

Proponents call water

BY KERRY MULHOLLAND
Times Staff Writer *ECT 7/11/82/p1*

Not surprisingly, the Gunnison City Council's decision last week to withdraw from its agreement with NECO/Arapahoe County regarding water storage in the proposed Union Park Reservoir has drawn strong criticism from NECO President Dave Miller and Arapahoe County Commission Chairman Tom Eggert.

"I don't think it was a wise decision," Miller said. "The whole area will be giving up a lot if the council continues with its decision."

Nevertheless, neither Miller nor Eggert felt the project will be hurt by the city's withdrawal.

"If the city gets cold feet now it might be a set back psychologically," Miller said. However, he contended that the proposed Union Park Project is the best water proposal to come down the pike and that it would benefit the Gunnison Valley.

Eggert said he could not sense that the city's withdrawal would affect the project, adding, "we just have one more objector now, and we have plenty of those."

He said he understood the city's decision,

being an elected official himself. "I can understand the political pressure, and it doesn't seem as though there was any alternative," he said. However, he said he thought the citizens of the Gunnison Valley are losing a good water storage possibility that could have existed "essentially at no cost" and that citizens could have benefitted by "sitting back and understanding the project more."

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Rikki Santarelli, former Gunnison County attorney, will give a primer on the basics of Colorado water law at the next meeting of People Opposing Water Export Raids (POWER) in the Gunnison basin.

POWER will meet Thursday, March 15, at 7:30 p.m. in the county court room in the Gunnison County Courthouse.

Gunnison County's challenge to fight Front Range efforts to divert water is only just beginning, said Marlene Zanetell, a member of the temporary steering committee for the broad-based group.

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Miller blamed the newly formed group, People Opposed to Water Export Raids, for pressuring the council. He felt the citizens of the Gunnison Valley are not knowledgeable about the Union Park project.

"They're going back to the old days when the east slope and the West Slope fought tooth and nail."

Also critical of the city's decision, but for different reasons, is former council member

Jesse Stone. Stone resigned from his position last Tuesday because he felt the council handled the situation improperly.

"My resignation had absolutely nothing to do with transmountain diversion or the passing of the motion," Stone said.

Instead, he said he felt the city should have reviewed its water policy and allowed for a public forum on its policy as was requested. However, he conceded, "What the council did may very well have been the outcome of a public forum."

Stone added that the city's water consultants had recommended a different course of action than the one the city took when it withdrew from the project, and that the city's action was not "based on any formal educated analysis."

He felt the city might have caved in partly due to a flyer that was distributed around the city early last week which accused the city of holding secret meetings and planning to divert water out of the upper Gunnison basin.

During his resignation speech at last week's council meeting Stone said of the flyer, "I hope that my children's water needs are given as much weight as this piece of trash."

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meets March 15

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diversion proponents," she said. "Now the real battle begins as we turn to face the powerful forces outside our basin."

POWER co-founders Butch Clark and Zanetell will chair the meeting along with other members of the temporary steering committee. That committee is leading the citizen's group pending adoption of permanent organizational rules. Clark and Zanetell will give a report on actions already made to protect the basin from transmountain water diversion.

More volunteers are needed and encouraged.

Dear Editor

Unite and fight — it's only just begun

The end of the 1980s and the emergence of the 1990s will long be remembered as one of the most remarkable times in our history, when the world was changing at an unimaginable fast pace.

It has been incredibly inspiring to witness the thousands upon thousands of people across the globe, standing in unity, espousing their beliefs in pursuit of their freedom.

When the Berlin wall came down, the message I extracted from the many messages inherent in the event was that in the end you can make a difference. One by one you can join your neighbor and your voice will be heard. But I thought it seemed ironic that, while such a mass protest and victory was sweeping across Eastern Europe, here in America the momentum behind fighting for a cause, and cause, was often lost as it traveled through one political maze after another.

We are a strong and caring people here in America. We also have many serious problems that need our care, yet I was beginning to wonder if our spirit was going to lie dormant as we entered this new promising decade. A decade I so want to see as a time when we embrace a similar kind of spirit as that which has emerged around the world that will lead us, here in our country, to triumphantly face the things that need to be challenged and changed.

I'm ecstatic to report that the spirit I wondered about is not dormant, but alive and well. That spirit

made its debut last week right here in Gunnison. It was a sight to behold! Some 150 concerned citizens gathered at the Gunnison County courthouse to form a grass roots organization aptly called POWER — People Opposing Water Export Raids.

So what does that mean? The organization opposes the construction of a tunnel through the Rocky Mountains to pipe our stream water to the eastern slope. POWER will publicize our opposition to transmountain diversion of water and help all of us to understand the issues by deciphering what is really going on. POWER has a diversity of talented volunteer people to draw from. This tremendously varying pool of expertise will be a strong ally as we take on the big business interests of Aurora and the like.

The issues are complex with terms like "prior appropriation doctrine," "in-stream flows," and "due diligence." And because politics plays such a dominant role, you can be sure the deciphering of the facts will be most difficult. We need all concerned citizens who have a loving interest in the Western Slope to help us spread the word.

Contrary to what the eastern slope newspapers would have you believe, Gunnison is NOT in support, in any fashion whatsoever, of transmountain diversions of its water.

Some people think it's too late to fight this issue. I'm here to tell you

the battle is just beginning! It will be POWER's number one goal to make sure not one drop of our Western Slope water is piped to Aurora or to any other eastern slope interest. Our future here in the Rocky Mountains is worth fighting for — However long it takes.

I'm asking you to enlist your attention and your heart in this battle. When you see articles about the water issue pay attention. Listen and learn. If you don't know much about the threat of us losing our water, don't get frustrated. Most people don't know and to make matters worse, a lot of misinformation is circulating.

Whether you are a rancher, a fisherman, a miner, an environmentalist, a rafter, a camper, a bird watcher, a photographer or a citizen, we must all unite and become informed and involved. We must unite in the same name of the one common element we all share and upon which our survival depends, and that folks is water!

We must not let our differences separate us; rather, let our common interests bind us as one. I strongly feel that people in numbers can make a difference with this issue. Join the cause!

Your future and the future of your children can only be secured if we stand up and together just say NO to transmountain water diversion projects.

Betsy Bearden
Gunnison

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Gunnison

Origin of basin bill called obstructive

It is ironic Two Forks Dam and the Berlin Wall fell in the same year. Both of these overdue events give hope for restructuring self-defeating systems that are not in the public's interest.

Colorado's approach to water management is as outmoded as Marxist theory. The obsolete Two Forks non-dam is an appropriate monument to this system's demise. Hopefully, our state leaders will now have the courage to make some basic organizational changes that can lead to effective management of Colorado's plentiful water resources.

Colorado is blessed with high topography that generates most of the renewable water for Southwestern states. Unfortunately, local special interest groups have created a statewide water development gridlock that has Coloradans paying the highest water fees in the West. These fees are stifling our economy.

All Western states, except Colorado, have a strong, politically independent policy and planning agency to guide statewide water development. In contrast, Colorado has several politically oriented water management agencies with weak, overlapping charters that purposely

avoid the notion of state water policies and planning. This is because of Colorado's historic visceral distrust between basins when it comes to water matters.

Some of Colorado's most politically powerful people are the court appointed board members of water conservancy districts. These elitist boards seldom change, and they are usually guided by non-technical water attorneys who are trained to litigate instead of engineer efficient water systems in the state's overall interest. Colorado's beholden leaders stand by helplessly while these tax supported districts engage in endless turf battles whenever innovative trans-district water developments are considered. These byzantine districts quickly unite, however, against any thought of state water policies and planning that might dilute their perpetual power base.

A good example of obstructive parochialism is the Basin of Origin Water Bill, currently being sponsored by Rep. Scott McInnis and Sen. Tilman Bishop. For over 100 years, Colorado's Constitution has considered the state's unallocated water as belonging to all the people, and its beneficial public use shall not be denied. The McInnis-Bishop bill

implies that individual basins and districts control these waters, and that populated growth areas must pay for each gallon of water transferred. This is a riparian water concept that has never worked in the West. In arid areas, water must be efficiently transferred between areas of supply and demand the least environmental and economic cost. The proposed bill makes about as much sense as charging rural areas for state roads that are largely built with urban tax dollars.

Instead of water management dominated by legal barriers and "political engineers," Colorado urgently needs to elect their water conservancy officials, and consolidate state agencies into a professional water planning and policy function that engages water engineering and environmental facts. If Colorado had an effective state agency to evaluate its reasonable water options, we could have easily avoided the wasteful Two Forks in Colorado's history.

Let's start managing our water destiny, and stop blaming the feds for our costly confusion.

Dave Miller
NECO

McInnis seeks compensation for basins

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Gunnison Country

Gunnison, Colorado

'Not one drop'

By **ROGER MORRIS**
Times General Manager

Using "Not one drop over the hill" as a rallying cry, 100 residents of the county and city formed a broad-based group last week opposed to water diversion projects proposed for Gunnison County.

Area residents, organizing themselves as **POWER** — People Opposed to Water Export Raids, signed up for various committees in preparing for what Duane Vandebusch called "a long struggle, a long educational process."

"You've probably heard the old adage, 'Whisky is for drinking and water is for fighting' and that's what we begin tonight," Vandebusch said in opening remarks to concerned residents. "We're here to tell them it isn't going to happen without a fight. We're going to control our future."

This isn't the first threat faced by the Gunnison Country, said Vandebusch. He listed the late 1800 silver panic, past water proposals that failed to materialize and

excessive mining proposals.

"While this is not the first threat," he said, "I think this is the most dangerous threat to the Gunnison Country."

Vandebusch urged the group to adopt two commitments: 1) all decisions will be made by Gunnison County regarding water; and 2) not one drop of water leaves the Gunnison Country.

"We don't want to sell our future for money," he said. "If we don't have water, it's over, our future is over."

Tyler Martineau, local representative of the Gunnison and Uncompahgre river basins, agreed with Vandebusch's concerns and challenged the county's residents to bring unity, determination and

City council meets Tuesday

The Gunnison City Council is meeting in a work session on Tuesday, March 6, to discuss their water policy.

That meeting begins at 7:30 p.m. in Webster Hall, 117 N. Iowa. The meeting is

open to the public.

"My hope is unity," he said. "While those individuals are legitimate, and they are very afraid if we go our own ways, we are fighting each other."

He warned that Area residents know what they want.

The people and government of the county need to focus on preservation of the present and growth in the county and future," he said.

"I hope we can

open to the public.

The council is also scheduled for a meeting in early April to discuss the city's position on water diversions proposed for

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Country Times

February 28, 1990

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vision to the fight to maintain a quality of life in Gunnison County.

"My hope is unity while my fear is people looking after their own interests," he said. "While those individual interests are legitimate, and they are all valuable, I'm very afraid if we go after our own interests or go our own ways, we will spend our time fighting each other."

He warned that Aurora has unity, they know what they want.

The people and governmental entities in the county need to develop "vision" if preservation of the pristine environment and growth in the county are to occur, Martineau said.

"I hope we can develop within this

meets Tuesday on water

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 The council is also tentatively scheduling a meeting in early April as an "open forum" to discuss the city's stance on the water diversions proposed for Gunnison County.

county a vision of what we want to become so when the Auroras and Arapahoe Counties come, we already know what we want," he explained. "Determination is my hope and resignation is my fear.

"I don't know how many times I've heard people say, 'it's inevitable, they'll take our water so let's roll over and play dead.'"

Martineau reviewed the four proposed water projects: the Union Park project proposed by Arapahoe County; the Collegiate Range Aurora Project; the Taylor Reservoir Project and the Rocky Point Project

Both Arapahoe County and Aurora are seeking diversion projects which will divert from 62,000 to 108,000 acre feet of water from the Taylor River basin.

While those projects are receiving more publicity and attention, Martineau feels a third project could be as dangerous to the interests of Gunnison County.

"I think it's (Rocky Point) the sleeper in the group," said Martineau. "It's an

Continued on page 3

River district decides against water div.

River district decides against water diversion

By K.T. LUND
Special to the Times

The Upper Gunnison River Conservancy Board made it clear Friday: it has no intention of negotiating with Aurora and Arapahoe County. Nor will the board participate with the Bureau of Reclamation (BOR) in a trans-mountain water diversion study.

But despite the board's resolve, another trans-mountain water diversion problem is fomenting. The BOR recently "reversed itself 180 degrees" and may help Aurora or Arapahoe County build their trans-mountain projects, board attorney Dick Bratton reported.

Bratton said the bureau has decided that contrary to a 1975 agreement with the river board, all the water on the Taylor Reservoir no longer belongs to the river board. The bureau suggested during depositions last week for an upcoming water court trial that Arapahoe County or Aurora could apply for any excess water in Taylor Reservoir.

The 1975 agreement gives the local river board the right to use the full amount in Taylor Reservoir for maintaining optimum fisheries downstream, Bratton explained. And those fisheries need every drop in Taylor Reservoir, according to Bratton, citing a Colorado Division of Wildlife fishery expert.

The bureau has also reversed itself on trans-mountain water diversion, according to Bratton. In 1962 the bureau went on record as opposing trans-mountain diversion from this basin, but during the recent deposition the bureau said its opposition is against the federal law.

Bratton hypothesized that the bureau has reversed itself because its employees need to work on water projects to keep the bureau viable. Aurora or Arapahoe County would offer those projects for the bureau as

well as \$1 million to study the project. Bratton suggested the bureau could work on in-basin projects in the Gunnison watershed without having to reverse itself on a 1975 agreement with the river board.

Many of the 75 people present, however, had more immediate concerns about the bureau. Members of POWER (People Opposing Water Export Raids) urged the board to veto the bureau's participation in Phase II of the Upper Gunnison Basin study. The bureau is proposing a study of a preferred trans-mountain diversion project for this basin.

In the BOR's 1990 budget, \$800,000 has been set aside for "project investigation," which is identified as a planning report or Environmental Impact Statement. A description of that budget line item states, "A combining of east slope consumptive needs with the west slope environmental and recreational needs provides a unique opportunity for the state to distribute capital to achieve balanced economic development among historically competing interests."

Another \$1.2 million is identified as "non-federal" contribution to that study. The "non-federal" source is not identified although the BOR states the investigation is being pursued by the Colorado Water Resources and Power Development Authority, the Colorado River Water Conservation District and Gunnison River district.

POWER objects to local, state and federal taxes funding Aurora's and Arapahoe's water development, and Dick Johnston, a former member of the Colorado Water Conservation Board, concurred.

"Don't use your money in a study that's skewed to study trans-mountain diversion," Johnston told the board. "Let Aurora and Arapahoe County do their own

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City drops Union Park

By **KERRY MULHOLLAND**
Times Staff Writer

The Gunnison City Council voted Tuesday night to "formally and expeditiously" withdraw from its agreement with NECO/Arapahoe County regarding the proposed Union Park Reservoir. In addition it will sever its relationship with water engineer Andy Andrews and review its relationship with water attorney Robert Krassa.

However, the council was momentarily silenced later in the meeting as Councilman Jesse Stone made an emotional exit, resigning from the council due to the motion which was passed. He was the only council member to vote against the motion.

"A grave error has been by the council," he said. "It was made in response to political pressures and not made in the best interest of the city residents." He added that he felt the decision went against the advice given to the city by professional consultants.

Councilman Don Simillion presented the motion at the meeting which read:

"I make a motion to..."

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By **ROGER MORRIS**
Times General Manager

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made in the best interest of the city residents." He added that he felt the decision went against the advice given to the city by professional consultants.

Councilman Don Simillion presented the motion at the meeting which read:

"I make a motion that the city of Gunnison formally and expeditiously withdraw from our agreement with NECO/Arapahoe County regarding water storage in the proposed Union Park Reservoir, and that the city of Gunnison hereby terminate our relationship with our water engineer Mr. Andy Andrews, and, that the city of Gunnison make every effort to secure water storage of our water rights in containers not having transmountain diversion of Gunnison Basin water as a component of the plan, and, that the city of Gunnison continue to vigorously and persistently oppose transmountain diversion of Gunnison Basin water by any and all parties."

Stone stated that he felt that the city's motion should have been discussed in a public forum, and that due to the way it was handled and the decision made by the council, he was forced to tender his resignation, referring to the motion as a "piece of trash."

Mayor Bill Nesbitt pointed out toward the close of the meeting that the motion is something the council has been working on for two weeks, and it's not a product of the council's executive session held prior to the meeting.

Ski report

as of Tuesday, Feb. 27

Crested Butte

The area has a 35-inch base with no new snow reported. There are 50 runs open, served by 12 lifts. Ski conditions are packed powder. For the latest snow report information call 349-2323.

Monarch

Received two inches of fresh snow since sunset and snow was still accumulating



Raising opportunit

Gunnison County rancher Bill T. Crested Butte middle school student history and water issues and how including Kevin Farmer, Jeff Jarrett visited the Trampe ranch and the K

Voters ok

Despite a small voter turn-out for the city of Gunnison was granted permission to trade or sell a piece of city-owned property located directly north of the terminal. The special election passed with a vote of 68-43.

Voters of the city were asked to grant city permission to trade or sell the land should there be industry or business interested in locating in an industrial-zoned area adjacent to the airport.

City Manager Dale Howard said the next step for the city is to have the land appraised should there be anyone interested in it. However, he pointed out that to date, there has been no interest expressed.

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State takes instream comments

Water users protest considerations, environmentalist seek opposition

By **ROGER MORRIS**
Times General Manager

Whether or not the Colorado Water Conservation Board can or should file opposition to proposed water diversions, because those projects would inundate state-owned stream rights, was argued in Denver on Monday.

Representatives from water user groups argued, and in subtle ways threatened, the state-wide water board if they filed opposition to proposals by Aurora and Arapahoe County to build reservoirs in the Taylor Park area and divert from 62,000 to 108,000 acre feet across the Continental Divide.

Attorneys and former legislators warned that the state assembly was watching the CWCB proceedings carefully.

Aurora water works manager Douglas Kemper encouraged the CWCB to move carefully and delib-

erately on this issue. He admitted that the Front Range city's project would inundate senior water rights but suggested that these rights could be mitigated or settled in other ways.

Water districts from throughout the state were represented and the cities of Aurora and Colorado Springs aired their concerns.

Fred Anderson, sponsor of the 1973 legislation that created minimum stream flows, argued that it was never his intention or the intention of the legislature that minimum stream flow rights be used to stop water development.

"I think in the state of Colorado we are pushing further and further in this direction and I think it is dangerous," Anderson said. "Nothing in this act should preclude the development of water projects."

He also argued that a stream is not inundated by a reservoir, it still flows along the bottom of the lake

body. That opinion was shared by several attorneys representing water districts.

Not surprisingly, environmentalists did not agree.

"Calling a stream at the bottom of a reservoir a stream is like calling the sand at the bottom of the ocean at beach," said Susan Allen, director of the Rocky Mountain Biological Lab in Gothic, who was speaking as a director of the High Country Citizens Group.

Allen asked the board to consider not only the environmental downside of the proposed reservoirs but also the economic welfare of the Western Slope which was known for its stream and river fishing.

Flowing streams do not exist underneath overlying reservoirs, said Dr. Jack Stafford of Montana State University who specializes in dam and diversion impacts on rivers and streams.

Stafford has studied the Gunnison River basin waterways for two decades.

"What you're dealing with today is not unique to Colorado," he said of the instream flow issue. "Other states, even other countries such as South Africa, are dealing with this issue."

Impoundment of waters "vastly alters" stream environment, not only at the reservoir site but downstream as well, he said.

"All stream character is basically lost," Stafford said. "The ecology of a reservoir or lake occurs at the top while in a stream it occurs on the bottom."

