



Colorado Water Institute
 1033 Campus Delivery
 Fort Collins, Colorado 80523-1033

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To: Rep. Randy Fischer, Chair; WRRC Members
 Interim Water Resources Review Committee
 From: Poudre Basin Water Sharing Working Group
 Subject: Input to the Colorado Water Plan

Thank you for the opportunity to comment on the Colorado Water Plan. This commentary comes from the Poudre Basin Water Sharing Working Group. Our grass-roots group is comprised of water utilities and irrigation companies in the Basin and includes: Cities of Fort Collins and Greeley and the Tri-Districts; North Poudre Irrigation Company, Water Supply and Storage Company, Larimer & Weld Irrigation Company (three integrated irrigation and reservoir companies), and New Cache La Poudre Irrigation Company; and the Larimer County Agricultural Advisory Board. We are advised by a water attorney from Lawrence, Jones, Custer and Grasmick as well as researchers from Colorado State University and the Open Water Foundation. We have been meeting for over a year and a half looking at Alternative Transfer Methods (ATMs) that might minimize the "buy and dry" of agricultural water in our basin and elsewhere. Several of our members also participate in the South Platte Roundtable and work on the Basin Implementation Plan. Our work has been funded by the Colorado Water Conservation Board and facilitated by CSU's Water Institute.

Our work includes the following activities:

- A. We have developed descriptions of ATM mechanisms that allow utilities access to agricultural water without that water leaving agriculture and are working through those mechanisms with members and irrigators: These include short-term leases, longer term decree swaps involving CBT agricultural and "multi-use" water (short term swaps were done for first time last year), and longer term interruptible supply agreements. We are currently working on a fourth mechanism which we are calling "buy and supply" which uses concepts from the FLEX. We are discussing among stakeholders which mechanisms might work for their specific needs and are identifying barriers to use.
- B. We are compiling a basin-wide database describing participating water entities, their infrastructure, ownership categories, service areas, historical and current agricultural rentals, etc.
- C. We are currently in the process of surveying irrigators and agricultural water shareholders about their perceptions of the different ATMs and the likelihood of their participation in water sharing in the future.
- D. We are developing prototype agreements for several ATMs for possible use in the basin and elsewhere.

At our last meeting, we asked members what input they might have for your committee. One of the ideas that has unanimous support is that in the Poudre Basin, we have an established pattern of collaboration across jurisdictions and water entities which our group is trying to continue as

we explore options for implementing ATMs. We hope then, that the Colorado Water Plan does not try to be a “one size fits all” plan and that you will encourage the kind of flexibility that will be required in order meet watershed and area specific needs and produce the innovation necessary for meeting competing interests in water – especially between agriculture, urban water providers, open space programs and others. Members of the working group have a diversity of needs and many are unique to a particular town or irrigation company.

Second, though a number of water projects are being planned and discussed, we want to emphasize that we need multiple-purpose storage that will serve agriculture (which has a water gap too), urban utilities and the environment. We feel that there is also opportunity for new projects but also shared storage in existing reservoirs, gravel pits and aquifers that is not being realized. Part of this issue has to do with the long and expensive permitting process and competition between projects. North Poudre Irrigation Company and the City of Fort Collins were cooperating on Halligan Reservoir expansion, which was a good multiple-purpose project; However, the process proved too costly to the North Poudre Irrigation Company because of the delays and on-going expenses and it recently pulled out of the project. Halligan Reservoir, in addition to holding water for existing rights, would expedite the sharing of water between these entities. If agricultural water is shared, it will have to be stored for delivery beyond the irrigation season.

Third, we want you to continue to provide incentives, funding, and legislative support for ATM development, pilot projects and evaluation. We sense that you feel the same way given the numerous references to the need for successful ATMs in documents related to the Colorado Water Plan (CWP). People often forget when they talk about how much water that agriculture uses that much of that water returns to urban areas as milk, produce, meat, and other food stuffs. They also often overlook the other benefits associated with irrigated agriculture such as ground water recharge, flood surge control, wildlife habitat, wetlands, open space, community separators, local food supply reducing carbon footprints, and a culture and knowledge base that takes generations to develop. We hope you will continue to fund ATM projects via the CWCB ATM grants program. Our group would like to be able to embark on the second phase of our work with CWCB support. We want to build on the trust that has been established among members, pilot and evaluate some ATMs, and expand the corresponding educational outreach to constituents to build support for these types of agreements.

Fourth, we hope the CWP will encourage new partnerships that provide an ATM element. Our thoughts on the Poudre Basin Working Group have recently evolved to include the “buy and supply” concept of purchasing farms or ranches with water, conserving those farms and then leasing or selling those farms to producers with ATM conditions included for drought firming, emergencies, or base supply. This approach will need to include new partnerships between water utilities, open space programs or NGOs, Farm Bill programs and willing sellers of agricultural land with water. We want hope to explore opportunities and hope that the CWP will supportive of the “buy and supply” concept that would offer those owning agricultural water an option to “buy and dry” when they do decide to sell.

Agricultural land with water – especially on the Front Range and in the South Platte Basin – is expensive. We think that increasing partnerships will increase available financial resources. This easily justified once a full accounting of values and benefits provided by irrigated agriculture is done. These are partially described above. We have also learned on our Working Group that

urban utilities need the certainty that the farms they enter into long-term sharing agreements with will be there for the long term. The “buy and supply” approach provides that security and becomes a viable modification of the much discussed interruptible supply idea.

Thank you for considering these brief thoughts. We will also try and contribute more specific comments on the CWP website in the near future. We appreciate the work of the IWRR Committee and the time taken for you to hold meetings around the State.

Respectfully compiled and submitted by Andy Jones, Steve Malers and George Wallace for the Poudre Basin Water Sharing Working Group. Any correspondence for the working group can be addressed to MaryLou Smith at the Colorado Water Institute, Colorado State University, Fort Collins, CO; MaryLou.Smith@ColoState.edu