Testimony of Doug Allen: Colorado State Water Resource Committee Colorado State Capital building Senate Committee Room 356 September 26, 2013

The Steamboat Ski and Resort Corporation owns and operates a ski resort in Steamboat Springs, Colorado largely on permitted lands within the Routt – Medicine Bow National Forest. Steamboat is one of Colorado's larger resorts with 2,965 skiable acres, is Routt County's largest employer and the cornerstone of our local economy.

As with all ski resorts the availability of water and water rights are key components of our business. We must have water for our on-mountain public facilities and restaurants as well as for snowmaking. Development of water related infrastructure and the securing of water rights has been ongoing throughout the 50 year history of the resort. The original adjudication of water rights on the mountain within the Routt National Forest as well as significant water rights diverted from the Yampa River for snowmaking was orchestrated by John Fetcher who was not only one of the original founders of the Steamboat ski area but also the Upper Yampa Water Conservation District which I am sure you are familiar with. John was instrumental in water development all along the Yampa for the better part of his life and I believe he would turn over in his grave if he learned of the Forest Service's attempts to secure ski area's water rights as a condition of permitting, especially in his home town of Steamboat.

There are four water rights attached to the ski area. The Four Points Spring was appropriated in 1968. In January of 1983 a water right was established for 8 cfs absolute with a an additional 8 cfs conditional with a point of diversion in the Yampa River, not located on public land, however, water from this diversion point is pumped into the Routt National Forest for the purpose of snowmaking. In 2011 1.36 cfs was converted from a conditional use making our absolute right now 9.36 cfs. In 1985 the ski area developed a restaurant facility located with the National Forest known as Rendezvous Saddle. Rendezvous was serviced by a well held in the name of the United States. This is a very small water right that, as a practical matter, could not be removed from the ski area. The ski area and the Forest Service filed jointly for a small water right on Duster Spring in 2006, under the then-in-effect 2004 water clause which had been jointly agreed to by the ski areas and the United States.

The filings currently held solely by our company are large and of considerable significance and value. We couldn't make snow at the ski area without them.

Our business as well as the local economy of Steamboat Springs absolutely relies on these water rights and we cannot allow these water rights to be diverted to some other purpose, now or at any time in the future. We, therefore encourage you to provide legislation that will clarify that, under Colorado Law, these rights cannot be taken away from us as a condition in our permit to operate. Thank you for allowing me this opportunity to speak to you today.