He called the shoreline ecology of reservoirs a "waste land" in terms of life because of the rising and falling water levels.

Environmental organizations, such as the National Wildlife Federation, the Colorado Environmental Coalition, the Colorado Mountain Club and the Environmental Law Society at Colorado University urged the CWCB to file papers of opposition so the board can continue to participate in the issue.

Also presenting arguments were the U.S. Fish and Game and the Division of Wildlife.

River district...

Continued from page 1
Phase II."

Johnston urged the board to tell the state Conservation Board, through its representative Tyler Martineau, that it opposed Phase II

tain water diversion agreement.

As POWER member Ralph Clark III pointed out, "Aurora and Arapahoe County need a certain quantity of water, but however much they get, it will be devastating to

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Rikki Santarelli, former Gunnison County attorney, urged the river board "to proceed carefully" to avoid giving Aurora and Arapahoe County the impression of "a split community." The two entities should have to comply with county processes and regulations, he added.

Board member Bob Decker made the motion to refuse negotiations, but cautioned, "I have a firm stand against trans-mountain diversion now, but times do change. Nothing is forever."

Board President Bill Trampe told those present that the river board wants to formulate a water policy based on public input. The board will meet with the public on April 4 to hear its ideas.

der. He noted that water, land and the need for economic development existed in these areas.

Several people pointed out that the city of Gunnison needed to change their position on the water issue or city council members will be replaced. A work session with the city council has been scheduled for March 6.

A steering committee, that

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Several arguments were made that the board should proceed as if the water rights issue was a simple case with a private water rights owner seeking protection of their right.

The CWCB owns in-stream water rights on the Taylor River, Illinois Creek, Texas Creek, Lottis Creek, Pieplant Creek and the East River, all involved in plans submitted by Aurora and Arapahoe County.

Tyler Martineau, board representative for the Gunnison and Uncompahgre river basins, told the *Times* last week that he expected the board to take a "middle ground" position on the issue. He said he did not see the board stopping a water project nor would the CWCB give an open license to dam to the water users.

CWCB assistant director David Walker said the board would deliberate on this issue through several meetings in the coming weeks before reaching a decision.

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Aurora, Arapahoe County development proposals fr

by Laura Anderson

Just days before the start of a civil lawsuit scheduled to last three weeks in Gunnison District Court, the two parties, the City of Aurora and Arapahoe County, reached an out-of-court settlement last week. Under the terms of the agreement, if either Aurora's or Arapahoe County's plan to divert water from the Taylor River Basin to the Front Range is approved, the County and the City will split the water. The first government to win approval would allow the other government to purchase 30% of the water. And if the projects are combined, or a currently un contemplated project is built, the water will be split 60/40, with the entity having the most need getting the larger share. The agreement was worked out between Arapahoe County Attorney Larry Vana and Aurora City Attorney Charlie Richardson. Vana estimates that the settlement will save the two entities about \$1 million in court costs.

The settlement resolved a dispute that began in October, 1988, when Arapahoe County sued Aurora and claimed that the city had stolen the idea to divert water out of Gunnison County from the Natural Energy Resources Company, a private water development firm. Arapahoe County bought NECO's plan to build the

Union Park Project, a separate transmountain diversion proposal, also from Gunnison County, in the summer of 1988.

Allegedly, Marvin Greer, one of the founders of NECO, took NECO's plan to divert water and sold it to Aurora in 1986. Greer, or his heirs, would get a five percent interest in the project, valued at \$14 million if Aurora's proposal, the Collegiate Range Aurora Project, is built.

Both Arapahoe County and Aurora want to divert approximately 70,000 acre feet yearly from Gunnison County to the Front Range and have filed for the rights to the water in Water Court. Each faces the opposition of a number of other governmental entities, environmental organizations and individuals. Up until now, they have been opposing each other as well, but they plan to drop their opposition to each other's projects.

"It's real good that we were able to reach agreement," attorney Charlie Richardson said on Tuesday. "Transbasin water diversion projects are very complex, time-consuming and expensive propositions. If governmental entities can cooperate, it certainly is beneficial."

"This settlement doesn't change the issues for us at all," Gary Sprung, president of the High Country Citizens' Alliance, one of the op-

posers to both Aurora County, commented. "I remain opposed to mountain diversions because they are opportunities for the Western Slope. The need to solve their water problems in new ways, including water in homes and parks, with agriculture efficiency improvements, is greater than the settlement

Tony

Crested E Tony Verzuh is still in the Coronary Care Unit of Saint Mary's Grand Junction. Verzuh has a broken pelvis and a head when he was in a van driven by a local man on September 17 at approximately 10:00 p.m. The accident took place on Elk Ave. in Crested E.

Verzuh was then suspected to have a head contusion and was treated by EMTs. He was taken to Gunnison Valley Hospital where Verzuh is in intensive care.

The Crested E Department O

County join forces in water sales from Gunnison basin

proposers to both Aurora and Arapahoe County, commented Tuesday. "We remain opposed to major transmountain diversions because they limit opportunities for the future of the Western Slope. The Front Range cities need to solve their water problems in new ways, including conserving water in homes and parks, and working with agriculture for irrigation efficiency improvement. A deeper issue than the settlement is the loss of

70,000 acre feet from the Gunnison Basin and the value of that water to us. It's also possible they will become more formidable legal opponents now that they will no longer waste resources fighting each other."

"For the first time, both applicants have acknowledged that only one project can be built," Bruce Driver, attorney for the High Country Citizens' Alliance, noted. "However, now it would be one project with a

combined service area, including both Aurora and the rest of Arapahoe County. That's a bigger service area than has been filed for before."

Attorneys from Aurora and Arapahoe County, as well as their opponents, will be in Montrose Water Court this week for a pretrial hearing on the water rights applications. The trial date for the case will be set, and is expected to take place sometime in the summer of 1990.

Tony Verzuh still in serious condition

Crested Butte "old-timer" Tony Verzuh is still in intensive care in the Coronary Care/Intensive Care Unit of Saint Mary's Hospital in Grand Junction. Verzuh, 77, suffered a broken pelvis and contusions to the head when he walked into a moving van driven by a local woman November 17 at approximately 7:00 pm. The accident took place at Third St. and Elk Ave. in Crested Butte.

Verzuh was treated for the then suspected broken pelvis and the head contusion by Crested Butte EMTs. He was then transported to Gunnison Valley Hospital; subsequently Verzuh was transported to St.

sponded to the scene of the accident. After investigation he found that the driver of the van was not at fault, and

no charges were filed. Verzuh remains in serious condition.

CBMR gives \$6,780 to local charities from opening day

Crested Butte Mountain Resort announced that \$6,780 was raised during the "Ski for Charity" opening day Wednesday, Nov. 22 and that all funds would be donated to a list of local charitable organizations, according to an announcement here by Edward Callaway, CBMR president.

In the past, Crested Butte's opening day was free, but last year, the resort charged \$5 for lift tickets, turning all proceeds over to charity. This year, the lift ticket donation was raised to \$10 and 678 people bought day tickets to open the season. The funds will be donated to Gunnison County

October 1989

DRAFT

STATE OF COLORADO

A Bill For An Act

concerning a statutory directive for the State Engineer to develop a state water plan, and for the dissolution of the Colorado Water Resources and Power Development Authority.

Bill Summary

Requires the State Engineer to develop a state water plan within certain guidelines. Requires the dissolution of the Colorado Water Resources and Power Development Authority. Assigns the Authority's statutory water financing function to the Colorado Capital Finance Corporation, and its water planning, development, and waste water functions to the State Engineer. Establishes transition procedures and authorizes the transfer of moneys from the Authority to the State Engineer.

Be it enacted by the General Assembly of the State of Colorado:

State Water Plan Within one year from date of this act, the State Engineer shall develop a preliminary state water plan for consideration and approval by the executive and legislative branches. The plan shall be developed under the following guidelines:

1. A State Water Plan Steering Committee shall be formed to advise the State Engineer in developing the plan.

2. The State Engineer shall serve as the committee chairman, and eight additional Steering Committee members shall be recommended by the chairman and approved by the governor for an indefinite period of service.

3. One committee member shall be appointed from each of the following areas of experience: academic, legal, natural resource management, engineering, finance, public administration, private sector water development, and civic organization.

4. The plan shall be developed as an advisory guide for

public and private decision makers at the local, state, and federal level who are concerned with the optimum use and development of Colorado's water resources.

5. The preliminary state water plan shall include, as a minimum, an inventory of the state's total water resources, a draft state water policy, an identification of areas that need further study and/or legislation to improve and update the plan.

Dissolution of Authority and Assignment of Responsibilities and Funding

1. The Colorado Water Resources and Power Development Authority shall be statutorily dissolved with this act.

2. The Authority's water financing function shall be assigned to the Colorado Capital Finance Corporation, to be used if and when the State Engineer and the Colorado Water Conservation Board agree that state debt financing is advisable for Colorado water development.

3. The Authority's residual water planning, development, and waste water responsibilities shall be consolidated under the State Engineer.

4. The Authority's existing project acquisition and maintenance fund shall be transferred to the State Engineer.

5. The State Engineer's budget shall be revised to cover the funds transferred and its newly expanded responsibility for state water planning.

NOTE: Colorado has three state agencies with overlapping responsibilities for water planning and development. Because of Colorado's traditional political divisiveness between basins and interest groups, all three of these agencies have avoided the task of developing a state water plan or policy. Although Colorado's high topography generates much of the renewable water for the West, it is the only Western state that does not have statewide water planning. Colorado's exclusive reliance on its original court based appropriation doctrine has created a confused -- and confrontational climate where water development costs (tap fees) and lead times are some of the highest in the West.

Water planning legislation, similar to this draft, is urgently required as the key first modernizing step toward optimizing Colorado's water management for the greater good and least enviro-economic cost. Colorado's recent piecemeal legislation to improve state water management is proving to be counterproductive without the perspective of a state water plan.

THE DENVER POST

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William Dean Singleton,
Chairman of the Board

'There is no hope for the satisfied man' - F.G. Bonfils, Publisher, 1895-1933

Two Realities about Two Forks

IT'S TIME the supporters of damming Two Forks face Two Realities, so that we can get on with addressing our real water needs.

Two Forks dam is not going to be built. President Bush and the Environmental Protection Agency are not going to approve a project that sacrifices the environment, isn't needed and has alternatives that are less damaging to the environment and cheaper. The people of Denver and Colorado have said repeatedly they don't support this project — in public opinion polls, in letters and by their overwhelming testimony at public hearings. And they will not support any attempt to raise their water rates or taxes to subsidize an unneeded project that could cost up to \$1 billion of their money.

Two Forks should not be built. It's not needed — the growth projections used to justify it are already way off the mark. The environmental risks are too great — not just for the wildlife that depend on the river, but also for the people of the metro area — from more urban sprawl and air pollution. Colorado jobs and businesses are hurt every time a scenic canyon or a gold medal trout stream is sacrificed, because that chips away at why people want to live, work, visit or do business in Colorado. We need a better approach to water.

We need a plan for water that is jointly developed by all of those affected by water decisions — the Front Range where most of the people are, the West Slope where much of the water is, and the East-

JIM NELMS

ern Plains where agriculture has a great need for water.

It's much cheaper to use the water and water facilities we already have in a more efficient way — through conservation, recycling and exchanges — than it is to build more costly dams. One place to start is by setting strong water conservation standards for all new development in the metro area.

Money that has been accumulated for Two Forks would be better spent on replacing sprinkler systems and plumbing fixtures that leak or waste water.

We need to make sure that the people who decide water policy, and set the water rates, are accountable to the voters for the decisions they make, and not isolated by appointment.

There is something wrong when a water board that no one elected can condemn land and force people from their homes, threaten the environment with a damaging and costly project, squander \$40,000,000 of the people's money trying to justify a project the public doesn't want or need, and decide who will and won't get water and what people will have to pay for it.

With the demise of Two Forks dam, we have the opportunity to address our future water needs without sacrificing the environment.

Jim Nelms is an Adams County commissioner

November 6, 1989

COLORADO'S WATER QUAGMIRE

Although Colorado's high topography generates most of the renewable water for Southwestern states, Colorado's water development costs (tap fees) are the highest in the nation. Recent Home Builder Association testimony before the Colorado Legislative Interim Water Committee indicates Metro Denver's water and sewer tap fees average over \$7,000; while Arizona cities average \$1,106; Utah \$1,850; California \$2,646; New Mexico \$847; and Texas \$1,153. This inordinate drag on Colorado's economy is largely due to the state's historic refusal to modernize its water management practices.

Colorado is the only Western state that has never developed a state water plan to serve as a guide for local, state, and federal decisions. It is also the only state that still relies exclusively on a confrontational, court based system for allocating its renewable surface water. This unplanned, highly legalistic climate has created a Mecca for 70% of our nation's water attorneys. Without organized water planning, the feds tell Colorado what it can't do, and the down river states reap the benefits of our costly water development grid lock.

The Two Forks Dam debacle is the best recent example of what can happen in a planning vacuum. Although there are less costly water alternatives that could actually enhance Colorado's overall environment, a small group of powerful, non-elected, water officials were able to mislead most of the state's water community into supporting the most expensive, environmentally damaging option. The better engineered, less damaging alternatives were systematically screened from the environmental studies because of political pressure and overblown "institutional constraints".

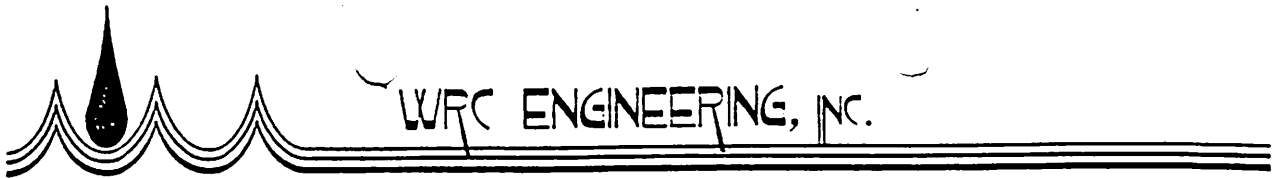
Colorado's Water Resources and Power Development Authority has only added to this confusion by spending \$millions of state funds on low priority, unrelated water studies that are often "politically engineered" to suit the biases of sponsoring water districts. To avoid political controversy, the Authority makes no attempt to determine how various water district proposals help or hurt Colorado's overall water development situation.

Colorado's water management is largely controlled by a close knit fraternity of appointed water board and conservancy district officials who are united in preserving the confused status quo. These powerful, attorney dominated officials serve indefinitely, as they are exempt from Colorado election laws that apply to all other special districts.

Instead of piecemeal crutching of state water laws, basic legislative changes are urgently required to modernize management of Colorado's water. Hopefully, excessive water development costs and the wasteful Two Forks experience will spur elected officials into long overdue corrective action for the people of Colorado.

Allen D. (Dave) Miller
Natural Energy Resources Company
P.O. Box 567, Palmer Lake, CO. 80133
(719)481-2003

As an engineer with over 23 years of experience in the field of water resources engineering, I cannot accept that one cost estimate for a siphon should be more than 3.8 times (\$43.9 million versus \$168.8 million) another cost estimate for essentially the same project component. I will accept



*Copy with
Case*

October 23, 1989

Governor Roy Romer
Executive Chambers
1360 State Capitol
Denver, Colorado 80203-1792

The Honorable Jeanne Faatz, Chair
Interim Committee on Independent
Governmental Authorities
State Capitol Building
Denver, Colorado 80203

The Honorable Tilman Bishop, Chair
Interim Committee on Water
State Capitol Building
Denver, Colorado 80203

WRC File: 1662/14

Re: Colorado Water Resources and Power Development Authority Study

Dear Governor Romer, Representative Faatz and Senator Bishop:

On three separate occasions I provided written input to the Colorado Water Resources and Power Development Authority regarding my concerns related to the Authority's Upper Gunnison-Uncompahgre Basin Phase 1 - Feasibility Study. Copies of these letters are enclosed for your files. I received no response to my first two letters, and only a token response (or no response) to the third. A copy of the Authority's response to my third letter is also enclosed for your files.

After a great deal of frustration in dealing directly with the Authority, I have decided to bring this matter to your attention as our elected officials. On numerous occasions, the thought of dropping this matter crossed my mind, but after serious consideration I kept reaching the same conclusion that, as a responsible citizen, I must bring this matter to the attention of someone if we are to maintain a responsible government.

My fundamental concern is that when a report such as the one for the Gunnison Study is published it must contain the best factual information available at the time of publication. Clearly the subject report did not meet this criteria despite the fact that my concerns were brought to the Authority's attention in a timely manner shortly after the draft copy of the report was printed.

As an engineer with over 23 years of experience in the field of water resources engineering, I cannot accept that one cost estimate for a siphon should be more than 3.8 times (\$43.9 million versus \$168.8 million) another cost estimate for essentially the same project component. I will accept differences up to 10 or 20%, but a figure over 380% is totally unacceptable.

As per provisions of CRS Title 37, Article 95, the Authority would issue its bonds to finance water projects. The bonds will be paid for solely from revenues generated from the said water projects. Through such a financing mechanism, it is assumed that the State will benefit from lower interest rate bonds issued. As you can see these savings will disappear rather quickly if major financial errors are made by the project proponents and not corrected in a timely manner. Further, it would make the project look more costly when the opposite is true, and thus make the project financing more difficult.

The erroneous cost estimate by the Authority raises a fundamental question about the accuracy of the work performed by the Authority. Frankly, I am beginning to wonder if in fact "political engineering" has arrived in Colorado.

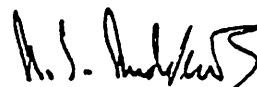
The engineering profession has served the public interest very well by developing and providing facts that are used as the basis for making sound decisions. We must remain vigilant in seeing that these facts are not compromised.

I would like to request that you undertake an investigation of this serious matter. I would be pleased to meet with you or with anyone undertaking the investigation to answer any questions they might have.

Should you have any need for additional information at this time please let me know. Thank you.

Very truly yours,

WRC ENGINEERING, INC.



A. S. Andrews, P.E.
President

Enclosures

ASA/jed

NATURAL ENERGY RESOURCES COMPANY

P. O. Box 567 • Palmer Lake, Colorado 80133 • (719) 481-2003 • FAX (719) 481-4013

September 27, 1989

Denver Water Board
1600 West 12th Avenue
Denver, Colorado 80254

Dear Commissioners:

Request the Denver Water Department (DWD) issue an immediate public withdrawal of its secret sponsorship of the video: WEALTH OF WATER IN NORTHERN COLORADO. As of this date, DWD has used public funds (\$24,230) to hire a private contractor to produce and widely distribute this grossly misleading video to local, state, and national civic groups, leaders, and media. The public is not being told of DWD's financial and editorial control that is designed to enlist public support against EPA's Two Forks veto.

This video represents a grave disservice to the non-technical public for the following irrefutable reasons:

1. The video's basic theme is that if Two Forks is not built, Northern Colorado's agricultural area will be largely dried up to meet Metro Denver's future water needs. EPA knows there are over 30 large and small water alternatives that were improperly disqualified in the Metro Denver EIS, and none of these "overlooked", ongoing, projects are a threat to Northern agriculture.

2. The video states that Colorado's water experts subscribe to the "Northern Dust Theory", but Colorado State University officials have denied in writing that their studies support this unrealistic worst case scenario. In fact, CSU's water experts generally acknowledge that improvements in Western irrigation techniques are making substantially more water available for urban use via normal marketing practices, without adversely impacting agriculture.

3. The video cites the City of Thornton's purchase of 110 irrigated farms as the only specific example of Denver's expected raid on Northern water. However, the video fails to mention that Thornton's commonly used City-Farm Recycling concept is designed to return 100% of the water to these same farms after it is first used in Northern Metro Denver cities.

