed through a collaborative process among water users and other stakeholders that enhance drought resilience by benefitting ecosystems and water supplies.

Note: Per my previous conversations with the Board, the River District and partner organizations were successful in securing compromise language for WaterSMART applicant eligibility. We were concerned about initially proposed language that would allow “nonprofit conservation organizations” to apply directly for WaterSMART grants. The compromise language allows those applications but stipulates that they must be “acting in partnership with and with the agreement of [existing eligible WaterSMART applicants].” The compromise language further stipulates that in the case of an application by a nonprofit conservation organization “to improve the condition of a natural feature or nature-based feature on Federal land, [existing eligible entities] from the applicable service area have been notified of the project application and there is no written objection to the project.”

Aquifer Recharge Flexibility Act (Sec. 1105). Provides greater flexibility for the Bureau of Reclamation to use its facilities for aquifer recharge (applicable west-wide, except California; the Central Valley Project already has a similar authority in place).

Cooperative Watershed Management Program (Sec. 1107). Reauthorizes the Bureau of Reclamation’s Cooperative Watershed Management Program, which provides grant funding to watershed groups to encourage diverse stakeholders to form local solutions to address their water management needs, for 5 years and adds representatives from “disadvantaged communities” as eligible participants of a watershed group.

Aquatic Ecosystem Restoration (Sec. 1109). Establishes an aquatic ecosystem restoration program at the Department of the Interior at \$15 million annually for 5 years that will help fund projects to improve the health of fisheries, wildlife, and aquatic habitat.

Snow Water Supply Forecasting (Sec. 1111). Authorizes \$15 million for a Snow Water Supply Forecasting program at the Department of the Interior to provide more accurate data about expected runoff that will allow improved water system operations.

H.R. 133 Appropriations Highlights:

The **Energy and Water Development and Related Agencies Appropriations bill** included in H.R. 133, funds the Army Corps and the Reclamation programs, as well as the Department of

Energy and other related agencies. The FY2021 bill provides Reclamation with \$1.67 billion, an increase of \$10 million above the FY2020 level and \$542 million above the President's budget request. Other Reclamation notable Reclamation appropriations include:

- Rural Water - \$144.7 million
- Fish Passage and Fish Screens - \$11.4 million
- Water Conservation and Delivery - \$255.1 million
- Environmental Restoration or Compliance - \$42.5 million
- Facilities Operation, Maintenance and Rehabilitation - \$4 million

The **Interior, Environment, and Related Agencies Appropriations** bill includes funding for programs within the Department of the Interior, the Environmental Protection Agency, and other related agencies. In total, the FY2021 bill includes \$36.107 billion, an increase of \$118 million over the FY2020 enacted level and \$4.5 billion over the President's budget request. There is also an additional \$2.35 billion of funding provided under the fire suppression cap adjustment, an accounting mechanism to better ensure funding for wildfire fighting. Overall, the bill prioritizes funding to help protect and preserve public lands, build resilience to climate change, strengthen the environmental workforce, and ensure access to safe drinking water. Other highlights include:

Land and Water Conservation Fund: The bill provides for the allocation of the full \$900 million now permanently available from the Land and Water Conservation Fund (LWCF) as a result of enactment of the Great American Outdoors Act, \$595 million above the FY2020 level. This allocation includes \$405 million for the federal program, \$360 million for the state grants program, and \$135 million for other non-federal grant programs.

Fish and Wildlife Service \$1.58 billion is allocated for the U.S. Fish and Wildlife Service, \$22 million above FY2020 and \$205 million above the President's budget request.

The Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations bill funds agencies and programs within the Department of Agriculture, the Farm Credit Administration, and the Food and Drug Administration. The FY 2021 bill provides \$23.395 billion in discretionary funding, \$217 million above the FY2020 enacted level.

The bill provides \$1.02 billion for the **Natural Resources Conservation Service**, \$3 million above the FY2020 enacted level to help farmers, ranchers, and landowners conserve and protect their land. The bill also includes:

- \$175 million for the Watershed and Flood Prevention Operations Program to support needed investments in rural communities;
- \$10 million for the Watershed Rehabilitation Program; and
- \$65 million for "shovel ready" projects and activities that address, among other purposes, regional priorities for flood prevention, agricultural water management, inefficient irrigation systems, fish and wildlife habitat, or watershed protection.