4. The video improperly uses testimonies from Senator Bill Armstrong, Representative Hank Brown and Thornton's mayor to give credence to the above fallacies.

Instead of continuing to use public funds to mislead the

public into supporting an outmoded concept, suggest the Denver Water Department direct its technical staff to quickly review the many alternatives that are progressing nicely to meet Metro Denver's future needs. Our engineers and international contractors would be honored to show how Arapahoe County's Union Park Reservoir and Siphon from the overlooked Gunnison Basin can provide drought protection for the environments on both slopes, while satisfying Metro Denver's future needs at half the unit cost of Two Forks.

Please advise regarding our request for termination of the video, and our offer to assist in your evaluation of overlooked alternatives.

Sincerely,



Allen D. (Dave) Miller
President

ADM/bm

Encl: DWD letter dated May 11, 1989; letter to White House dated September 18, 1989.

cc: local, state, and national leaders, media, and civic organizations.



Denver Water Department

1600 WEST 12TH AVENUE • DENVER, COLORADO 80254 • Phone 628 6000

May 11, 1989

Mr. Richard Hergert
Rural Marketing Service
P.O. Box 2052
Windsor, Colorado 80550

Dear Mr. Hergert:

Attached is a contractual agreement in the amount of \$16,000 for your services and that of Rural Marketing Service from the time of execution of the agreement to July 31, 1989. I would like to emphasize the following points which you and I have discussed and mutually agreed to with respect to the contractual agreement:

1) As an independent contractor, it is important that you remember that you are not an employee, agent, or spokesperson of the Denver Board of Water Commissioners. Rather, in your activities relating to this educational project, you should make clear that the views you are expressing and the activities you undertake are those of Rural Marketing Service.

2) The objective of this contractual agreement is to help educate governmental officials, media, citizen organizations, and others in the northern and northeastern area of Colorado (generally in proximity to the South Platte Valley north and northeast of Metro Denver to the Colorado/Nebraska border) on the proposed Two Forks Dam project, and the governmental approval process in which that project is now involved.

3) In furtherance of that educational project, it is expected that an educational video will be created and approved by representatives of the Denver Water Department (Ed Pokorney) and the Metropolitan Water Providers (Bob Tonsing). The video will be used in presentations and contacts with the media, governmental officials, and others in north and northeastern Colorado.

4) As the Contractor under the agreement, it will be expected that you will inform Mr. Ed Pokorney of the Denver Water Department of the progress of this educational project at least every two weeks, and more frequently if necessary or useful.

5) As described in your proposal of May 4, 1989, it is expected that discussions will be held with officials, citizen groups, business, farm interests, and others in the following counties and cities: Larimer, Adams, Weld, Morgan, Logan, and

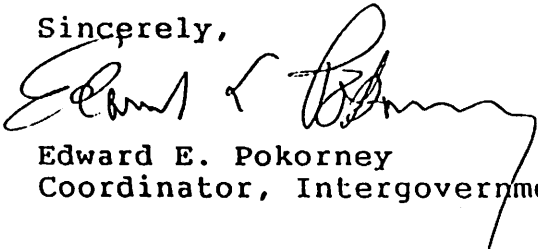
Sedgwick counties; and the cities of Ft. Collins, Loveland, Longmont, Brighton, Greeley, Windsor, Ft. Lupton, Ft. Morgan, Brush, Sterling, and Julesburg. It is expected that you will also contact all radio, television, and newspaper media in the listed counties and cities in an effort to gain educational coverage of the proposed Two Forks project, including transmitting of the video, PSAs, news conferences, etc.

6) It is expected you will make presentations to businesses, business groups, chambers of commerce, citizen groups, agricultural organizations, and other entities. As an example of the kinds of groups, the following are agricultural organizations which would be contacted: the Colorado Farm Bureau; the Rocky Mountain Farmers' Union; the Colorado Cattle Feeders; the Colorado Pork Producers; the Colorado Wool Growers; the Western Dairymen Cooperative, Inc.; the Corn Growers Association; the Wheat Growers Association; the Onion Growers Association; the Sugar Beet Association; the Colorado Grain and Feed Dealers; the Colorado Farm Equipment Dealers; the Colorado Fertilizer Dealers Association; and the Colorado Seed Growers Association.

7) It is expected that in furtherance of the educational objective of this agreement, you will prepare the arrangements for such public meetings as are deemed advisable, and attract participants from various interest sectors to such public meetings. It is also expected that appropriate public officials and concerned northern/northeast Colorado citizens will be brought together to exchange views for further educating the public on the proposed Two Forks project and permit process.

Should you have any questions about the scope, nature, or objective of this contractual agreement, please do not hesitate to call me at (303) 628-6506.

Sincerely,



Edward E. Pokorney
Coordinator, Intergovernmental Affairs

EEP:eze



The American Lyceum, Inc.

OFFICIAL FILE COPY
Denver, Colorado Dept.

Citizen Education
Public Deliberation

126		
File inst.		

Sept. 18, 1989

The Honorable John Sununu
Chief of Staff
The White House
Washington, D.C. 20050

Dear Sir:

Your aide for cabinet affairs, Juanita Duggan, reviewed our video THE WEALTH OF WATER IN NORTHERN COLORADO and responded with a nice note on September 12th. However, in a phone conversation on September 16, she politely refused to discuss the matter saying, "I will have to write a report, if we talk."

Sir, we feel that not only should a report be written, but an investigation should begin.

We support this request with the following:

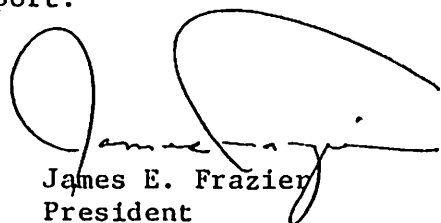
The EPA report, signed by Lee Deihns, states on page 21: "There is not clear evidence that an agricultural dry-up will occur....No documentation was provided which indicated that the historical trends in irrigated agriculture would change with, or without, TWO FORKS DAM..."

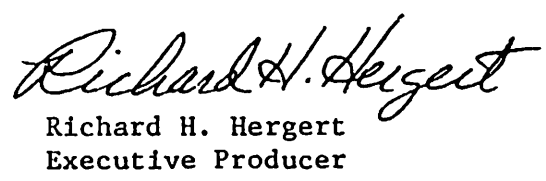
Historical facts and events documented in our video clearly show the serious and devastating impacts on an entire region of drying up agricultural water - the Fourth Congressional District. The massive body of facts, testimony and events presented in our video were not considered.

Because the proper evidence has not been acknowledged, we formally request establishment of a White House oversight team to specify to you and the President the impacts on food production in Colorado, communities, schools, soils, wildlife, wetlands and tax structures if TWO FORKS is NOT built.

Northern Colorado is the fourth wealthiest ag production center in the United States with hundreds of communities, 500,000 people and one of the most unique and most productive ag irrigation systems in the world -- yet this entire region appears to be ignored for some reason. Thus, we request a White House investigation and formal report.

Thank you.


James E. Frazier
President


Richard H. Hergert
Executive Producer

cc: Senator Armstrong



Board of Water Commissioners

1600 W. 12th Avenue Denver, CO 80254 Phone (303) 628-6000
Telecopier No. (303) 628-6509

HUBERT A. FARBES, JR., President
MALCOLM M. MURRAY, 1st Vice-President
MONTE PASCOE
DONALD L. KORTZ
MS. ROMAINE PACHECO

W. H. MILLER, Manager

October 4, 1989

Mr. Allen D. (Dave) Miller, President
Natural Energy Resources Company
P.O. Box 567
Palmer Lake, CO 80133

Re: Video - "Wealth of Water in Northern Colorado"

Dear Mr. Miller:

I am responding on behalf of the Board of Water Commissioners to your letter of September 27, 1989. The video which you question was produced by an independent contractor employed by the Board, and furnishes important information to the public for evaluating the use of the waters of the South Platte Basin, and the importance of proceeding with design and construction of the Two Forks Dam and Reservoir.

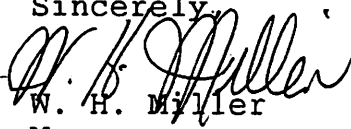
This production was a proper use of funds of the Board and of the participating water providers, and the Board has no intention of withdrawing its sponsorship.

You assert in your letter that the Board's sponsorship of this video is "secret," but I must inform you that the acknowledgments at the end of the film credit the Denver Water Board, and The American Lyceum poster (copy enclosed) is distributed with the film and contains the following message in bold type:

"Underwriters
Denver Water Board
Metro Water Providers."

By these means and others the Board has given full publicity to its role in the distribution and showing of this video.

Sincerely,


W. H. Miller
Manager

WHM/WDW:ss

Enc.

NATURAL ENERGY RESOURCES COMPANY

P. O. Box 567 • Palmer Lake, Colorado 80133 • (719) 481-2003 • FAX (719) 481-4013

October 12, 1989

Denver Water Board
1600 W. 12th Avenue
Denver, Colorado 80254

Re: Video - **WEALTH OF WATER IN NORTHERN COLORADO**

Dear Commissioners:

Your manager's October 4th refusal to stop wide distribution of subject video is a flagrant disservice to the people of Colorado.

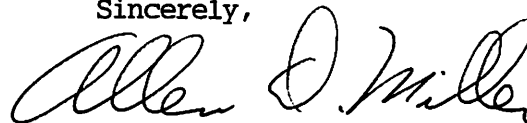
The Denver Water Department's (DWD) May 11th instructions to the video contractor clearly show intent to disguise DWD's editorial and financial involvement, ie: "In your activities relating to this educational project, you should make clear that the views you are expressing and the activities you undertake are those of Rural Marketing Service....it is expected that an educational video will be created and approved by representatives of the Denver Water Department (Ed Pokorney) and the Metropolitan Water Providers (Bob Tonsing)." The acknowledgement at the end of the film and the latest poster wording surely do not give the viewer a true understanding of the extent of DWD's sponsorship. In fact, the video's credits appear to indicate sponsorship by The American Lyceum, Inc., a "Citizen Education - Public Deliberation" organization with close ties to Rural Marketing Service.

The greatest travesty, however, is the video's invalid message that Northern Colorado agriculture will dry up if Two Forks is vetoed by EPA. As indicated in EPA's decision statement, there is no evidence to support this notion. Nevertheless, DWD continues to promote this "red herring" in a desperate attempt to alarm the non-technical public into supporting an outmoded concept that had DWD's total commitment long before the environment became a national concern.

We again ask the Denver Water Board to stop the video for the reasons outlined in our September 27th letter. We also request a response to our longstanding offer to provide DWD engineering assistance to objectively analyze the ongoing alternatives that are **not a threat to Colorado agriculture**. These are the superior alternatives that were improperly screened from the environmental studies

Thank you for your consideration.

Sincerely,



Allen D. Miller, President

ADM/bm

Encl: DWD letter dated October 4, 1989

cc: local, state, and national leaders and civic organizations.

NATURAL ENERGY RESOURCES COMPANY

P. O. Box 567 • Palmer Lake, Colorado 80133 • (719) 481-2003 • FAX (719) 481-4013

October 6, 1989

Senator Tilman Bishop, Chairman
Interim Committee On Water
State Capitol Building
Denver, Colorado 80203

Dear Senator Bishop:

Thank you for the opportunity to testify before your committee yesterday.

Enclosed please find information on our company's board of directors, per your request.

We appreciate your committee's request for the Authority, Board, and State Engineer's written comments on the specific points in our September 20, 1989 paper on Colorado Water Planning and Development. This is a good way to get to the heart of these difficult state water matters that have long been avoided as too politically charged. When the comments are received, we would surely appreciate a copy.

Your water committee's consideration of urgent legislation for state water planning is also very timely, if we are to stop the Feds and national environmental groups from dominating Colorado's disordered water scene.

Sincerely,



Allen D. (Dave) Miller
President

ADM/bm

Encl: NECO info paper Jan. 1987, Sep. 20, 1989 paper.

cc: Governor Romer, CWRPDA, CWCB, State Engineer, Legislators.

NATURAL ENERGY RESOURCES COMPANY

January, 1987

*sent out
OD 89
re over*

Subject: Information, Natural Energy Resources Company (NECO)

Background: NECO was formed in 1982 by a group of water attorneys and retired U. S. Bureau of Reclamation executives. The purpose of this private company is to develop major water and power projects. There are currently 118 stockholders with most of the shares owned by twenty major investors. To date, NECO has committed approximately \$1.5 million in cash and services for the development of Rocky Point Pumped Storage Project and Union Park Water Supply Project. NECO has a 1986 agreement with Union Park Constructors (a joint venture between Ebasco Services, Black and Veatch, and Harrison Western) whereby the Constructors perform the engineering and environmental studies, arrange for financing, and provide accounting and management necessary to complete the preconstruction phase of the projects. NECO, in return, has agreed that the Constructors will receive turnkey contracts for construction of the projects.

President and Board Chairman: Allen D. (Dave) Miller, Palmer Lake, Colorado, 55, married with five sons and daughters. University of Colorado, 1954, B. S. degree, Business Administration. University of Tennessee, 1963, M. S. degree, Business Management. Retired from U. S. Air Force 1974, with rank of Colonel. While in Air Force served as a representative and prime mover for United States and Department of Defense participation in the international development of intermodal container distribution. Since retiring from Air Force, active in real estate development and private investments.

Vice President and Board Member: Jack R. Orr, Greeley, Colorado, 52, married with four children. Rancher, investor, and real estate broker specializing in farm and ranch properties. Past president of Colorado Cattleman's Association and board member of National Cattleman's Association.

Secretary and Board Member: Rhinie Brunner, 61, Ault, Colorado. Wife deceased, five children. Farmer and cattle feeder.

Treasurer and Board Member: Uwe Schmidt, 47, Colorado Springs, Colorado. Married, two sons. B. S. degree, Business, University of Hamburg, Germany. Accountant, real estate broker, developer, private investor.

Board Member: Abner Watts, 65, Lakewood, Colorado. Married, 2 sons. B. S. degree Electrical Engineering, Louisiana Tech University. Registered Professional Engineer state of Colorado. Thirty-three years experience with U. S. Bureau of Reclamation. Last position was Chief of Power Division, Lower Missouri Region, covering 16 hydroelectric plants and 3700 miles of transmission lines.

Board Member: Dale B. Raitt, 62, Lakewood, Colorado. Married, son and daughter, B. S. degree Civil Engineering, University of Nebraska. Registered Professional Engineer in Colorado and Nebraska. Thirty-one years service with U. S. Bureau of Reclamation. Last position, Assistant Regional Director, Southwest Region.

Board Member: Leonard Geringer, 35, Wheatland, Wyoming. B. S. degree, University of Wyoming. Farmer and cattle feeder. Chairman of Board, Wheatland Rural Electric Association.

STATEMENT DELIVERED BY ARAPAHOE COUNTY
COMMISSIONER THOMAS R. EGGERT
TO THE LEGISLATIVE
INTERIM COMMITTEE ON WATER
OCTOBER 5, 1989
Revised October 6, 1989

Thank you for the opportunity to bring to your attention our concerns regarding water supply and water issues in Arapahoe County. I will also bring to your attention suggested changes to the system which could result in better management, increased supplies, reduced confrontation and lower costs.

Because of the uncertainties surrounding the permitting and construction of the Two Forks Project, Arapahoe County, while supporting Two Forks, has been extremely concerned about future availability of renewable and dependable water supplies to serve areas in our County. This concern is shared by other water providers in Arapahoe County who own approximately 50% of the Two Forks Project. In recent years a number of these providers have approached the County to explore possibilities of working together to jointly develop raw water sources that would meet our future water requirements.

The population of unincorporated Arapahoe County is approximately 113,000. This figure is projected to be approximately 320,000 in 2020 for a growth rate of 2.4% per year. The total water demand resulting from the population increase is estimated to be approximately 80,000 acre-feet per year.

Most water providers in Arapahoe County depend in part or in total on non-renewable groundwater supplies. If these supplies continue to be the source of water obviously additional demands will be made on the aquifers. Nine such providers, who use groundwater exclusively, currently consume approximately 12,000 acre-feet of water per year. A current water needs study being done for the County projects that by the year 2010 these nine providers will be using an additional 18,000 acre-feet of non-renewable groundwater supplies. The County has determined that long term reliance on non-renewable groundwater supplies is not responsible public policy.

The County has been involved in discussions with other water providers in the County concerning how the County can assist in acquiring and guaranteeing long term sources of renewable surface water supplies. The County has formed a Utility Advisory Board, consisting of water experts from our districts, cities and businesses to advise the County on water issues. The County, based on the recommendation of its Advisory Board, has undertaken a study to establish a County water resources plan. This plan will identify water sources, demands, distribution systems and institutional issues on a County-wide basis. With this information as a start, water supply alternatives can be identified and acquired.

In August, 1988 Arapahoe County acquired the proposed Union Park Project, a head waters project, which will develop renewable water supplies in the Gunnison River Basin as well as generate hydroelectric power under a conditional FERC permit. Simultaneously with the acquisition of the project, the County entered into an agreement with the Castlewood Water District, under which Castlewood will own 9% of the water yield. The City of Gunnison and

Parker Water and Sanitation each own 5%. The County might consider conveying its share of the project to some form of a metropolitan water institution, provided it is compensated for its costs in obtaining the project and maintains control over how the project water is allocated and used in the Denver Metropolitan area.

Arapahoe County in 1988 formed the Arapahoe County Water and Wastewater Authority and signed an agreement with the Arapahoe Water and Sanitation District to manage the District's operation. The Authority will work with other water providers in a cooperative manner to enhance their abilities to act together as an effective utility. The Authority's mission is two-fold: To provide cost effective service to its customers and to implement sound planning for effective water management.

With this background, it is easier for you to understand our request that the Legislature provide enabling legislation to allow counties more flexibility in dealing with these issues which directly affect the economic well being of our communities. Arapahoe County is ready to play a key role and to participate in any efforts aimed at securing renewable water supplies for the Front Range urban counties.

The Legislature can do a great deal to encourage water providers to work together and to better manage present and future water supplies. What form might this encouragement take? Let's start by changing to an administrative process for the issuance of a decree. Only Colorado uses the water court system. This would reduce confrontation, process time, costs and result in better management and service to customers.

Second, the administrative process could be used to determine the amount of water required for the use intended, thus freeing additional amounts of water.

Third, the administrative process should use a return on investment concept. What revenue stream flows to the State from the use intended?

Fourth, establish methods to set reasonable minimum stream flows to assure extended seasonal recreation use.

Fifth, eliminate the use of 1041 as it applies to water and its use as a mechanism for blackmail, blocking of projects and escalating costs. Colorado's water is owned by all the people and it should be administered for the greater good!

Sixth, concurrently with the above, assign the Colorado Water Resources and Power Development Authority or the Colorado Water Conservation Board the responsibility to prepare an inventory of water resources and a water plan for Colorado.

Seventh, enact enabling legislation giving counties the same flexibility to deal with water and sanitation issues as cities now have.

You in the Legislature control the future of this State. In closing I'd like you to remember the words of the Roman philosopher Platus, "Wretched business to be digging a well, just as thirst is mastering you!"

WHAT SHOULD WE DO TO IMPROVE WATER MANAGEMENT IN COLORADO?

Editorial by Neil S. Grigg

What would you do if you were Colorado's Water czar? Dick MacRavey, Executive Director of the Colorado Water Congress, invited several to speak on this topic at the CWC August meeting. This is a summary of my contribution.