COLORADO RIVER DISTRICT

PROTECTING WESTERN COLORADO WATER SINCE 1937

MEMORANDUM

TO: BOARD OF DIRECTORS, CRWCD

FROM: HUNTER CAUSEY, P.E.

SUBJECT: ELKHEAD AND WOLFORD MOUNTAIN RESERVOIRS UPDATES

DATE: JANUARY 1, 2021

ACTIONS:

Staff requests Board authorization for General Manager to enter into the following contracts after approval by General Counsel for:

- 1. Weed management at Wolford Mountain Reservoir for five years with Eco-Rx, Inc. for \$304,400; and*
- 2. Weed management at Elkhead Reservoir for five years with Eco-Rx, Inc. for \$122,000.*
- 3. Concrete repair at Ritschard Dam with B & RW Construction Co, Inc. for \$85,643.55.*

STRATEGIC INITIATIVE(S):

13. Asset Management

This memorandum provides an update on the 2020 recreation season at Wolford Mountain Reservoir and a description of contracting requests for Wolford Mountain and Elkhead Projects.

Wolford Recreation Area Update

2020 was the first year Pass Creek Investments acted as the Recreation Area Concessionaire at Wolford and they faced unique challenges with the ongoing pandemic. Despite a delayed campground opening and additional safety measures in place to prevent the spread of the novel coronavirus, River District revenues from the Rec Area in 2020 were nearly four times the amount generated during the prior year. This increase is primarily attributable to a revised fee structure and revenue split with the concessionaire and partly due to increased demand for socially distanced activities.

Weed Management

Staff pursued competitive pricing for weed management at Wolford Mountain Project for lands and shoreline including the wetland mitigation areas associated with the reservoirs. Staff

advertised the RFQ by sending it to the Colorado Weed Management Association list of professional applicators directory. Staff only received one proposal from the existing weed management contractor, Eco-Rx, Inc. Staff requests authorization to enter into a five-year agreement for weed control services at Wolford Mountain Project for \$304,400. Staff advertised and is recommending a 5-year agreement to encourage interest in the contract and to reduce the staff time required by annually renewing a one-year contract.

Eco-Rx, Inc. also provides weed management at Elkhead Reservoir and staff requests authorization to enter into a five-year agreement for weed control services at Elkhead Reservoir for \$122,000. Both contracts will be subject to Colorado River District annual appropriation to avoid a multi-year fiscal obligation.

Ritschard Concrete Repair

The River District is pursuing repair of aging damaged concrete at the service spillway, emergency spillway, and minor structures at Ritschard Dam. The concrete repair work is specialized including pressurized injection to seal and repair cracks. Staff requested bids from two contractors with the necessary expertise and received one estimate from B&RW Construction who has previously performed similar work satisfactorily at Elkhead Dam and was recommended by the State Dam Safety Office. Staff requests authorization to enter into an agreement for concrete repair at Wolford Mountain Project for \$85,643.55.



COLORADO RIVER DISTRICT

PROTECTING WESTERN COLORADO WATER SINCE 1937

MEMORANDUM

TO: BOARD OF DIRECTORS, CRWCD
PETER C. FLEMING, GENERAL COUNSEL
ANDREW A. MUELLER, GENERAL MANAGER

FROM: HUNTER CAUSEY, P.E.

SUBJECT: RITSCHARD DAM 2020 DAM SAFETY EVALUATION UPDATE

DATE: JANUARY 1, 2021

ACTIONS: *Update only.*

STRATEGIC INITIATIVE:

13. Asset Management

The Colorado River District has conducted a series of assessments of Ritschard Dam at Wolford Mountain Reservoir since it was completed in 1996. As part of a periodic dam safety assessment, an independent group of dam experts re-evaluated the dam in 2020. The assessment was coordinated by the Colorado River District, with the assistance of Denver Water, the Colorado Division of Water Resource's Dam Safety Branch and HDR Engineering. This memorandum provides a summary of the 2020 dam safety evaluation report, a comparison of its results to a previous evaluation, and an overview of the recommendations from the report.