Last year I reviewed a number of water policy statements and compiled a general list of needs such as: reduce transactions costs in water marketing, encourage cooperation, deal with new federal roles in decisionmaking, provide better financing, improve water management, groundwater use, exchanges, drought preparation, integrate quantity and quality, provide Front Range water supplies, protect agriculture, provide instream flows, improve water use efficiency, and protect compact entitlements. But it's a long way from compiling this list to the reality of moving toward improvements, so we have to be realistic.

I think that the highest priority is to provide a balanced and adequate water supply, for all needs in all regions, to develop and implement a state water supply strategy to meet these needs. It would be a state water plan, in a manner of speaking.

Now, how would this be done? First we need an agreed-upon goal at the state level: develop a state water supply strategy that meets all needs to the maximum extent possible, guarantees regions a future, enables maximum economic development and provides environmental enhancement; all this being done while protecting individual water rights and compact entitlements. Specifics would be:

- Organize regional water management in the state. Regions would be: Denver metro area (regional raw water), Northern Colorado, Southern Colorado, West Slope (maybe in basins), and San Luis Valley.
- Develop cooperative, market-based pooled approaches to water management.
- End the "use it or lose it" problem and provide ways to really encourage water use efficiency.
- Take an activist approach to citizen education about water resources.

These measures are not simple, and they will require effective policy analysis. The following studies would be needed:

- A policy study to find options for ending the "use it or lose it" problem.
- A water management study to show what could be done with inter-regional cooperation, including the possibilities for

exchange and sharing of water, the enhancement of instream flows and improved conjunctive use.

- An economic study, to show how the state can get the most return, including environmental returns, from its water.
- An environmental study, to show where changes are needed to enhance the environment, with prioritization.
- An improved data base and GIS.

To move ahead on this I would organize a joint executive-legislative study commission. It would need one year for the organizational aspects and two years for the studies, with recommendations at the end of year three, or sooner. It would require effective staffing, so a budget would be needed. To make this work it would have to involve the state's water managers to provide ideas and review staff studies. The chairpersons would have to be committed and rely heavily on a skilled and experienced staff.

What would this do for the State? In the ideal case, regions would be guaranteed economic futures; thus there would be an end to the area-of-origin conflict. There would be an end to controversies like Two Forks, since consensus would be greatly enhanced and effective planning would be in place. The intrusion of the federal government into Colorado water matters would be greatly reduced, and Colorado would be seen as a leading state in the matter of state water policy, not a state that spends \$40 million on a water supply study only to have the federal government come in and make the decision. Urban water use would become more efficient and expensive. Pricing would be used to manage demand. Agricultural water use would become more efficient and market-oriented. Leased water and opportunity water would become more common, and opportunities to lease water to cities would increase. Drought protection would increase. Public trust arguments would end. Cost of decisionmaking would go down. There would be enhanced public support and more respect for water management in the state.

Frankly, there might be less increase in the cost of water rights, less litigation and reduced activity in the water courts, and a reduced need for state agency administration. There would be more need for regional and inter-regional management and administration. The data base and GIS would be an important central agency function.

Obviously, these are ideals, not easy to achieve, but worthwhile to pursue. I personally believe we can move in this direction. Interstate compacts will need continued attention; this is going to be more important in the future, especially in the Platte and Colorado basins. Other water problems, such as water quality and flood control, will continue to need attention also, but do not seem to be the highest priority.

ans. in file



NATIONAL WILDLIFE FEDERATION

MEMORANDUM

September 23, 1989

TO: Greg Asbury
 Ralph Clark
 Bruce Driver
 Maggie Fox
 David Getches
 Darrell Knuffke
 Kirk Koepsel
 Ann Longworth
 David Masters
 Gary Sprung
 Paul Zogg

FROM: Chris Meyer *CM*

RE: CRAP-UP: Fossil Ridge Wilderness Study Area

Attached please find a copy of Jim Martin's letter to me with attached letter from Arapahoe County to Senator Wirth. Arapahoe County is urging that the boundary of the Fossil Ridge Wilderness Study Area be moved to avoid potential conflict with the proposed Union Park project. (That's the UP in CRAP-UP.)

What are your thoughts on how we should respond? How real is this potential conflict? What are we giving up to move the boundary?

Attachments: Martin letter (Sept. 20, 1989)
 Arapahoe County letter (June 12, 1989)

c: Dave Alberswerth
 Tom Dougherty
 Ed Osann

f: pcy

TIMOTHY E. WIRTH
COLORADO

COMMITTEES:
ARMED SERVICES
BANKING
BUDGET
ENERGY AND
NATURAL RESOURCES

United States Senate

WASHINGTON, DC 20510

September 20, 1989

Mr. Chris Meyer
National Wildlife Federation
Fleming Law Building, Box 401
University of Colorado Law school
Boulder, CO 80309

Dear Chris:

Enclosed is a copy of a letter that we recently received from the Arapahoe County Commission. As I mentioned to you during our telephone conversation, their concern is that the boundary of the proposed Fossil Ridge wilderness area (as delineated in Senator Wirth's bill) is "extremely close to the Union Park Project."

To be frank, I am at somewhat of a loss for a recommendation that I could make to Tim for responding to this issue. I am confident, however, that this issue will not go away.

I would appreciate it if you would review this correspondence and consider what alternatives exist for responding to this issue. In advance, let me thank you for your time.

With best wishes,

Sincerely yours,


Jim Martin



ARAPAHOE COUNTY COLORADO
5334 South Prince Street • Littleton, Colorado 80166
BOARD OF COUNTY COMMISSIONERS

SEP 11 1989

John J. Nicholl
District No. 1

Thomas R. Eggert
District No. 2

Jeannie Jolly
District No. 3

89 JUN 16 PM 5:03

(303) 795-4630
FAX 730-7903

June 12, 1989

TO: JM
FR: RS

WOULD YOU CARE TO RESPOND?

The Honorable Timothy Wirth
United States Senator
380 Russell Senate Office Building
Washington, D.C. 20510

Dear Senator Wirth:

Re: Arapahoe County/Union Park-Fossil Ridge Wilderness Study Area (WSA)

Arapahoe County owns the Union Park Water Project in Gunnison County. This project is a combined hydro-electric and water supply (both in-basin and trans-basin) project. Water rights have been adjudicated for the hydro-electric aspects, and applications for water rights for the trans-basin aspects of the project are presently pending before the water court. An entity formed by intergovernmental agreement, comprising the City of Gunnison, Arapahoe County and Parker Water and Sanitation District is the holder of a preliminary permit for the power feature of this project issued by the Federal Energy Regulatory Commission. Arapahoe County, the City of Gunnison, Parker Water and Sanitation District, and Castlewood Water District are current subscribers to the water supply feature of this project. Thus, a broad spectrum of Colorado interests is represented by the proponents of the Union Park Project.

On May 5, 1989 the "Water Rights Negotiating Team" wrote to you, and to Senator Wirth, proposing a wilderness package which they are prepared to support. In this letter we are proposing a fine tuning of present proposals in a manner which will integrate both of these objectives in the Gunnison National Forest.

The Union Park Project is referred to at page III-54 of the final Environmental Impact Statement for the Grand Mesa, Uncompahgre and Gunnison National Forests.

After reviewing the map of the modified Fossil Ridge Wilderness Study recently received from your office, and comparing it with the map of the same project in the EIS, we wish to call your attention to the fact that the boundaries of this wilderness study area appear extremely close to the Union Park Project. For your convenience, we enclose with this letter a copy of page III-56, Figure III-11, from the Environmental Impact Statement on which we have marked in green the changes to the boundaries as

shown on the map recently received from your office.

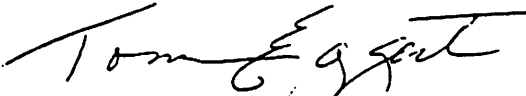
The base map used by the authors of the EIS, as well as the one used in your office, do not show the topography. They do, however, show unofficial section breakdowns in the relevant area. These sections are "unofficial" for the reason that they have not yet been surveyed by the BLM. The very close proximity makes us concerned that the final description of the boundaries of the WSA not rely on such "unofficial" sections.

We would suggest that consideration be given to pulling back the WSA boundary in this area to a location which would be topographically logical. For your convenience, we enclose a USGS Quad Sheet with the two proposed boundaries of which we are aware, as well as our suggested boundary location in this area at the nearest ridge line. We would recommend that the one mile distance suggested in the EIS be maintained between the high water line of the reservoir and the WSA. This map also has marked in the approximate high water line of the Union Park Reservoir Project.

In addition, as our contribution to the spirit of the proposed Wilderness Act, we would propose inclusion of language in the legislative history to the effect that the designation will ensure that no development will occur within the WSA boundary, while multiple uses without inhibition will be permitted outside the boundary. In the absence of such language, it may be wise to pull the boundary of the WSA even farther to the southwest.

There is a considerable amount of information available concerning the Union Park Project and we will, of course, be happy to provide any information which you or your staff may request concerning this matter.

Very truly yours,

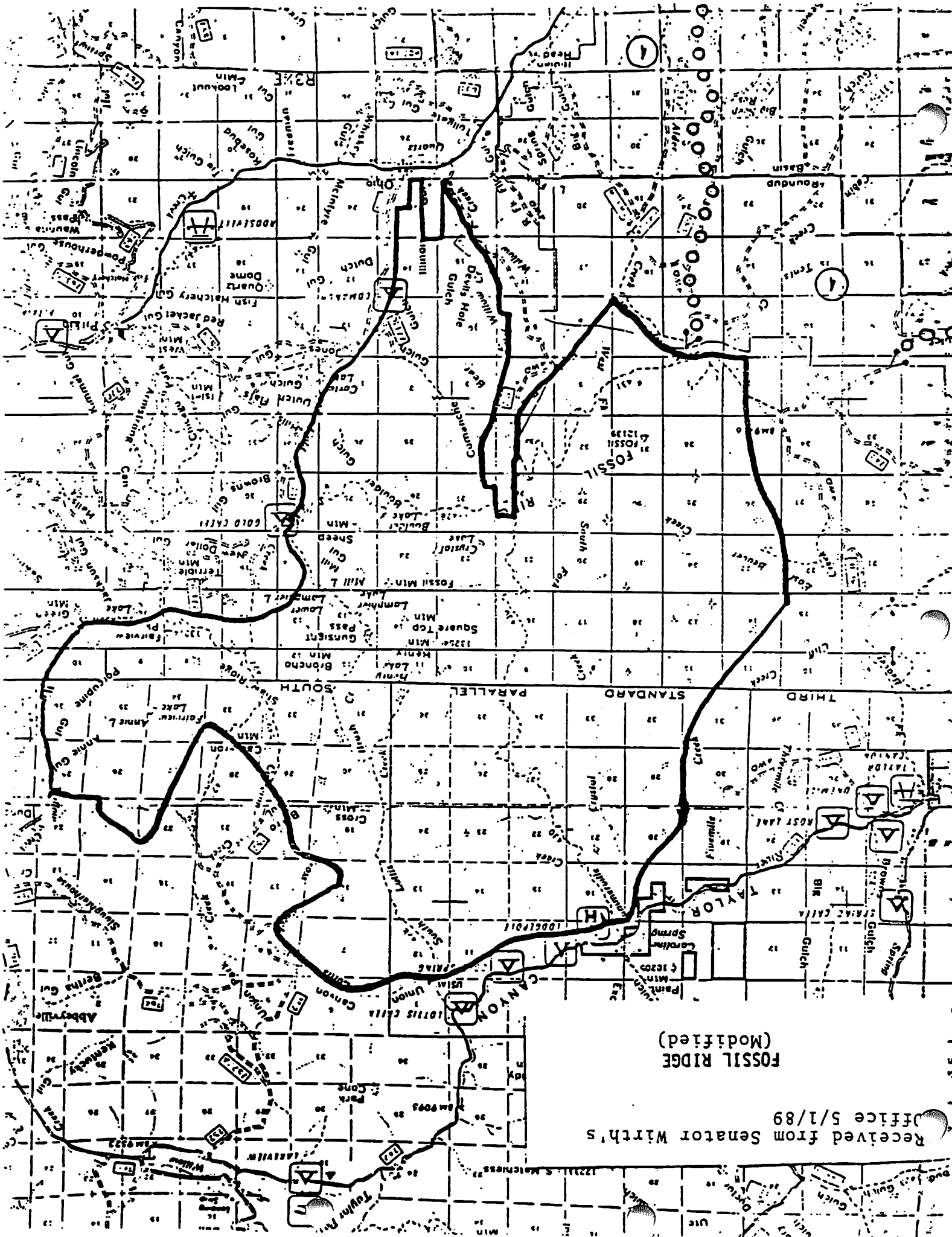


Thomas R. Eggert, Chairman
Arapahoe County Board of Commissioners

/jkl

xc: Russell D. Duree, Gunnison City Attorney
John E. Hayes, Attorney, Parker Water & Sanitation
District
A. S. Andrews, P.E.
Gregory J. Hobbs, Jr.
Ms. Christine Kadlub
Robert F. T. Krassa, Esq.

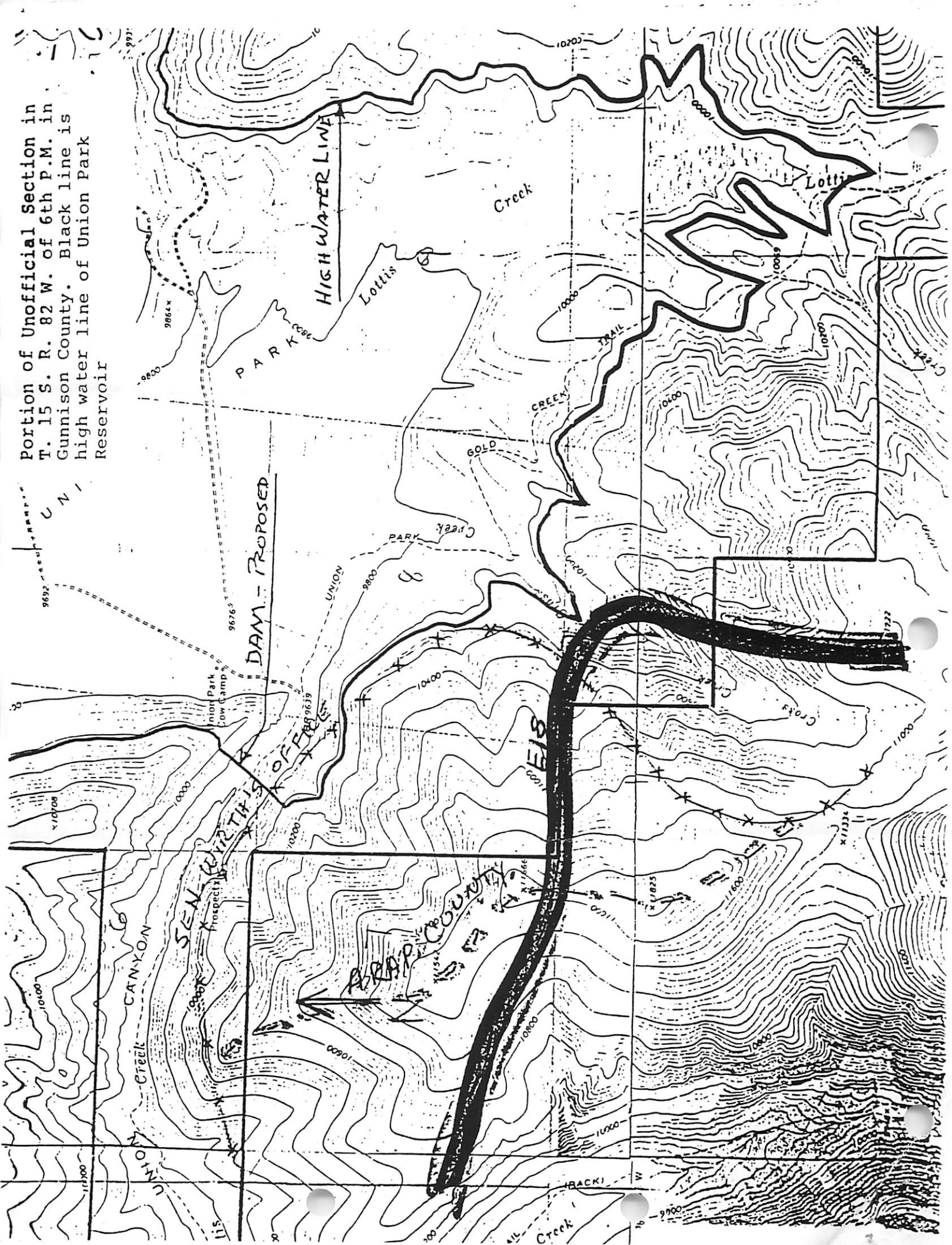
enclosures



Fossil Ridge
(Modified)

Received from Senator Wirth's
Office 5/1/89

Portion of Unofficial Section in
T. 15 S. R. 82 W. of 6th P.M. in
Gunnison County. Black line is
high water line of Union Park
Reservoir



September 20, 1989

Legislative Outline

for

COLORADO WATER PLANNING AND DEVELOPMENT

Problem: Colorado's water development is being seriously retarded because of the state's historic resistance to statewide water planning, and the recent diffusion of accountability between the state agencies responsible for water planning and development.

Factors Bearing On Problem:

1. In this age of environmental enlightenment, federal permitting agencies normally expect to evaluate specific water development proposals within the context of state and regional water planning.

2. Colorado is the only Western state that has never developed any form of state water plan to serve as a guide and overall perspective for local, state, and federal decision makers.

3. Colorado's near exclusive reliance on its original "prior appropriation doctrine" tends to create a confrontational water development atmosphere, where protracted legal battles and political momentum are more important than objective engineering, environmental, and economic evaluation of alternatives.

4. Colorado's water development scene is largely dominated by non-technical water attorneys, instead of engineers and natural resource specialists.

5. An estimated 70% of the nation's water attorneys are required to administer Colorado's water structure, and this group generally adheres to the doctrine: "If it ain't broke, don't fix it."

6. Since its inception in 1937, the Colorado Water Conservation Board (the Board) has helped effectively plan, evaluate, finance, and promote over 200 water projects and studies using \$159,868,437 in state funds.

7. In 1981 the Colorado Water Resources and Power Development Authority (the Authority) was established as a political subdivision of the state to specifically obtain low interest bond financing to acquire, construct, maintain, repair, and operate water projects for the protection, preservation, conservation, upgrading, development, and utilization of the state's water resources.

8. Since its inception, the Authority has provided financing for only one water project (short-term bridge loan for Stagecoach Dam and Reservoir until federal funding received), and most of its effort has been devoted to 7 unrelated, inconclusive water studies that previously would have been handled by the Board.

9. Water studies by the Board and the Authority are only made in response to and controlled by local sponsors, who are interested in promoting their own particular project or viewpoint.

10. Both the Board and the Authority deny any responsibility or interest in conducting studies and state planning that involve the state's larger, controversial questions such as: balanced water use between basins, surface vs. ground water, statewide environmental protection for droughts, technical and legal incentives for city and farm conservation, availability of new water from improved irrigation techniques, alternatives for Metro Denver, and strategic long-range planning.

11. Although the Two Forks Dam proposal is probably the most important water issue in Colorado's history, neither the Board nor the Authority provided any statewide evaluation for the governor and other local, state, or federal officials.

12. Colorado's staff participation in the Two Forks matter was limited primarily to narrowly defined areas involving water quality and wildlife.

13. Because of heavy local influence and past refusal by the Board and Authority to conduct individual studies within the context of statewide water planning, the overall quality and usefulness of Colorado financed water studies is generally very low.

Legislative Solution: Reconsolidate all state water planning, financing, and development assistance (including waste water) under the Colorado Water Conservation Board, and direct the Board to prepare an initial advisory type state water plan by January 1, 1991. When debt financing is advisable for Colorado water projects, this technical function shall be assigned by the Board to the established Colorado Capital Finance Corporation for administration.

Allen D. (Dave) Miller
Natural Energy Resources Company
P.O. Box 567
Palmer Lake, CO. 80133
(719)481-2003

September 20, 1989

Legislative Outline

for

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Natural Energy Resources Company
P.O. Box 567
Palmer Lake, CO. 80133
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NATURAL ENERGY RESOURCES COMPANY

P. O. Box 567 • Palmer Lake, Colorado 80133 • (719) 481-2003 • FAX (719) 481-4013

September 20, 1989

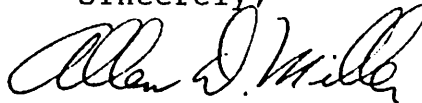
Senator Tilman Bishop, Chairman
Water Interim Committee
State Capitol Building
Denver, Colorado 80203

Dear Senator Bishop:

The attached paper on Colorado Water Planning and Development outlines an urgent need for state water legislation during the next session.

We respectively request time at your October 5th committee meeting to explain why Colorado water planning should be given the highest priority by our legislative and executive branches.

Sincerely,



Allen D. (Dave) Miller
President

ADM/bm

Encl: Paper titled Colorado Planning and Development

cc: Governor Romer, Legislators, Legislative Council Staff,
Interim Committee On Independent Governmental Authorities

NATURAL ENERGY RESOURCES COMPANY

P. O. Box 567 • Palmer Lake, Colorado 80133 • (719) 481-2003 • FAX (719) 481-4013

September 14, 1989

Councilmembers and
Councilmember Candidates
City of Aurora
1470 South Havana Street
Aurora, Colorado 80013

Dear Councilmembers and Candidates:

The time seems overdue for the City of Aurora and Arapahoe County to start cooperating on development of the vast surplus flood waters of the untapped Gunnison Basin.

As each of you may or may not know, Aurora and Arapahoe are actively competing in water court for the same Gunnison waters. Our company and Arapahoe have also initiated a major civil complaint against Aurora over the competing Union Park and Collegiate Range development alternatives. The expected three week trial is now set for December 4th, 1989 in Gunnison District Court.

The cost of these major legal actions is rapidly becoming astronomical, and we sincerely believe this expenditure is completely unnecessary and not in the public's interest.

The enclosed material briefly describes the technical, legal, environmental, and economic advantages of Arapahoe's Union Park Project, which is designed to maximize benefits for all concerned, including Metro Denver and the West Slope.

To avoid continued major waste of public resources, we respectfully suggest Aurora and Arapahoe take the lead as equal partners in a cooperative Metro Denver effort to maximize the environmental and economic benefits of the Gunnison for both slopes.

Sincerely,



Allen D. (Dave) Miller
President

ADM/bm

cc: Arapahoe County

Enclosures

THE GUNNISON ALTERNATIVES

EPA's farsighted veto of Two Forks Dam is certain to focus Colorado's attention on the vast surplus flood flows of the overlooked Gunnison Basin. Colorado is entitled to these unallocated flows under the Colorado River Compact, but this valuable untapped water resource is currently being lost to the down river states. The two competing Gunnison diversion alternatives for Metro Denver are Arapahoe County's Union Park Project and Aurora's Collegiate Range Project.

The following briefly explains why Collegiate is not feasible, while Union Park is Colorado's water project for the 21st Century:

1. Collegiate's constant flow diversion from above Taylor Park Reservoir would directly conflict with the operation of Union Park's original 1982 power decree. This decree gives Arapahoe County the right to fill and refill Union Park Reservoir from Taylor during flood periods to enhance West Slope power, fish, and recreation flows during multi-year droughts.

2. Collegiate is only a partial water supply concept, as it depends on a Two Forks type East Slope reservoir for multi-year storage necessary to increase Aurora's safe annual yield. Even if Two Forks were built, its cyclic storage would be fully committed to Upper Colorado and South Platte waters.

3. Collegiate's small collection reservoir and low volume siphon would worsen South Platte flood conditions and increase Taylor Reservoir fluctuations. This is because it must divert continuously without regard to high and low flow conditions on either slope. In contrast, Union Park's high volume siphon and massive storage on the Continental Divide can be flexibly managed to lesson the impact of flooding and droughts on both slopes.

4. Collegiate's necessary replacement reservoir on the East River at Almont would inundate a state fish hatchery, major highway, ranching area, and winter habitat for deer and big horn sheep. The inundation impact of Union Park's unique, off-river, remote, sage covered site can be more than offset by its flexible capability to enhance river environments and wetlands on both slopes during the damaging drought periods.

5. Collegiate's total cost per acre foot of safe yield (including carryover storage) would be substantially higher than Two Forks. The Two Forks yield cost is almost double that of Union Park.

6. Pre-trial discovery is substantiating Arapahoe County's and Natural Energy's 38 page civil complaint that Aurora improperly purchased its Collegiate concept from one of our company's founders.

7. Aurora was rushed by its water experts into a quick 1986 purchase of the incomplete Collegiate concept, without evaluating its operational feasibility, total system cost, environmental impact, and legal rights of others.

If the Gunnison's wasted flood waters were properly utilized for urgently needed Colorado drought insurance, the demise of Two Forks would not pose a threat to agricultural water on either slope.

Allen D. (Dave) Miller, President
Natural Energy Resources Company
P.O. Box 567, Palmer Lake, CO. 80133
(719)481-2003, FAX (719)481-4013

NATURAL ENERGY RESOURCES COMPANY

P. O. Box 567 • Palmer Lake, Colorado 80133 • (719) 481-2003 • FAX (719) 481-4013

August 28, 1989

Mr. F. Dale Robertson, Chief
USDA Forest Service
P.O. Box 96090
Washington, D. C. 20090-6090

Re: Forest Service's Request For Comments On Its Draft 1990 RPA Program

Dear Mr. Robertson:


Thank you for the opportunity to comment on your draft long-term strategic planning document. The only major deficiency seems to be in the area of Western water resource planning.

The basic problem is that parochial interests have always stymied water planning in the West, where water is the key to most environmental and natural resource decisions. As a result of this critical water planning vacuum, the Forest Service and other governmental agencies are severely handicapped in making balanced decisions regarding water developments that impact forests, wildlife, fish, recreation, agriculture, and economic progress.

A good example of problems caused by inadequate water planning is the Forest Service's participation in the recent Metro Denver Two Forks Dam EIS. Even a cursory water review or plan would show that Colorado has several major water supply alternatives for Metro Denver's growth that were not seriously considered in agency evaluations. As a result of this planning deficiency, the Forest Service's regional office never questioned the fact that all of Colorado's transmountain diversions, including Two Forks, are from the same seriously dewatered Upper Colorado River headwater forests. Meanwhile, viable ongoing water alternatives, such as the untapped Upper Gunnison Basin and City-Farm Recycling remain "undiscovered". The Forest Service's disregard of reasonable alternatives in EIS permitting decisions is inconsistent with national environmental laws and a detriment to the region's economic and environmental progress.

To help correct this major water resource planning deficiency, suggest the Forest Service's 1990 RPA Program include an initiative to encourage coordinated local/state/federal water planning as a guide for evaluating major natural resource decisions within the context of Western laws and tradition.

Sincerely,



Allen D. (Dave) Miller, President

ADM/bm

cc: President Bush, EPA Administrator, Secretary of Interior, Secretary of Agriculture, Secretary of Army, council of Environmental Quality, Governor Romer, Western governors and Legislators.

NATURAL ENERGY RESOURCES COMPANY

P. O. Box 567 • Palmer Lake, Colorado 80133 • (719) 481-2003 • FAX (719) 481-4013

August 15, 1989

Governor Roy Romer
State Capitol Building
Denver, CO. 80203

Denver Water Board
1600 W. 12th Avenue
Denver, CO. 80254

Arapahoe County Commissioners
5334 South Prince Street
Littleton, CO. 80116-0001

Metro Denver Water Providers
7901 E. Belleview, Suite 270
Englewood, CO. 80111

Aurora City Councilmembers
1470 South Havana Street
Aurora, CO. 80013

Upper Gunnison River Water
Conservancy District
Gunnison, CO. 81230

Gunnison City Councilmembers
P.O. Box 239
Gunnison, CO. 81230

Commissioner, Bureau of Reclamation
18th & C Street, NW
Washington, D.C. 20240

*ref in
Upper Gunn
file*

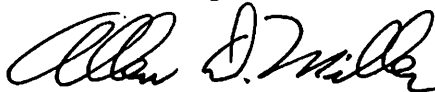
Dear Fellow Conservationists:

An assured water supply for Metro Denver's growth is Colorado's most pressing water conservation issue. The overlooked Gunnison Basin is by far Colorado's largest untapped renewable water source. The Gunnison's off-river, Union Park site is Colorado's only reservoir location that is large and high enough to economically satisfy Metro Denver's future requirements, while also providing needed multi-year drought protection for the environments of both slopes. Union Park's dependable dry year supply can provide a 47% increase in the efficiency of Denver's existing reservoirs by diverting only 10% of Colorado's entitled water that is currently going unused to the down-river states. Union Park's river augmentation in dry periods will also improve water quality and quantity for Nebraska and the entire Colorado River System.

As indicated by the enclosed Bureau of Reclamation line item in the President's FY 1990 Budget, the federal government is willing to assist with the engineering and environmental studies to develop the vast potential of the Upper Gunnison Basin.

The above key conservationists can make Western water history with a unified local/state/federal effort to develop the Gunnison for the long-term environmental and economic benefit of a grateful state and nation.

Sincerely,



Allen D. (Dave) Miller, Conservationist

ADM/bm

Encl: BOR FY 90 Budget Item

cc: President Bush, Colorado Legislators & Congressional Delegates, Colorado Water conservation Board, Colorado river Water Conservation District, Colorado Water Resources and Power Development Authority, Uncompahgre Valley Water Users Association, Marshall Kaplan.

reg for CWRP
costs for GP
Aurora, Tag Con
see page 3

NATURAL ENERGY RESOURCES COMPANY

P. O. Box 567 • Palmer Lake, Colorado 80133 • (719) 481-2003 • FAX (719) 481-4013

August 8, 1989

copy with
Case

Governor Roy Romer
State Capitol Building
Denver, Colorado 80203

Dear Governor Romer:

Request a state investigation of the **Upper Gunnison - Uncompahgre Basin Study** before state funds are used to make final payment to the contractor.

This water development study was recently completed for the Colorado Water Resources and Power Development Authority (CWRPDA). The final document contains serious technical flaws and misleading conclusions, in spite of numerous written attempts by the City of Gunnison, Arapahoe County, and Natural Energy Resources Company to correct these errors during the draft stages. Our basic complaint is that the study was "politically engineered" to favor the water development projects preferred by the Upper Gunnison representative on the Authority's Board. This governor appointee is Chairman of CWRPDA, while also serving as the attorney representing the Upper Gunnison River Water Conservancy District (UGRWCD) in opposition to Arapahoe County's competing Union Park water right filing in district court. The study's most seriously flawed areas are as follows:

1. The study concludes Upper Gunnison Basin water consumption is increasing, when in fact it is decreasing because of the Western trends toward improved irrigation efficiency and retirement of marginal irrigated land.

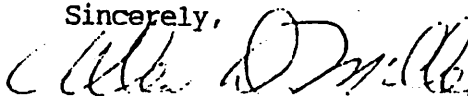
2. The study distorts cost data to indicate the Authority's proposed Needle Point Pumped Storage Power Project is more efficient than our company's more advanced Rocky Point Pumped Storage Project.

3. The study grossly understates the economic, environmental, and multipurpose advantages of a large, off-river reservoir at Union Park, for both slopes, as compared to Aurora and UGRWCD's transmountain concepts from the small Pie Plant or Taylor Park diversion reservoirs to Metro Denver.

A cursory check by state investigators will show that most of the study's analysis was devoted to the water development alternatives that could possibly be controlled by UGRWCD. This nonobjective misuse of state funds can seriously impact pending water court proceedings and work to the detriment of the state's long-term water development unity on both slopes.

Detailed engineering data in support of this complaint can be supplied to state investigators at the earliest opportunity. Please advise.

Sincerely,



Allen D. (Dave) Miller, President

Costs for
UP and
Aurora
see page 3

ADM/bm

cc: Colorado Attorney General, State Legislators, Arapahoe County, City of Gunnison, City of Aurora, CWRPDA.

EBASCO SERVICES INCORPORATED**EBASCO**

143 Union Boulevard, Suite 1010, Lakewood, CO 80228-1824, (303) 988-2202

August 8, 1989

Mr. Uli Kappus, Executive Director
Colorado Water Resources and Power Development Authority
Logan Tower Building - Suite 620
1580 Logan Street
Denver, Colorado 80203

Subject: Upper Gunnison - Uncompaghre Basin Feasibility Study - Final Report

Dear Uli:

We have quickly reviewed the subject report and appreciate the extensive effort that went into the analysis and presentation. The result is a good assembly of data and information and a comprehensive look at the many possibilities for developing the water resources of this area.

Because of our current work on the Rocky Point Pumped Storage Project and past involvement in looking at out-of-basin water export possibilities, our comments will be limited to the projects studied for potential revenue generation.

We believe that some of the estimated costs for the Needle Point No. 3 Pumped Storage Project are low, particularly for the waterways. Also, we believe that a multi-level outlet should be considered as likely a requirement for Needle Point as for Rocky Point and that the different level of development should be reflected in a higher contingency for Needle Point than for Rocky Point. The probable result of our suggested changes would be that Rocky Point would have a somewhat lower cost per KW.

The report implies that the Taylor Park Project has a cost advantage over the others examined. However, the projects are not being compared on an equal basis. There are several factors that should be considered as follows:

1. We believe that all projects should be evaluated on the basis of the dependable additional water supply which they can provide to a system.
2. It is greatly desired in an arena of limited resources that the available resources be as fully developed as possible. It is evident from all recent efforts to develop new water supply sources for the Eastern Slope that inexpensive sources no longer exist and that any reasonable source should be fully utilized. It is equally evident that sites for large reservoirs which can regulate the seasonal and yearly fluctuations in Colorado's natural supply are rare.
3. A State-sponsored study should focus on the State or regional water needs, the best long-range plan to meet those needs and optimum development of resources. The largest and most immediate water need is for the Denver Metropolitan area, with other Front Range cities as potential users of the high cost imported water.
4. It seems very logical to use the Denver Metropolitan area future demand as the cornerstone of the comparisons. This demand has been well-defined by the recent Two Forks EIS and can be expected to continue to develop as the largest municipal demand in the state. The value of storage in supplying this demand is apparent, whether you look at the present situation where surplus uncontrolled surface supplies are still available to be stored to supply dry periods or the future when the only new supplies will be the early summer peak flows of the higher-than-normal runoff years.

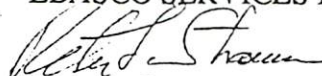
Mr. Uli Kappus, Executive Director
August 9, 1989
Page 2

5. The concept of the Union Park Project has been predicated upon the preceding parameters, using a large storage volume and high capacity conduit to supply water during dry periods only, and thus maximize the increase in dependable supply. The water available under the Flow Regime II assumptions translates into an increase in dependable supply for the Denver Metropolitan System of at least 140,000 acre-feet by utilizing the large Union Park storage volume.
6. The Collegiate Range Project without large East Slope storage provides no increase in dependable supply because of the long periods when no water is available. Alternatively the cost of such storage, whether it now exists or must be built, should be included in the Project's costs.
7. The Taylor Park Project provides 36,500 acre-feet of increase in dependable supply. The East Slope storage assumed and costed provides only what is required to adjust the constant supply to the seasonal demand pattern of a municipality.
8. Assuming that the cost estimates of the report are acceptable for comparison purposes, the capital costs per acre foot of dependable supply increase are \$5,150 for Union Park, \$8,230 for Taylor Park and infinite for Collegiate Range.
9. The report does not mention that a project with large storage volume, such as Union Park, can provide additional benefits such as maintaining more constant levels in Taylor Park Reservoir for recreation, providing more flood control for the Taylor and Gunnison Rivers and increasing water availability downstream of the Taylor Park Reservoir during dry periods.

We recognize that the report suggests that the purpose of the cost estimates and comparisons is to evaluate the practicality of power or water diversion possibilities and to identify projects which may warrant further study. With that purpose we fully agree and believe the report satisfies that purpose very well. Nevertheless, the reader who is trying to determine where to devote future study efforts, may, even with careful attention, be led to conclusions which are based upon unequal comparisons and, therefore may not be valid.

We recommend that you change the final report to incorporate the draft report comments which would better allow equal basis comparisons to be made among the projects considered.

Very truly yours,
EBASCO SERVICES INCORPORATED


Peter L. Strauss


Glen Rockwell

PLS:mec

Ebasco rises as heavy work dips

Reflecting on 1986, many of ENR's top 50 heavy contractors may agree with Jim L. Mann, president of Green Holdings Inc., Irving, Texas, when he says, "It was a year where we just didn't feel we got our fair share." Ironically, Green more than doubled its share of heavy business in the U.S. last year, but few fellow contractors shared such success.

Indeed, the heavy market, excluding powerplant construction, dropped an estimated 5.5% in 1986. The Top 400 Contractors reported a domestic heavy contract volume of nearly \$15.2 billion, down from the estimated \$16 billion the previous year. Several heavy contractors now hope the new federal highway bill will help turn things around in 1987.

Hit hardest last year were the nation's top five heavy contractors, who accounted for nearly a quarter of the industry's total volume in 1985. The group's combined volume dropped 20% last year, leaving it with only a fifth of all heavy work. The nosedive taken by Houston-based Brown & Root Inc., 1984's No. 1 heavy contractor, served as the best example of the market's downturn. The Texas firm not only fell from the top five last year, it dropped 47 slots and reported nearly \$1.1 billion less in its heavy contract volume.

Balancing that departure, New York City-based Ebasco Services Inc. increased its volume by nearly 30% in 1986 and

emerged as the nation's top heavy contractor. Diversifying more into the public sector, Ebasco took on major hazardous-waste jobs in the Northeast for the Environmental Protection Agency and the Army. Traditionally more oriented toward power and utility work, Ebasco last year began putting together "a complete menu of services for its clients," explains Ronald C. Kurtz, the firm's director of corporate relations.

Finishing second by less than a percentage point, Top 400 leader Bechtel Group Inc., San Francisco, increased its heavy construction contracts 29%. Also looking more at hazardous-waste projects and high-tech jobs, Bechtel allotted heavy construction a greater role in its plans last year. Acknowledging that the company had also increased its emphasis on airports, highways and mass transit, Bechtel Information and Planning Manager John F. Campbell notes, "It [heavy work] has become more of a mainstay in our overall business."

Battling declines that ranged from modest to drastic, other top contractors refused to relinquish their high rankings. Suffering respective losses of 41 and 34% in heavy work volume, Guy F. Atkinson Co., South San Francisco, and S.J. Groves and Sons Co., Minneapolis, both remained in the top 10. Boise-based Morrison Knudsen Corp. moved up two slots despite a 10% drop in heavy contracts.