2020 CDSE report

The 2020 Ritschard Dam Risk Assessment workshop (RA workshop) is documented using the State's Comprehensive Dam Safety Evaluation (CDSE) report format. The report describes the findings and conclusions of the risk analysis workshops and documents additional background information.

Key findings from the report include a higher level of dam failure risk than determined in prior assessments, areas of significant uncertainty, and justification for taking further action. The report identifies internal erosion due to cracking as the primary risk driving potential failure mode with a mean annualized failure probability of 1.5 in 10,000 or approximately equal to the historical failure rate for dams prior to the advent of modern dam safety programs. The following figure displays the estimated risk on a matrix used to illustrate whether action is warranted. The risk for PFM 4 (potential failure mode due to cracking) intersects with the commonly accepted societal

tolerable risk guidelines shown as red lines and the moderate and high-risk categories established by Colorado Dam Safety (shown in yellow and red). The estimated risk for PFM 4 as plotted in Figure 1 below justifies further action to reduce and better define the risk.

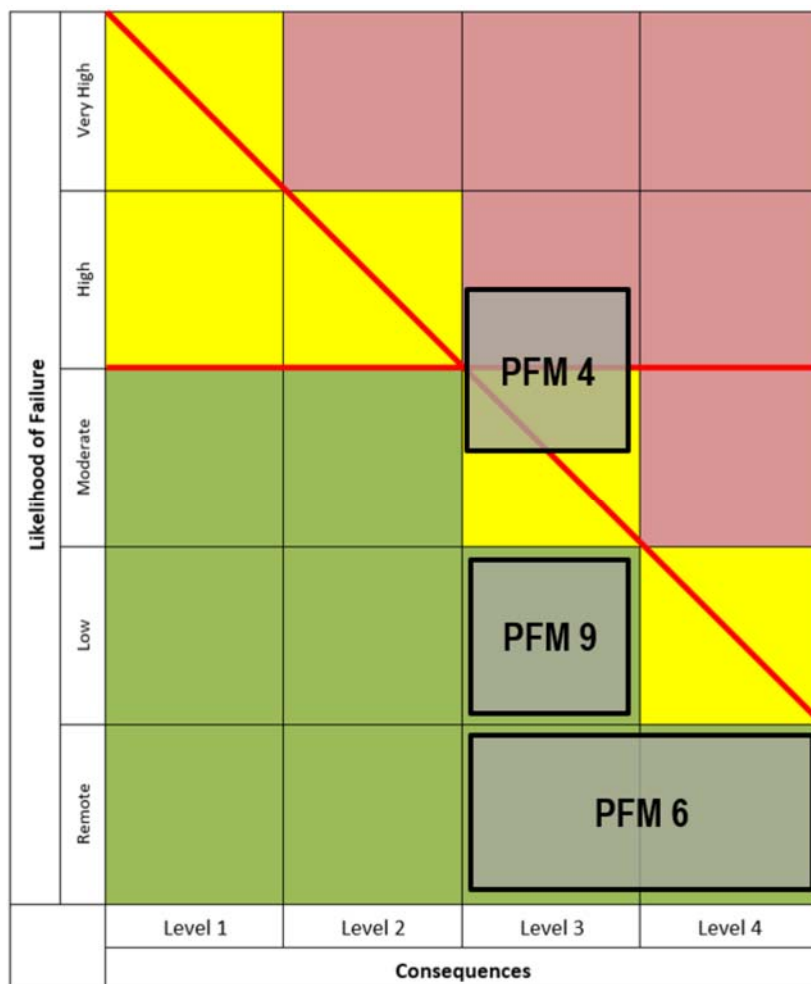


Figure 1. CDSE Risk Matrix

The report also addresses incidents that do not result in dam failure or present public health or safety risks but would present significant adverse impacts including economic and water supply impacts. An example of this type of incident at Ritschard Dam is formation of a crack that does not intercept the reservoir but necessitates risk reduction measures including reservoir storage restriction and dam modifications. The report estimates the likelihood of this type of incident that does not result in dam breach to be extremely high due to the estimated high likelihood of cracking.