Top 50 heavy contractors

1986 contracts in \$ million

Rank	Firm	Total	Hwy./		Wtr./	
			br.	Dam	swr.	swr.
1	Ebasco Services Inc., New York, N.Y.	789.1	✓	✓	✓	✓
2	Bechtel Group Inc. San Francisco, Calif.	782.1	✓	✓	✓	✓
3	Kiewit Const. Group Inc., Omaha, Neb.	713.8	✓	✓	✓	✓
4	Morrison Knudsen Corp., Boise, Idaho	460.4	✓	✓	✓	✓
5	Koppers Co. Inc. (CM&S), Pittsburgh, Pa.	390.9	✓	✓	✓	✓
6	Granite Const. Co., Watsonville, Calif.	387.5	✓	✓	✓	✓
7	Guy F. Atkinson Co. of Calif., San Francisco, Calif.	380.9	✓	✓	✓	✓
8	Brinderson Corp., Irvine, Calif.	316.3	✓	✓	✓	✓
9	S.J. Groves & Sons Co., Minneapolis, Minn.	286.2	✓	✓	✓	✓
10	Stone & Webster Engrg. Corp., Boston	236.8	✓	✓	✓	✓
11	H.B. Zachry Co., San Antonio, Texas	227.4	✓	✓	✓	✓
12	Fru-Con Const. Corp., Baldwin, Mo.	224.5	✓	✓	✓	✓
13	Dick Corp., Pittsburgh, Pa.	223.0	✓	✓	✓	✓
14	Green Holdings Inc., Irving, Texas	220.5	✓	✓	✓	✓
15	Yonkers Contracting Co. Inc., Yonkers, N.Y.	218.8	✓	✓	✓	✓
16	T.L. James & Co. Inc., Ruston, La.	217.9	✓	✓	✓	✓
17	Gust K. Newberg Const. Co., Chicago, Ill.	205.0	✓	✓	✓	✓
18	Robert E. McKee Inc., El Paso, Texas	202.1	✓	✓	✓	✓
19	Williams Bros. Const. Co. Inc., Houston, Texas	198.9	✓	✓	✓	✓
20	Kokosing Construction Co. Inc., Fredericktown, Ohio	191.0	✓	✓	✓	✓
21	Paschen Contractors Inc., Chicago, Ill.	190.3	✓	✓	✓	✓
22	The Hardaway Co., Columbus, Ga.	184.1	✓	✓	✓	✓
23	Jones Group Inc., Charlotte, N.C.	179.7	✓	✓	✓	✓
24	Slattery Group Inc., Maspeth, N.Y.	177.2	✓	✓	✓	✓
25	Austin Industries Inc., Dallas, Texas	172.6	✓	✓	✓	✓
26	Danis Industries Corp., Dayton, Ohio	169.2	✓	✓	✓	✓
27	Perini Corp., Framingham, Mass.	167.7	✓	✓	✓	✓
28	Traylor Bros. Inc., Evansville, Ind.	162.3	✓	✓	✓	✓
29	The Tanner Cos., Phoenix, Ariz.	152.0	✓	✓	✓	✓
30	Eby Corp., Wichita, Kan.	151.3	✓	✓	✓	✓
31	The Lane Const. Corp., Meriden, Conn.	129.9	✓	✓	✓	✓
32	Holloway Const. Co., Wixom, Mich.	129.6	✓	✓	✓	✓
33	National Engineering & Contracting Co., Strongsville, Ohio	128.6	✓	✓	✓	✓
34	E.L. Yeager Construction Co. Inc., Riverside, Calif.	125.0	✓	✓	✓	✓
35	J.D. Abrams Inc., El Paso, Texas	119.0	✓	✓	✓	✓
36	Kasler Corp., San Bernardino, Calif.	119.0	✓	✓	✓	✓
37	Lunda Construction Co., Black River Falls, Wis.	117.0	✓	✓	✓	✓
38	IA Construction Corp., Concordville, Pa.	115.0	✓	✓	✓	✓
39	Shook National Corp., Dayton, Ohio	114.4	✓	✓	✓	✓
40	Riedel International Inc., Portland, Ore.	111.6	✓	✓	✓	✓
41	Cianbro Corp., Pittsfield, Maine	109.4	✓	✓	✓	✓
42	Hood Corp., Whittier, Calif.	108.9	✓	✓	✓	✓
43	Great Lakes Int'l. Inc., Oak Brook, Ill.	105.0	✓	✓	✓	✓
44	Vecello & Grogan Inc., Beckley, W.Va.	105.0	✓	✓	✓	✓
45	Mergentime Corp., Flemington, N.J.	101.9	✓	✓	✓	✓
46	The Walsh Group, Chicago, Ill.	94.3	✓	✓	✓	✓
47	Enserch Alaska Const. Inc., Anchorage	93.6	✓	✓	✓	✓
48	Brown & Root Inc., Houston, Texas	93.0	✓	✓	✓	✓
49	Tutor-Saliba Corp., Simlar, Calif.	91.6	✓	✓	✓	✓
50	Horvitz Co., Cleveland, Ohio	89.0	✓	✓	✓	✓

Ranked by value of domestic contracts, excluding construction management contracts, for heavy and highway projects. Excludes powerplants.

UNION PARK PLAN FOR OPTIMUM DEVELOPMENT OF TAYLOR RIVER WATER RESOURCES

by

Dale B. Raitt, P. E. and Abner W. Watts, P. E.

Synopsis Colorado is currently losing almost a million acre-feet of its entitled water to Arizona and California via the untapped, but overlooked, Gunnison Basin. This document briefly explains how approximately 8% of these lost waters can be economically used for Metro Denver's growth, while providing balanced drought protection for Colorado's major river environments on both slopes. The plan involves construction of a low cost, million acre-feet reservoir at the high altitude, off-river, Union Park site in the Upper Gunnison Basin's Taylor river drainage. High tech reversible pump-generators will pump surplus flood waters from the existing Taylor Park Reservoir into Union Park's natural, sage covered bowl. During the critical dry periods, water is released via gravity conduit and siphon to augment the South Platte, Arkansas, and Gunnison River flows. The Corps of Engineers has confirmed that an average annual diversion of 80,000 acre-feet can increase the safe yield of Denver's existing reservoir system by at least 140,000 acre-feet (40% more than Two Forks). Because of this unrepresented nearly 2 for 1 multiplier effect, the unit cost of Union Park's safe yield increase will be approximately one-half that of the proposed Two Forks Dam alternative.

The Water Supply Situation The long-term average annual inflow to the existing Taylor Park Reservoir, located about 30 miles northeast of Gunnison, Colorado, is over 140,000 acre-feet. During the eight year period from 1977 to 1984 the annual inflow to the reservoir fluctuated from 62,500 acre-feet in 1977 to 233,700 acre-feet in 1984. The below normal runoff in 1977 resulted in a water supply shortage for the Uncompahgre Valley Water Users Association (UVWUA). The UVWUA purchased 45,000 acre-feet of water from the U. S. Bureau of Reclamation (USBR) in that year. The UVWUA has one of the earliest water rights and has adjudicated rights to about 25% of the flow of the Gunnison River at their tunnel diversion above the Black Canyon Recreational Area. The UVWUA has a storage right to 111,300 acre-feet in the existing Taylor Park Reservoir, but has utilized only a portion of that right in recent years. Since the implementation and operation of the "Storage Exchange Agreement" a large portion of the UVWUA needs for late irrigation water has been met by releases from the downstream USBR Blue Mesa Reservoir. An accounting of such quantities of water has been made, and during the following non-irrigation months the UVWUA is expected to repay such amounts of water by releases from Taylor Park Reservoir. The storage exchange agreement has accomplished one of the intended objectives; namely, to reduce and "smooth-out" the late irrigation season releases from Taylor Park Reservoir. However, the agreement has become an obstacle to the full use of the UVWUA storage right as well as the total development and use of the inflow to Taylor Park Reservoir.

The Plan The previously mentioned obstacle can be largely overcome by constructing a large new water storage reservoir adjacent to the existing Taylor Park Reservoir and interconnecting the two facilities. The potential Union Park Reservoir with a plus or minus one million acre-feet of capacity interconnected to the existing Taylor Park Reservoir by a 70 MW pump-generating plant and associated waterways provides an excellent solution. In a repetition of runoff such as water year 1984 the historic release of 224,900 acre-feet would be reduced to 51,800 acre-feet by pumping over 170,000 acre-feet from Taylor Park Reservoir into Union Park Reservoir where the water would be stored for either

near-term or long-term uses. In a year of below normal runoff, such as occurred in 1977, the historic release of water, 81,600 acre-feet, could be increased to about 100,000 acre-feet. These two examples show how the additional storage can be used to store - for future or other uses - water in years of normal or above normal runoff while still maintaining a supply of water in storage to supplement the releases from Taylor Park Reservoir in years of below normal inflow. A recent report by the Colorado Water Resources and Power Development Authority identified a requirement for supplemental water supply to satisfy meeting in-stream flow needs of the Gunnison River through the Black Canyon Recreational Area. This need was about 60,000 acre-feet in the year 1977. About 40% of that need or 23,700 acre-feet was a part of the 99,700 acre-feet release that could be made from Taylor Park Reservoir in the year such as 1977.

Hydrologic Studies The previously mentioned amounts of water for inflow, pumping, and releases from Taylor Park Reservoir were extracted from a hydrologic study made for the eight year period 1977 through 1984. While this period is shorter than desired, it is felt that it provides a reasonably accurate projection of water supply yields and uses. The average inflow to Taylor Park Reservoir for the period is 145,900 acre-feet which is near the accepted long term average. Additional water supply amounts are summarized in the following Table:

**Average Annual Water Supply and Utilization Amounts for
Historic and Optimum Plan Operations (1,000 AF Units)**

<u>Total Water Supply</u>	<u>Historic Operations</u>	<u>Optimum Plan Operations</u>
1. Inflow to Taylor Park Reservoir	145.9	145.9
2. Net Inflow to Union Park Res.(Lottis Cr.)	-	7.5
3. Supply for Release to Taylor River Below Dam or Pumping to Union Park Reservoir	145.9	153.4
 <u>Water Utilization</u>		
4. Amount Released Under Exchange Agreement	24.1	26.3
4a. Exchange Water Credits Lost	(9.9)	(2.0)
4b. Water Used by UVWUA	(14.2)	(17.3)
4c. Water Used by Other Rights	-	(7.0)
5. Amount Released from Storage Right	15.0	10.9
6. Amount of Irrigation Season Inflow Used	13.0	11.8
7. Other Releases for Minimum Flows, Etc.	39.9	22.2
8. Amount Released for Black Canyon Min. Flows	-	8.2
9. Amount Released for Other Rights	-	1.2
10. Total Amount of Water Utilization	<u>92.0</u>	<u>80.6</u>
11. Water Supply Available for Development	53.9	72.8

Hydrology Study Criteria The following summarizes the criteria used in the previously mentioned studies:

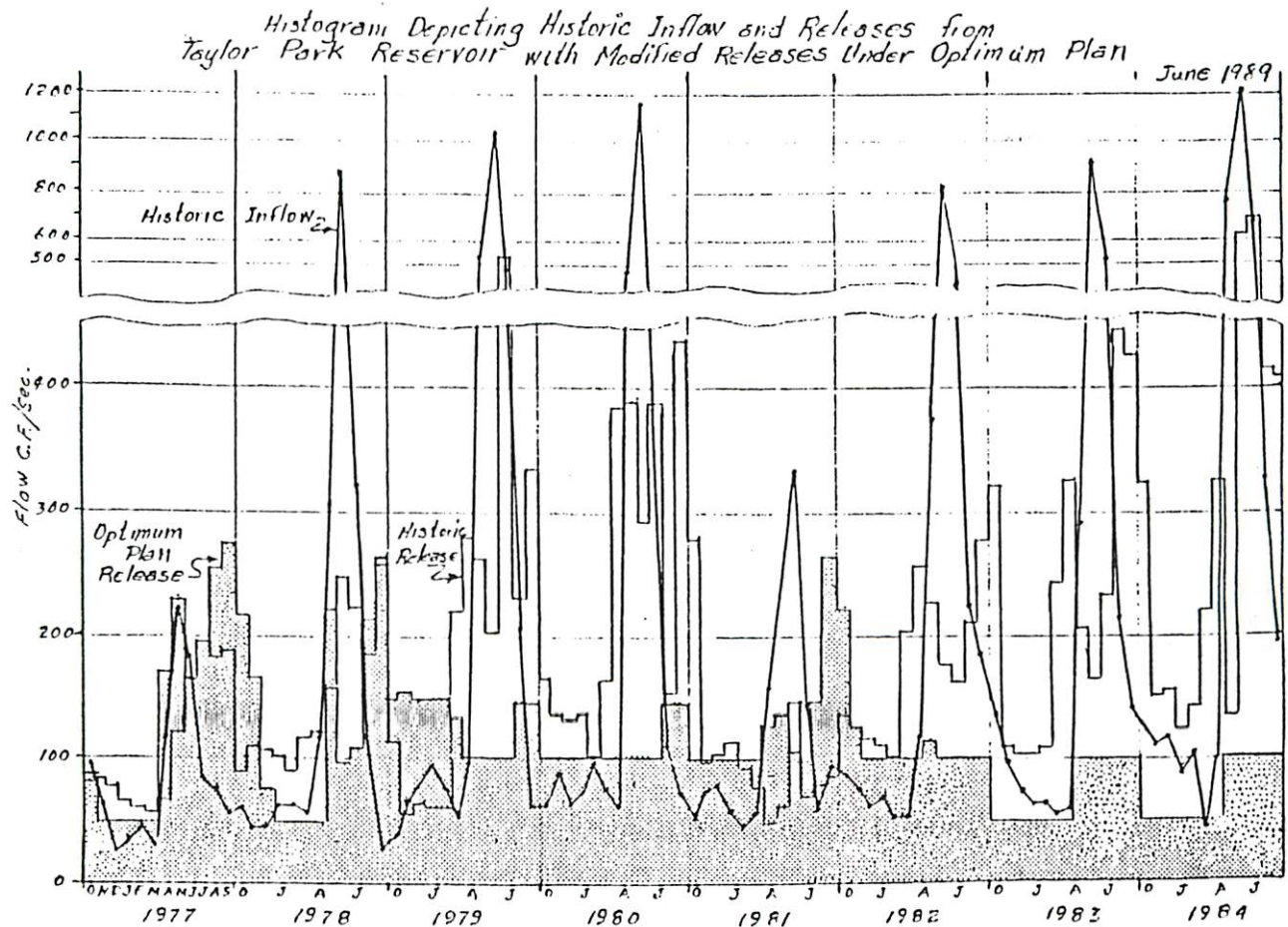
1. Published monthly releases and reservoir contents of Taylor Park Reservoir were used to calculate monthly reservoir inflow amounts.
2. The stream sectional gains from Taylor Park Reservoir to the UVWUA Gunnison Tunnel diversion were calculated from published records.

3. The published Gunnison Tunnel diversions were used to be indicative of future demands under similar inflow conditions.
4. Additions and/or reductions to UVWUA credits for water borrowed or repaid to Blue Mesa Reservoir were made to assure compliance with the existing water exchange agreement.
5. The uppermost 31,300 acre-feet of storage capacity in Taylor Park Reservoir was assumed transferred to Union Park Reservoir to provide the vacated capacity for exclusive flood control purposes. *Key
Park Reservoir*
6. A water conservation pool of 50,000 acre-feet was maintained in Union Park Reservoir with separate accounting for inflow and releases.
7. Minimum releases from Taylor Reservoir were 50 c.f.s. for the months of October through April and 100 c.f.s. for the months of May through Sept. Monthly release rates were generally above these minimums in years during or following periods of below normal runoff.
8. Priority of ownership of water pumped from Taylor Park to Union Park Reservoir was: (1) filling UVWUA transferred storage right (maximum 31,300 A.F.); (2) filling and or refilling the conservation pool (maximum 50,000 A.F.); (3) water for pump-generating purposes; and (4) water for Union Park Reservoir ownership.
9. Water to fulfill release requirements for irrigation, water exchange or minimum flow was taken first from the 31,300 A.F. pool in Union Park Reservoir and secondly from Taylor Park storage. This mode of operation significantly reduces the water level fluctuation in Taylor Park Reservoir. *P*
10. Future stream depletions from existing conditional decrees were assumed to reduce the project water supply only during months of required irrigation releases from Taylor Park Reservoir. The maximum amount of future stream depletion was calculated as 10% of the historic gain from Taylor Park to the Gunnison Tunnel. *Thick*

Related Project Benefits Page 11-2 of the Black and Veatch Report entitled "Union Park Pumped Storage Project - Feasibility Study" and dated March, 1985 discussed other benefits for the Union Park Water Supply Project. The release of water for supplementing the Black Canyon minimum in-stream flows will benefit the downstream environment and power generation. Transferring 31,300 acre-feet of the UVWUA storage right to the proposed Union Park Reservoir leaves about 26,000 acre-feet of usable flood control capacity in Taylor Park Reservoir. The potential power benefits from a pumpback storage feature are still applicable. The 4,000 acre Union Park Reservoir also provides fishing and recreational benefits for the Upper Gunnison area. In addition, these same benefits in the existing Taylor Park Reservoir are enhanced by less fluctuation in water levels and rates of water release (see following Histogram).

Water Yield for consumptive Use Purposes The above discussed data shows an average annual input into Union park storage of 72,800 acre-feet. This represents the amount of water that can be used by metro Denver/East Slope for consumptive use purposes. This amount can be increased by adjusting Union Park's percentage contribution to the anticipated Black Canyon minimum flow requirements. Another option for supplementing the yield is to negotiate with *80,000
reservoir*

the USBR the value of Union Park's dry year releases to the Gunnison as an offset against the water borrowed to meet UVWUA's water exchange agreement. A third option is to negotiate for a portion of the above 7,000 acre-feet allowance for future stream depletions from conditional water rights. With one or more of these options, a total of 80,000 acre feet average annual yield is reasonably divertable from Union Park to augment Metro Denver's existing reservoirs during the critical drought periods. The Corps' computer simulations have confirmed that this Gunnison drought insurance water would increase the safe yield of Metro Denver's existing system by about 140,000 acre-feet.



NOTE: The authors of this paper are professional engineers and retired United States Bureau of Reclamation executives with extensive experience in Western water matters. Since 1982 they have been working to optimize the water and power potential of the Union Park/Taylor Park area, as consultants for the Natural Energy Resources Company, P.O. Box 567, Palmer Lake, CO. 80133; (719)481-2003. Arapahoe County has owned the Union Park project since August of 1988, and the City of Gunnison, Town of Parker, and Castlewood Water District are the initial participants.

July 89

1989 Celebrate Colorado! Awards Application

All entries must be received by October 1, 1989

Mail to: Celebrate Colorado!
Governor's Office
136 State Capitol Bldg.
Denver, CO 80203-1792

NOMINEE INFORMATION

(Please type or Print clearly)

Name of Individual/Group being Nominated NATURAL ENERGY RESOURCES COMPANY (NECO)

Nominee Address P. O. BOX 567

<u>PALMER LAKE</u>	<u>COLORADO</u>	<u>80133</u>
City	State	Zip Code

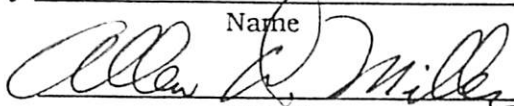
Name in Nominee's Organization Allen D. (Dave) Miller Title President

Daytime Phone Number (719) 481-2003

Type of Award (Check only one, see Fact Sheet for details)

- | | | |
|---|--|--------------------------------------|
| <input type="checkbox"/> Constituent Organization | <input checked="" type="checkbox"/> Business/Corporation | <input type="checkbox"/> Youth Group |
| <input type="checkbox"/> Civic/Citizen Organization | <input type="checkbox"/> Educational Institution | <input type="checkbox"/> Individual |
| | <input type="checkbox"/> Government | |

Submitted by Allen D. (Dave) Miller

Name

Signature

DESCRIPTION: Describe your environmental activity, the role you or your organization played, and how it contributed to the goals of *Celebrate Colorado!*. The description should be no longer than 500 words- additional sheets of paper may be included if the space provided is not enough. **Please type or Print clearly.**

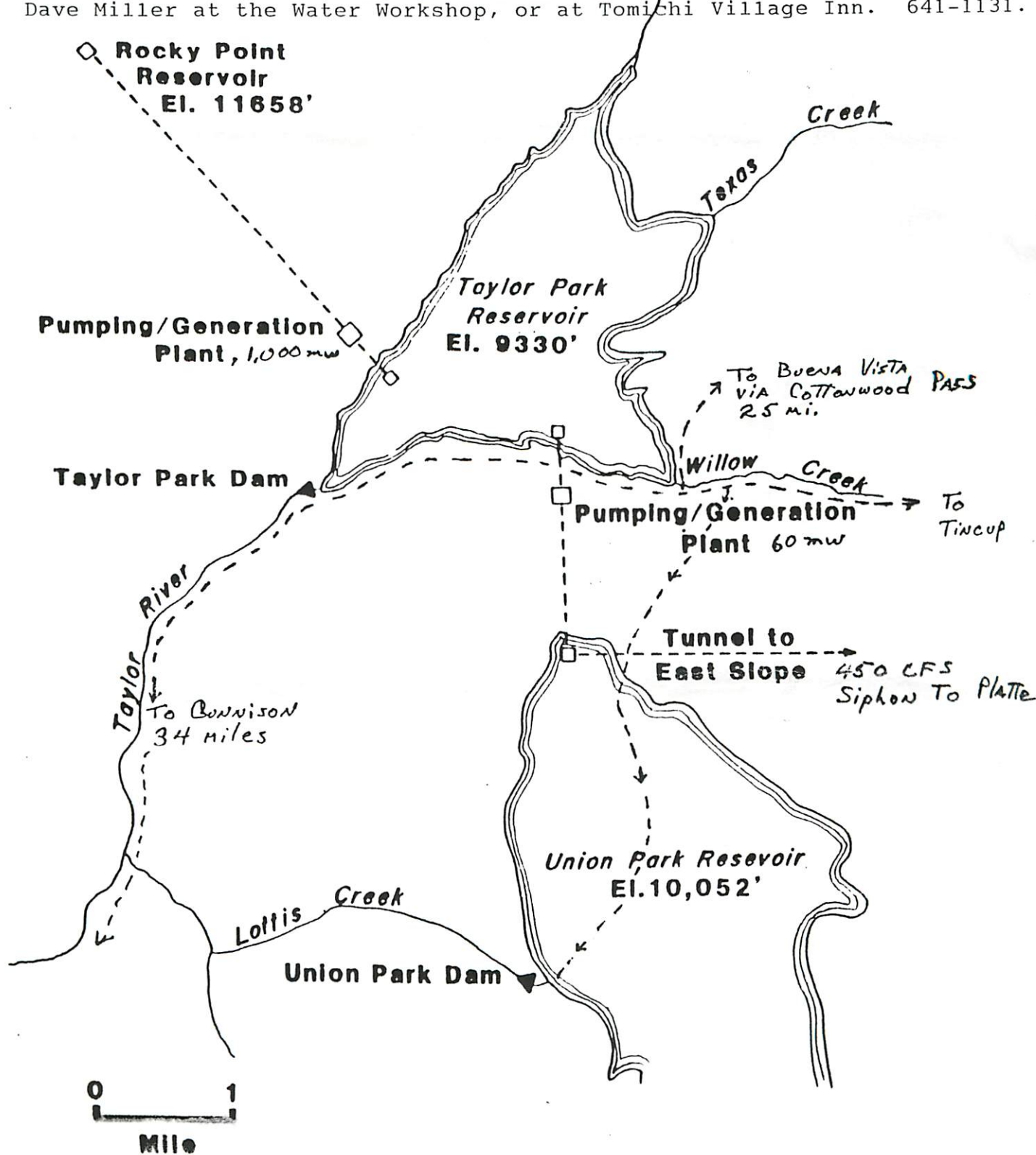
Since its founding in 1982, Natural Energy Resources Company has conceived and aggressively pursued two major water development projects that will have significant environmental and economic benefits for Colorado and the Western United States.

The 1,000 megawatt Rocky Point Pumped Storage Hydroelectric Project will provide clean, low-cost, peaking power for the Western power grid. This \$995 million project at Taylor Park Reservoir in Colorado's Gunnison County is projected to come on line in 1997. Detailed engineering estimates by NECO's major engineering firms indicate that Rocky Point will be the world's largest, most efficient, non-polluting, peaking power operation. During its first 30 years the project is projected to save Western power users \$11.3 billion, as compared to the best fossil fueled alternatives.

NECO has also conceived the Union Park Water Supply Project, which is designed to store surplus flood waters from the untapped Gunnison Basin in

UNION PARK

While in Gunnison, Colorado Water Workshop experts should take a self-guided tour of Arapahoe County's off-river Union Park Reservoir and dam site. The scenic, 2½ hour round trip from Gunnison will show where up to 1.1 million acre-feet will be efficiently stored in a natural high altitude, sage covered bowl, during wet years for release by gravity siphon and conduit to both slopes during droughts. The Forest Service road from the Willow Creek turn-off to the dam site is easily traveled by passenger auto, unless there have been heavy rains. The much improved Cottonwood Pass road is also a beautiful route for return to the East Slope. For additional information on Union Park, contact Dave Miller at the Water Workshop, or at Tomichi Village Inn. 641-1131.



July 24, 1989

a large reservoir on the Continental Divide for drought protection of Colorado's river environments on both slopes. The off-river, million acre-foot, Union Park Reservoir and high volume gravity siphon to the South Platte River will also increase the safe yield of Denver's existing reservoirs by 140,000 acre-feet (40% more than Two Forks). Because of Union Park's unique 2 for 1 "multiplier effect", NECO's international consultants have determined that Union Park's annualized safe yield cost for Metro Denver will be only \$305 per acre-foot. This is less than half the latest unit cost of Colorado's other surface and ground water alternatives, including Two Forks. The balanced Union Park Project has widespread appeal for both slopes, because it uses overlooked surplus waters to save a nationally treasured canyon and fishery near Denver, while augmenting the Taylor, Gunnison, and Colorado River flows in critical drought periods. It will also stop further over-depletion of the Upper Colorado headwaters, which currently supply all of Colorado's transmountain water. Union Park's water rights were recently purchased by Metro Denver's Arapahoe County. The City of Gunnison, Town of Parker, and Castlewood Water District are the initial subscribers. Union Park has excellent potential to be Colorado's primary, multipurpose, water conservation project of the future.

In addition to these two major environment enhancing water projects, NECO has conducted a factual information campaign over the last three years to promote coordinated local/state/federal water planning for the arid Western United States. This ongoing campaign has highlighted several "overlooked", but superior, alternatives to the environmentally destructive Two Forks Dam as a prime example why coordinated water planning is needed. EPA's veto and the rapid decline of political support for Two Forks is solid evidence of the campaign's impact. Further confirmation of the program's effectiveness can be obtained from local, state and federal permitting officials, as well as from Two Forks proponents and the national environmental community.*

-
- 2. Replication:** For our information only, please explain how your activity can be adapted or expanded to other areas and locales. **This information will not be rated.**

Coordinated local/state/federal water planning will facilitate environment enhancing water conservation projects in the West, based on informed consensus building, instead of the traditional nonproductive infighting between historically competing interests. Although Colorado's high topography generates most of the renewable water for the West, local state, and federal officials are severely handicapped in evaluating specific Colorado water developments because of the state's past resistance to any form of state and regional water planning.

- 3. Suggestions:** Please make any suggestions for improving the *Celebrate Colorado!* Awards Program. **This information will not be rated.**

Suggest the *Celebrate Colorado* awards committee be composed of a wide spectrum of responsible citizens who are not closely associated with special interest groups.

*The attached August 28, 1989 letter to USFS is an example of numerous letters promoting Western water planning.

Contact Lisa Largent or Kate Kramer at (303) 866-3311 with any further questions

UNION PARK PLAN FOR OPTIMUM DEVELOPMENT OF TAYLOR RIVER WATER RESOURCES

by
Dale B. Raitt, P. E. and Abner W. Watts, P. E.

Synopsis Colorado is currently losing almost a million acre-feet of its entitled water to Arizona and California via the untapped, but overlooked, Gunnison Basin. This document briefly explains how approximately 8% of these lost waters can be economically used for Metro Denver's growth, while providing balanced drought protection for Colorado's major river environments on both slopes. The plan involves construction of a low cost, million acre-foot reservoir at the high altitude, off-river, Union Park site in the Upper Gunnison Basin's Taylor river drainage. High tech reversible pump-generators will pump surplus flood waters from the existing Taylor Park Reservoir into Union Park's natural, sage covered bowl. During the critical dry periods, water is released via gravity conduit and siphon to augment the South Platte, Arkansas, and Gunnison River flows. The Corps of Engineers has confirmed that an average annual diversion of 80,000 acre-feet can increase the safe yield of Denver's existing reservoir system by at least 140,000 acre-feet (40% more than Two Forks). Because of this unrepresented nearly 2 for 1 multiplier effect, the unit cost of Union Park's safe yield increase will be approximately one-half that of the proposed Two Forks Dam alternative.

The Water Supply Situation The long-term average annual inflow to the existing Taylor Park Reservoir, located about 30 miles northeast of Gunnison, Colorado, is over 140,000 acre-feet. During the eight year period from 1977 to 1984 the annual inflow to the reservoir fluctuated from 62,500 acre-feet in 1977 to 233,700 acre-feet in 1984. The below normal runoff in 1977 resulted in a water supply shortage for the Uncompahgre Valley Water Users Association (UVWUA). The UVWUA purchased 45,000 acre-feet of water from the U. S. Bureau of Reclamation (USBR) in that year. The UVWUA has one of the earliest water rights and has adjudicated rights to about 25% of the flow of the Gunnison River at their tunnel diversion above the Black Canyon Recreational Area. The UVWUA has a storage right to 111,300 acre-feet in the existing Taylor Park Reservoir, but has utilized only a portion of that right in recent years. Since the implementation and operation of the "Storage Exchange Agreement" a large portion of the UVWUA needs for late irrigation water has been met by releases from the downstream USBR Blue Mesa Reservoir. An accounting of such quantities of water has been made, and during the following non-irrigation months the UVWUA is expected to repay such amounts of water by releases from Taylor Park Reservoir. The storage exchange agreement has accomplished one of the intended objectives; namely, to reduce and "smooth-out" the late irrigation season releases from Taylor Park Reservoir. However, the agreement has become an obstacle to the full use of the UVWUA storage right as well as the total development and use of the inflow to Taylor Park Reservoir.

The Plan The previously mentioned obstacle can be largely overcome by constructing a large new water storage reservoir adjacent to the existing Taylor Park Reservoir and interconnecting the two facilities. The potential Union Park Reservoir with a plus or minus one million acre-feet of capacity interconnected to the existing Taylor Park Reservoir by a 70 MW pump-generating plant and associated waterways provides an excellent solution. In a repetition of runoff such as water year 1984 the historic release of 224,900 acre-feet would be reduced to 51,800 acre-feet by pumping over 170,000 acre-feet from Taylor Park Reservoir into Union Park Reservoir where the water would be stored for either

near-term or long-term uses. In a year of below normal runoff, such as occurred in 1977, the historic release of water, 81,600 acre-feet, could be increased to about 100,000 acre-feet. These two examples show how the additional storage can be used to store - for future or other uses - water in years of normal or above normal runoff while still maintaining a supply of water in storage to supplement the releases from Taylor Park Reservoir in years of below normal inflow. A recent report by the Colorado Water Resources and Power Development Authority identified a requirement for supplemental water supply to satisfy meeting in-stream flow needs of the Gunnison River through the Black Canyon Recreational Area. This need was about 60,000 acre-feet in the year 1977. About 40% of that need or 23,700 acre-feet was a part of the 99,700 acre-feet release that could be made from Taylor Park Reservoir in the year such as 1977.

Hydrologic Studies The previously mentioned amounts of water for inflow, pumping, and releases from Taylor Park Reservoir were extracted from a hydrologic study made for the eight year period 1977 through 1984. While this period is shorter than desired, it is felt that it provides a reasonably accurate projection of water supply yields and uscs. The average inflow to Taylor Park Reservoir for the period is 145,900 acre-feet which is near the accepted long term average. Additional water supply amounts are summarized in the following Table:

**Average Annual Water Supply and Utilization Amounts for
Historic and Optimum Plan Operations (1,000 AF Units)**

<u>Total Water Supply</u>	<u>Historic Operations</u>	<u>Optimum Plan Operations</u>
1. Inflow to Taylor Park Reservoir	145.9	145.9
2. Net Inflow to Union Park Res.(Lottis Cr.)	-	7.5
3. Supply for Release to Taylor River Below Dam or Pumping to Union Park Reservoir	145.9	153.4
 <u>Water Utilization</u>		
4. Amount Released Under Exchange Agreement	24.1	26.3
4a. Exchange Water Credits Lost	(9.9)	(2.0)
4b. Water Used by UVWUA	(14.2)	(17.3)
4c. Water Used by Other Rights	-	(7.0)
5. Amount Released from Storage Right	15.0	10.9
6. Amount of Irrigation Season Inflow Used	13.0	11.8
7. Other Releases for Minimum Flows, Etc.	39.9	22.2
8. Amount Released for Black Canyon Min. Flows	-	8.2
9. Amount Released for Other Rights	-	1.2
10. Total Amount of Water Utilization	<u>92.0</u>	<u>80.6</u>
11. Water Supply Available for Development	53.9	72.8

Hydrology Study Criteria The following summarizes the criteria used in the previously mentioned studies:

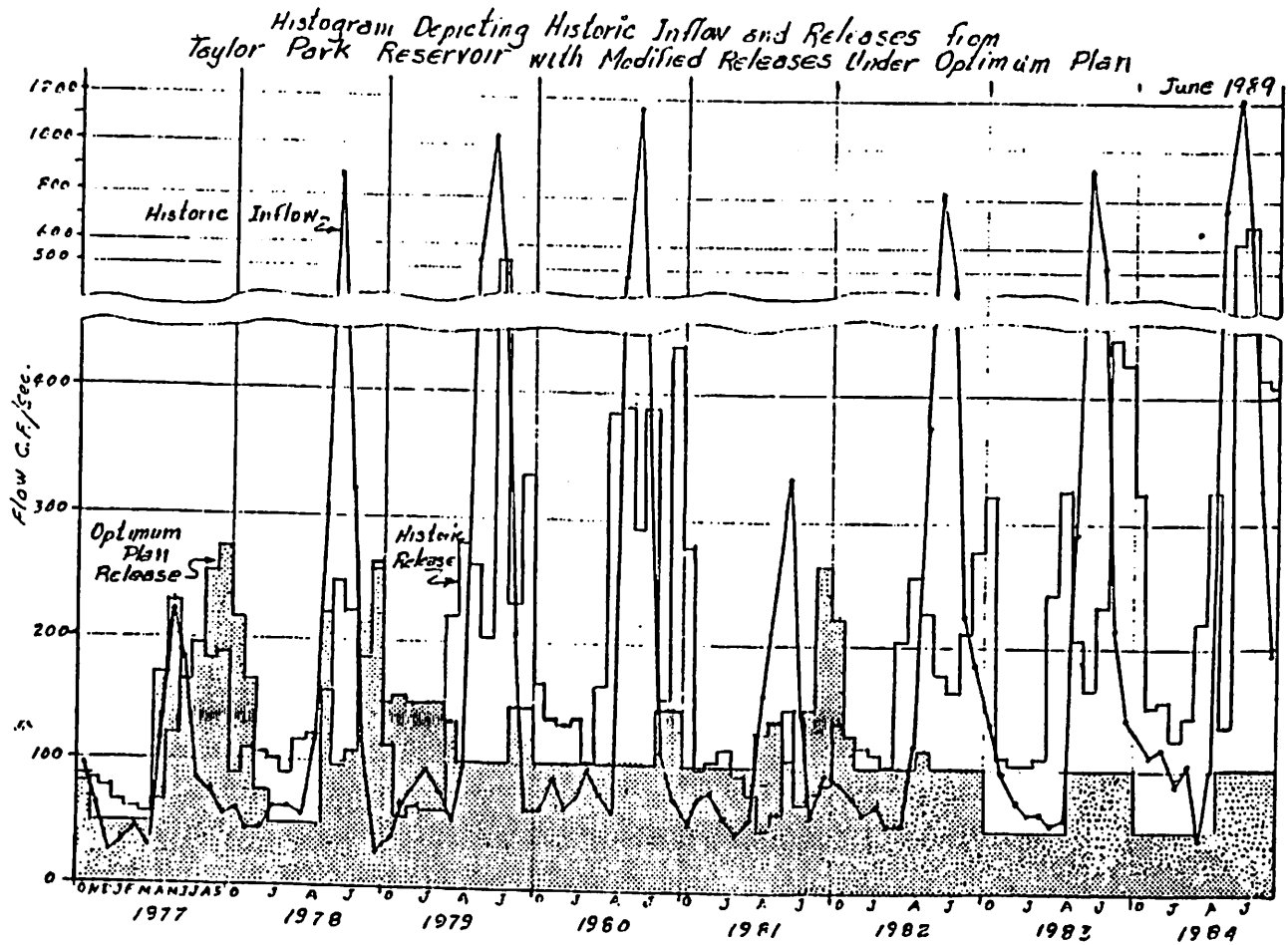
1. Published monthly releases and reservoir contents of Taylor Park Reservoir were used to calculate monthly reservoir inflow amounts.
2. The stream sectional gains from Taylor Park Reservoir to the UVWUA Gunnison Tunnel diversion were calculated from published records.

3. The published Gunnison Tunnel diversions were used to be indicative of future demands under similar inflow conditions.
4. Additions and/or reductions to UVWUA credits for water borrowed or repaid to Blue Mesa Reservoir were made to assure compliance with the existing water exchange agreement.
5. The uppermost 31,300 acre-feet of storage capacity in Taylor Park Reservoir was assumed transferred to Union Park Reservoir to provide the vacated capacity for exclusive flood control purposes.
6. A water conservation pool of 50,000 acre-feet was maintained in Union Park Reservoir with separate accounting for inflow and releases.
7. Minimum releases from Taylor Reservoir were 50 c.f.s. for the months of October through April and 100 c.f.s. for the months of May through Sept. Monthly release rates were generally above these minimums in years during or following periods of below normal runoff.
8. Priority of ownership of water pumped from Taylor Park to Union Park Reservoir was: (1) filling UVWUA transferred storage right (maximum 31,300 A.F.); (2) filling and or refilling the conservation pool (maximum 50,000 A.F.); (3) water for pump-generating purposes; and (4) water for Union Park Reservoir ownership.
9. Water to fulfill release requirements for irrigation, water exchange or minimum flow was taken first from the 31,300 A.F. pool in Union Park Reservoir and secondly from Taylor Park storage. This mode of operation significantly reduces the water level fluctuation in Taylor Park Reservoir.
10. Future stream depletions from existing conditional decrees were assumed to reduce the project water supply only during months of required irrigation releases from Taylor Park Reservoir. The maximum amount of future stream depletion was calculated as 10% of the historic gain from Taylor Park to the Gunnison Tunnel.

Related Project Benefits Page 11-2 of the Black and Veatch Report entitled "Union Park Pumped Storage Project - Feasibility Study" and dated March, 1985 discussed other benefits for the Union Park Water Supply Project. The release of water for supplementing the Black Canyon minimum in-stream flows will benefit the downstream environment and power generation. Transferring 31,300 acre-feet of the UVWUA storage right to the proposed Union Park Reservoir leaves about 26,000 acre-feet of usable flood control capacity in Taylor Park Reservoir. The potential power benefits from a pumpback storage feature are still applicable. The 4,000 acre Union Park Reservoir also provides fishing and recreational benefits for the Upper Gunnison area. In addition, these same benefits in the existing Taylor Park Reservoir are enhanced by less fluctuation in water levels and rates of water release (see following Histogram).