Comparison to 2016 evaluation

The 2020 report offers conclusions that are significantly different from the 2016 risk assessment report. While both efforts identified dam failure resulting from cracking as the primary risk, the

estimated likelihood of that occurrence is dramatically different. The 2020 group estimated that annual risk as approximately one in ten thousand while the 2016 panel determined the risk to be roughly one in one billion. It should be noted that the 2020 report expressly states that the risk estimates have a poor level of confidence, with many uncertainties identified.

The CDSE report identifies several explanations for the discrepancy, with the primary two reasons being an increased likelihood of cracking and reduced confidence in the ability of the sand filter to arrest erosion if a problematic crack were to occur. The rationale behind these changes include recent publications of analyses of crack formation in dams, detailed analysis of core/filter compatibility, and an additional four years of performance monitoring.

2020 CDSE report recommendations

The report does not contain recommendations for immediate construction projects or rehabilitation of the dam but does recommend actions to reduce uncertainties including increased monitoring and data collection, as well as actions to reduce risk to the public. The River District is taking immediate action to implement the recommendations in the report, including increasing monitoring, developing crack response plans, pursuing additional testing and analysis of the dam and its materials, and implementing a voluntary reduced normal operating pool elevation. The last recommendation in the report is to perform an alternative planning study to identify a broad range of possible dam modification alternatives to reduce risk. This final recommendation will benefit from the additional data and studies, including information and understanding garnered from earlier recommendations so will be planned as a subsequent step in this process.

Summary

The additional testing and analyses recommended in the CDSE report may shed light on the likelihood of cracking and the efficacy of the sand filter and could reduce the concern of potential dam failure due to cracking. We will report back to the Board and stakeholders on the results of that analysis.

Public health and safety has been and continues to be the highest priority for the River District with water supply and finances secondary. Should it ultimately be determined that remediation is warranted, staff will recommend actions to ensure public health and safety.



COLORADO RIVER DISTRICT

PROTECTING WESTERN COLORADO WATER SINCE 1937

MEMORANDUM

TO: BOARD OF DIRECTORS, CRWCD
ANDY MUELLER, GENERAL MANAGER

FROM: IAN PHILIPS, CHIEF ACCOUNTANT
DON MEYER, SR. WATER RESOURCES ENGINEER

SUBJECT: WATER MARKETING 2020/2021

DATE: JANUARY 7, 2021

ACTIONS:

Staff requests that the Board approve the 2021 Water Contract Pricing and recommends an increase of 1.70 %.

STRATEGIC INITIATIVE(S):

*6. Agricultural Water Use
7. Water Needs/Project Development
12. Financial Sustainability*

BACKGROUND

In 2006, the Board changed the District's water marketing policy to allow annual price increases up to the 'Denver-Aurora-Lakewood' (FKA 'Denver-Boulder-Greeley') Consumer Price Index (CPI) plus New Growth Index (NGI), a measure of annual property value stemming from new growth. Contracts entered subsequent to the policy change allow for this annual increase. Prior contracts are limited to increases based on CPI every five years and only for the operation and maintenance (O&M) component of the fee. These prices were last updated in 2018 and are therefore due for review next in 2023.

Last year the CPI and NGI were 1.9% and 1.56% respectively, totaling 3.46%, and the Board approved a 1.9% increase. This year the CPI and NGI are 1.70% and 1.43% respectively for a total of 3.13%. We remain concerned about the cost-impact of price increases to our customers, as such, staff's recommendation is an increase equal to only the CPI of 1.7%.

In July of 2020, the Colorado Water Trust contracted for 877 AF, and later amended the contract amount to add another 123 AF, for a total of 1,000 AF of Ruedi Supply to assist with flows in the

15-Mile Reach. In September of 2020, the Colorado Water Trust contracted for 250 acre-feet of Elkhead supply (one-year contract) for in-channel piscatorial purposes in the critical habitat reach of the Yampa River. In November of 2020, the Colorado Water Conservation Board contracted for 3,500 acre-feet of Ruedi supply (one-year contract) for mitigation of anchor-ice in the Fryingpan River, to be released in early 2021. In 2021 staff will continue to explore water marketing opportunities and will keep the Board informed of opportunities that can be developed.

CURRENT AND RECOMMENDED PRICING

Current and 2021 recommended pricing are shown in the following table:

Post-2006 Contract Pricing Per Acre Feet			
	Current	Recommended Increase	Proposed 2020
Blue River	\$ 1,143.50	1.70%	\$ 1,163.00
Colorado River above Roaring Fork – Ag	\$ 151.50	1.70%	\$ 154.00
Colorado River above Roaring Fork	\$ 380.50	1.70%	\$ 387.00
Colorado River below Roaring Fork – Ag	\$ 46.00	1.70%	\$ 47.00
Colorado River below Roaring Fork	\$ 198.00	1.70%	\$ 201.50
Eagle River	\$ 1,524.50	1.70%	\$ 1,550.50
Eagle River – Ag	\$ 456.50	1.70%	\$ 464.25
Elkhead Reservoir	\$ 194.00	1.70%	\$ 197.25
Elkhead Reservoir – Ag	\$ 32.75	1.70%	\$ 33.25
<i>Identified Source</i> Colorado River above Roaring Fork – M&I	\$ 571.25	1.70%	\$ 581.00
<i>Identified Source</i> Colorado River above Roaring Fork - Ag	\$ 227.00	1.70%	\$ 231.00
<i>Identified Source</i> Colorado River below Roaring Fork – M&I	\$ 297.00	1.70%	\$ 302.00
<i>Identified Source</i> Colorado River below Roaring Fork - Ag	\$ 68.50	1.70%	\$ 69.75
In-Channel – Identified Source: Welford	\$ 227.00	1.70%	\$ 231.00
In-Channel – Identified Source: Ruedi	\$ 68.50	1.70%	\$ 69.75

AVAILABLE SUPPLIES

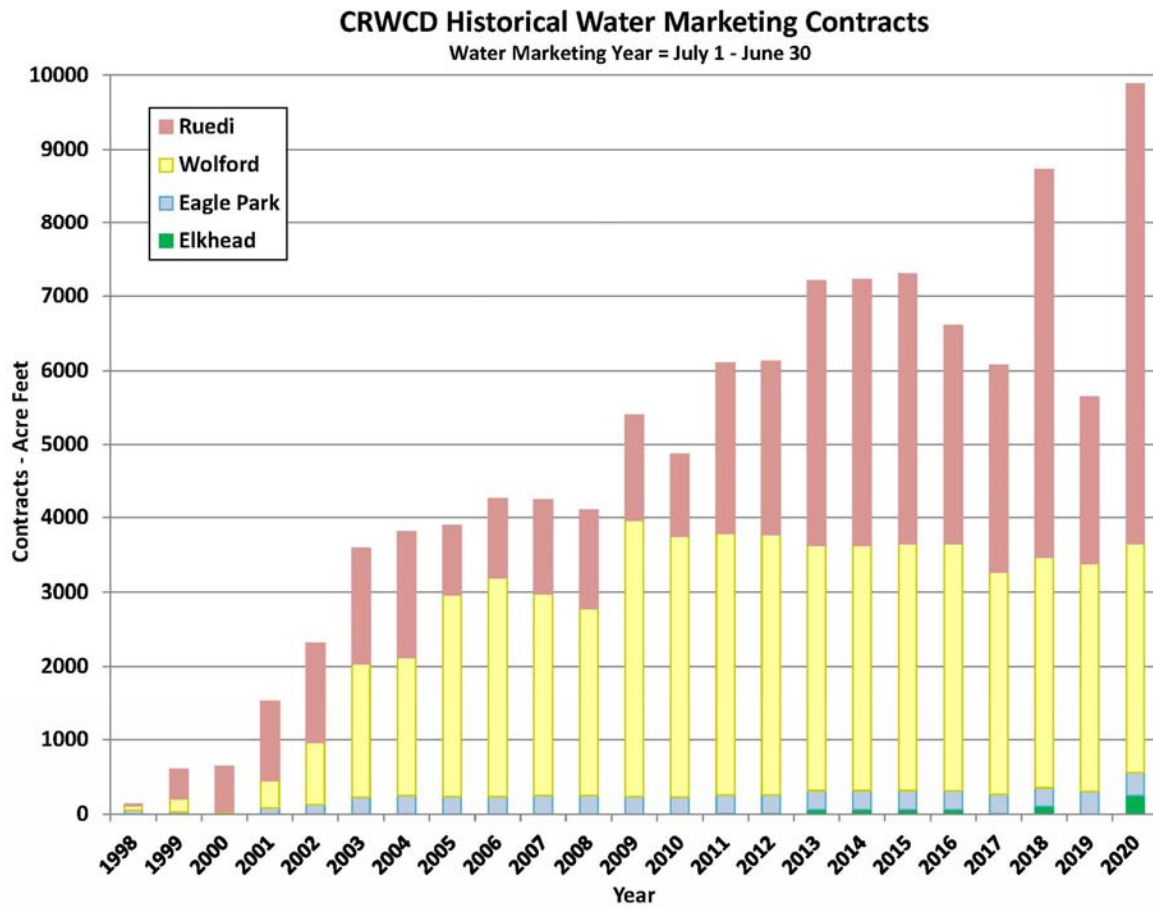
Current available, contracted (*excluding in-channel use*) and remaining supplies in Acre-Feet (AF) for contracting are shown below. The Ruedi amount available shown in the table does not reflect the additional 4683.5 acre-feet of Ruedi water supplies purchased from Reclamation by the General Fund in 2013 to fully contract Ruedi Round II water as that water was purchased with Capital Fund monies and is therefore not currently an Enterprise asset.

Source	Available	Contracted	Pending	Remaining	Right of Refusals	Remaining w/ ROR & Pending
Wolford	8,100 AF	3,090 AF	0 AF	5,010 AF		5,010 AF
Ruedi	6,730	1,728	1	5,001	900 AF	4,101
Eagle Park	432	306	0	126		126
Elkhead	4,457	0	0	4,457		4,457
TOTAL	19,719 AF	5,124 AF	1 AF	14,594 AF	900 AF	13,694 AF

HISTORICAL CONTRACTING

The following graph shows the amount of water contracted over time from the Enterprise' dedicated water marketing pools in Elkhead, Wolford, Eagle Park and Ruedi, *including in-channel use*. The increased lease amounts in 2018 and 2020 were primarily caused by single year contracts including 3,500 acre-feet Ruedi in-channel contracts for mitigation of anchor ice to the CWCB in both years, and a 250 acre-feet Elkhead contract to Colorado Water Trust for in-channel use in 2020.

Without single year in-channel leasing, the volume leased under long-term contracts has generally remained flat, or slightly declined. Long-term Wolford contracts have gradually declined since 2009. Similarly, long-term Ruedi contracts have been declining since 2015.



18. Future Meetings (No Material Available):

- a. Special Joint Meeting Zoom Meetings, beginning **mid-February 2021 at noon. (Biweekly, Pending Board Approval).**
- b. Second Regular Joint Quarterly Meeting, **April 20-21, 2021 Glenwood Springs, CO.**
- c. Third Regular Joint Quarterly Meeting, **July 20-21, 2021, Glenwood Springs, CO.**
- d. CRWCD 2022 Budget Workshop, **mid-September 2021 Location TBD.**
- e. CRWCD Annual Seminar, **TBD.**
- f. Fourth Regular Joint Quarterly Meeting, **October 19-20, 2021, Glenwood Springs, CO.**
- g. Board Fact Finding Mission to Lower Basin, re: Agricultural Fallowing and Augmentation Programs, **TBD.**
- h. Other Meetings:
 - i. Colorado Water Congress Virtual Annual Convention
 - ii. CWC Summer Conference, **TBD.**
 - iii. CRWUA Conference, **TBD.**