Water Yield for consumptive Use Purposes The above discussed data shows an average annual input into Union park storage of 72,800 acre-feet. This represents the amount of water that can be used by metro Denver/East Slope for consumptive use purposes. This amount can be increased by adjusting Union Park's percentage contribution to the anticipated Black Canyon minimum flow requirements. Another option for supplementing the yield is to negotiate with

the USBR the value of Union Park's dry year releases to the Gunnison as an offset against the water borrowed to meet UVWUA's water exchange agreement. A third option is to negotiate for a portion of the above 7,000 acre-feet allowance for future stream depletions from conditional water rights. With one or more of these options, a total of 80,000 acre feet average annual yield is reasonably divertable from Union Park to augment Metro Denver's existing reservoirs during the critical drought periods. The Corps' computer simulations have confirmed that this Gunnison drought insurance water would increase the safe yield of Metro Denver's existing system by about 140,000 acre-feet.



NOTE: The authors of this paper are professional engineers and retired United States Bureau of Reclamation executives with extensive experience in Western water matters. Since 1982 they have been working to optimize the water and power potential of the Union Park/Taylor Park area, as consultants for the Natural Energy Resources Company, P.O. Box 567, Palmer Lake, CO. 80133; (719)481-2003. Arapahoe County has owned the Union Park project since August of 1988, and the City of Gunnison, Town of Parker, and Castlewood Water District are the initial participants.

July 17, 1989
P.O. Box 567
Palmer Lake, CO. 80133
(719)481-2003

Senator William L. Armstrong
Hart Building, 528
Washington, D. C. 20510

Dear Senator Armstrong:

Your national drive to save Denver's controversial Two Forks Dam is not in step with the Bush Administration's valiant effort to balance environmental protection with economic development.

Two Forks is being vetoed by EPA largely because the environmental studies were improperly influenced to protect an obsolete concept from a fair comparison with several environmentally advanced alternatives. These ongoing alternatives include Arapahoe County's high altitude, off-river, Union Park Reservoir from the untapped Gunnison Basin; and City of Thornton's innovative City-Farm Recycling project.

Your recent nationwide statement: "If you can't build this Two Forks project, you can't build any project anywhere," is a threatening rationale that will surely backfire against any politician who uses it.

Analysis will show Denver's record \$40 million for Two Forks permitting was mostly for unprecedented duplicate studies, and legal maneuvering to influence agency heads into overriding the work of their career professionals. In fact, Senator Exon of Nebraska is gathering firsthand evidence showing widespread intimidation of agency staffers throughout the Two Forks permitting process.

Instead of using the unfortunate Two Forks experience as a blanket threat against all good and bad water projects, respectfully suggest you push for enforcement of our national environmental laws that require detailed comparison of all viable alternatives. To do otherwise would be a serious breach of faith with future generations.

Sincerely,



Dave Miller

ADM/bm

P. S. This letter has been coordinated with Senator Exon's office.

cc: President Bush, U.S. Congressmembers, EPA, CO. Legislators, Gov. Romer.

Natural Energy Resources Company
Rocky Point Pumped Storage Project
Licensing Status

1500 MEADOW LAKE PARKWAY
MAILING ADDRESS P.O. BOX NO. 8405
KANSAS CITY, MISSOURI 64114
B&V Project 11263
B&V File 32.0206
July 3, 1989

Natural Energy Resources Company
3855 Highway 105 West
Palmer Lake, Colorado 80133

Attention: Mr. Dave Miller

Gentlemen:

Enclosed is a copy of the Commission's decision granting our appeal on the license application. The decision essentially states that the agencies waived the requirement that we complete various studies before filing the license application.

Our license application has now been docketed by FERC. The FERC staff has been directed to prepare a letter listing the issues which must be resolved prior to the application being formally accepted. The staff has invited us to meet with them to discuss what issues remain unresolved and our proposed schedule for addressing such issues.

While the appeal was pending, we have completed most of the studies mentioned in the original FERC letter. With the docketing of the application, we will reinitiate agency consultations on the results of these studies.

It is anticipated that the license application will be accepted this year. Issuance of the FERC license is expected to take at least another 18 to 24 months because FERC will prepare an Environmental Impact Statement for the project.

The docketing of the license application is a major licensing milestone for the project. We will keep you informed of our endeavors to attract additional financing to the project.

1500 MEADOW LAKE PARKWAY
MAILING ADDRESS RO. BOX NO. 8405
KANSAS CITY, MISSOURI 64114

B&V Project 11263
B&V File 32.0206
July 3, 1989

Natural Energy Resources Company
Rocky Point Pumped Storage Project
Licensing Status

Natural Energy Resources Company
3855 Highway 105 West
Palmer Lake, Colorado 80133

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Natural Energy Resources Company
Mr. Dave Miller

2

B&V Project 11263
July 3, 1989

If you have any questions about the FERC order or the licensing status of the project, please call David Lefebvre at (913) 339-2164.

Very truly yours,

BLACK & VEATCH

David M Lefebvre
for
John R. Stack

dml
Enclosure

College of Agricultural Sciences
Office of the Dean
Fort Collins, Colorado 80523
(303) 491-6272

June 16, 1989

The Honorable Hank Brown
1424 Longworth House Office Building
Washington, D. C. 2051

Dear Congressman Brown:

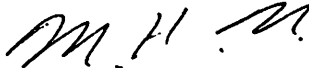
Dr. R. A. (Bob) Young of the Agricultural and Resource Economics Department of Colorado State University has been cited by staff members in some of the Colorado delegations' offices in regard to the effects of the Two Forks dam. He has been quoted as saying that 55,000 acres (or more) of irrigated land would be de-watered if the Two Forks permit were to be denied. He has used the 55,000 acre figure in informal talks. However, the matter is complex and Dr. Young tells me that the 55,000 acre figure is a worst-case scenario.

The 55,000 acres was arrived at by assuming all water would have to come from agriculture at a rate of 1.75 acre feet per acre. The net figure would be much smaller because the 1.75 acre feet does not take into account return flow of sewage effluent. Also, the 1.75 figure is a rough estimate and the actual figure must be resolved by the relevant court under Colorado water law.

The Thornton example is a case in point. The city of Thornton has purchased water in northern Colorado and the city's plan calls for building a pipeline to return effluent back to northern Colorado to be used for irrigation purposes. In most other cases the effluent would be available only for downstream users.

I hope this clarifies what is a very complex issue.

Sincerely,



Merle H. Niehaus
Dean

BXC: Mr. David Miller,

Note to Mr. Miller: Same letter sent to Representative Joel Hefley,
Senators William Armstrong and Tim Worth

HANK BROWN
4TH DISTRICT COLORADO
COMMITTEE ON
WAYS AND MEANS

Congress of the United States
House of Representatives
Washington, DC 20515

OFFICE ADDRESS
1424 LONGWORTH BUILDING
WASHINGTON, DC 20515
(202) 225-4676
DISTRICT OFFICES
1015 37TH AVENUE COURT
SUITE 101A
GREELEY, CO 80634
(303) 352-4112
301 S. HOWES, ROOM 203
FORT COLLINS, CO 80521
(303) 493 9132
243 POST OFFICE BUILDING
LA JUNTA, CO 81050
(719) 384-7370
311 E PLATTE AVE.
FORT MORGAN, CO 80701
(303) 867-8909
ADAMS AND ARAPAHOE COUNTIES
(303) 466-3443

May 30, 1989

Allen D. Miller
President
Natural Energy Resources Company
P.O. Box 567
Palmer Lake, CO 80133

Dear Dave:

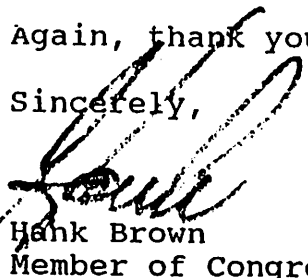
Thank you for your letter requesting a Congressional investigation of the Environmental Impact Statement for the Two Forks Project. I appreciate your taking the time to come back to Washington recently to give a presentation on alternatives to Two Forks.

As you know, Environmental Protection Agency Administrator William Reilly has initiated a veto of the permit for Two Forks Dam. The Army Corps of Engineers and the Metropolitan Water Providers now have until July 14 to consult with EPA and propose changes in the scope of the project or increase the environmental mitigation measures.

Administrator Reilly has indicated that during this process alternatives to the Two Forks proposal will be investigated. It appears that in light of the EPA's review of the Two Forks Project and alternative projects that a Congressional review is unnecessary.

Again, thank you for contacting me.

Sincerely,


Hank Brown
Member of Congress

HB/jac

June 16, 1989

Hank, Many thanks for your last night's telephone call. Appreciated the 40 minute opportunity to give a firsthand account why the Two Forks EIS is an unlawful decision document. Also, I welcome your offer to encourage Colorado water experts to take a fair look at the superior, but "overlooked", City-Farm and Union Park (Gunnison) alternatives being developed for Metro Denver by the City of Thornton and Arapahoe County.



25 11 7

NATURAL ENERGY RESOURCES COMPANY

P. O. Box 567 • Palmer Lake, Colorado 80133 • (719) 481-2003 • FAX (719) 481-4013

June 15, 1989

Senator Bill Armstrong, Washington, D.C. 20510
Representative Hank Brown, Washington, D.C. 20515
Representative Joel Hefley, Washington, D.C. 20515
Representative Dan Schaefer, Washington, D.C. 20515

Dear Senator Armstrong and Representatives Brown, Hefley, and Schaefer:

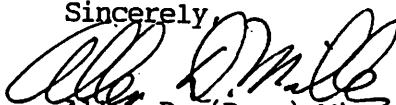
Your public support of Denver's controversial Two Forks Dam is based primarily on two false technical arguments:

1. Threat To Agriculture Colorado State University sources are being misquoted when you say that 50,000 acres of Northern Colorado land will be dried up for urban areas, if Two Forks is not built. The City of Thornton's 1986 purchase of irrigated farms is often cited as your main case in point. However, information from Thornton and CSU confirms that this conclusion is erroneous. Thornton's innovative City-Farm Recycling Project is being aided by CSU water experts, because it is specifically designed to return 60,000 acre feet (100%) of irrigation water to the farms after it is first used by Northern Metro Denver. It should be noted that Thornton's ongoing City-Farm Project was illegally ignored by the Corps in its EIS Water Supply Analysis. The real Western water story is that modern techniques have improved irrigation efficiency by at least 10% in recent years. This savings more than doubles the amount of water that could be allocated for urban use via normal marketing forces without adversely impacting Colorado's agriculture. CSU water engineers and economists generally agree with the above assessment.

2. Losses To Down River States You accept Denver's contention that Two Forks is necessary to save Colorado's entitled water from being lost to down river states. However, Two Forks and its related follow on transmountain diversion projects are all designed to take more water from the currently over-depleted Upper Colorado Basin tributaries. Meanwhile, the untapped, but "overlooked", Gunnison Basin is losing almost a million acre feet of Colorado entitled water to Arizona and California. Arapahoe County's advanced Union Park Reservoir alternative for Metro Denver is specifically designed to economically help Colorado correct its serious unbalanced water usage. In addition, Union Park's high altitude, off river Gunnison reservoir will provide needed drought protection for Colorado's river environments on both slopes. The Gunnison's surplus water was illegally ignored in the EIS to protect Metro Denver's 50 year investment in its outmoded Two Forks Project.

Suggest a re-evaluation of your public position on Two Forks before these technical errors become even more political and damaging to Colorado's national enviro-economic image.

Sincerely,



Allen D. (Dave) Miller, President

ADM/bm

cc: Pres. Bush, U.S. Congressional Delegates, EPA, Colorado Legislators.

June 15, 1989

Cooperative Extension
Colorado State University
Fort Collins, Colorado 80523

The Honorable Hank Brown
U.S. House of Representatives
1424 Longworth Building
Washington, DC 20515

Dear Congressman Brown:

RE: Impacts On The Rural Sector Of Colorado If Two Forks Dam Is Postponed Or Rejected.

It has been brought to my attention that I am cited by your staff as the source of estimates that 55,000 acres of irrigated land would be de-watered if the Two Forks permit were to be denied. While the estimated acreage tradeoff is a figure I have used, when hedged with careful qualifications, I do not wish to be associated with the further implication that market solutions to Colorado water problems should be rejected out of hand.

The matter is, of course, complex, so the purpose of this letter is to indicate my position more clearly.

I have not given detailed study to the Two Forks issue nor have I published any specific figures on potential alternatives. However, because it appears to me that more reliance on market forces might be beneficial to both rural and urban interests in the west, I have studied the potential impacts of water markets over the last several years. Because of this research, I have been called on to meet with several interested groups regarding the impacts a Two Forks rejection during the past few months, and have made some informal estimates of impacts.

The 55,000 acres is my worst case estimate, arrived at by assuming all water would have to come from agriculture at a rate of 1.75 acre feet per acre. (Any such estimate can only be an educated guess, because the actual amount per acre must be resolved by the relevant court under Colorado water law.) Because the 1.75 acre feet per acre doesn't allow for return flows (largely sewage) from cities, which could go back to downstream farms, the net acreage loss could be much less than the above "worst case," even if all water came from retirement of irrigated lands.

Secondly, I do not believe that irrigation water is the only alternative to Two Forks. A number of other options exist. For example, urban conservation, Windy Gap and further imports from the Colorado River Basin could shoulder part of the growth in demand.

Thirdly, market-type options exist for obtaining water from rural Colorado without completely drying up farms. These would require some change in basic Colorado water law and traditional management practices to encourage changing irrigation patterns by farmers, but they seem to me to hold promise to, in Ray Moses' phase, "Have our water cake and eat it too." Hence, the most optimistic scenario could involve withdrawing water from the least economically productive uses (forage crops) and not drying up lands other than those being taken by growing cities.

The Honorable Hank Brown

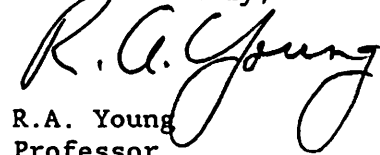
Page 2

June 15, 1989

Next, the third party impacts of even the worst case scenario may not be all negative or very large. For example, I would think farmers who own water rights would actually have an interest in opposing dams. This is because in the absence of dams, urban demands give strong support to the market value of their water rights, whether they are the immediate sellers or not. (Windy Gap, built much in advance of need for its water, likely reduced the value of water rights of irrigation companies in Northern Colorado by several hundred million dollars. Water rights prices in the Poudre Basin, when adjusted for inflation remain below their values of twenty years ago.) Also, in today's post-industrial economy, the small change in South Platte Valley farm production represented by even the worst case alternatives to Two Forks would have a hardly discernable impact on the local economy. Our statistical studies suggest that about 600 (six hundred) local off-jobs would be associated with 55,000 acres but could supply water to 400,000 more urban residents.

I would suggest that the appropriate policy for the state to pursue is to update its water law so that market forces can better operate, while giving whatever attention is necessary to protecting interested third parties in the potentially affected rural communities. In such a framework, dams can be built when they are the least-cost source of water, and markets relied on in other cases.

Yours Sincerely,



R.A. Young
Professor

RAY/mep

NATURAL ENERGY RESOURCES COMPANY

P. O. Box 567 • Palmer Lake, Colorado 80133 • (719) 481-2003 • FAX (719) 481-4013

June 15, 1989

Senator Bill Armstrong, Washington, D.C. 20510
Representative Hank Brown, Washington, D.C. 20515
Representative Joel Hefley, Washington, D.C. 20515
Representative Dan Schaefer, Washington, D.C. 20515

Dear Senator Armstrong and Representatives Brown, Hefley, and Schaefer:

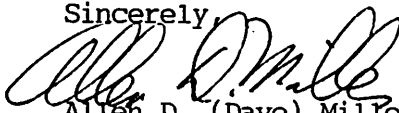
Your public support of Denver's controversial Two Forks Dam is based primarily on two false technical arguments:

1. Threat To Agriculture Colorado State University sources are being misquoted when you say that 50,000 acres of Northern Colorado land will be dried up for urban areas, if Two Forks is not built. The City of Thornton's 1986 purchase of irrigated farms is often cited as your main case in point. However, information from Thornton and CSU confirms that this conclusion is erroneous. Thornton's innovative City-Farm Recycling Project is being aided by CSU water experts, because it is specifically designed to return 60,000 acre feet (100%) of irrigation water to the farms after it is first used by Northern Metro Denver. It should be noted that Thornton's ongoing City-Farm Project was illegally ignored by the Corps in its EIS Water Supply Analysis. The real Western water story is that modern techniques have improved irrigation efficiency by at least 10% in recent years. This savings more than doubles the amount of water that could be allocated for urban use via normal marketing forces without adversely impacting Colorado's agriculture. CSU water engineers and economists generally agree with the above assessment.

2. Losses To Down River States You accept Denver's contention that Two Forks is necessary to save Colorado's entitled water from being lost to down river states. However, Two Forks and its related follow on transmountain diversion projects are all designed to take more water from the currently over-depleted Upper Colorado Basin tributaries. Meanwhile, the untapped, but "overlooked", Gunnison Basin is losing almost a million acre feet of Colorado entitled water to Arizona and California. Arapahoe County's advanced Union Park Reservoir alternative for Metro Denver is specifically designed to economically help Colorado correct its serious unbalanced water usage. In addition, Union Park's high altitude, off river Gunnison reservoir will provide needed drought protection for Colorado's river environments on both slopes. The Gunnison's surplus water was illegally ignored in the EIS to protect Metro Denver's 50 year investment in its outmoded Two Forks Project.

Suggest a re-evaluation of your public position on Two Forks before these technical errors become even more political and damaging to Colorado's national enviro-economic image.

Sincerely,



Allen D. (Dave) Miller, President

ADM/bm

cc: Pres. Bush, U.S. Congressional Delegates, EPA, Colorado Legislators.

Local

Bush wants 2 Forks alternative

By PAM MAPLES
Rocky Mountain News Staff Writer

But Nebraska governor says president didn't commit himself

President George Bush indicated this week he'd like to find an alternative to the Two Forks water project, Nebraska Gov. Kay Orr said.

"He is hopeful that there is some other way to meet the water needs of Denver," Republican Gov. Kay Orr said after discussing her opposition to Two Forks with Bush during his visit to Lincoln on Tuesday. "It's in an uncomfortable position for the president."

Bush was in Nebraska to promote his clean-air proposals. Orr, one of his political allies, told reporters she didn't ask for, or receive, a commitment from Bush.

Orr said Bush "feels in the middle" of the fight between Colorado and Nebraska officials over the project to dam the South Platte

River, which joins the North Platte River in Nebraska to form the Platte River that flows eastward through the state.

Meanwhile, officials of Colorado political and water groups continued lobbying for the \$500 million project, which would flood Cheesman Canyon southwest of Denver.

GOP Reps. Dan Schaefer, Hank Brown and Joel Hefley met for more than a half-hour yesterday morning with White House chief of staff John Sununu to brief him on Two Forks. Sununu also attended

Bush's discussion with Orr.

Also, two Denver Water Board officials flew to Lincoln yesterday to give their side of the Two Forks issue to Nebraska water officials.

The project has bipartisan support in Colorado, but bipartisan opposition in Nebraska.

It received initial approval of regional Environmental Protection Agency officials and other federal agencies while President Reagan was in office.

But Bush's EPA administration William Reilly indicated he was starting the process to veto Two Forks. That touched off lobbying by Colorado to get Bush to reverse Reilly's decision and to counter Nebraska's lobbying efforts.

Colorado supporters downplayed Bush's remarks as reflected by Orr and said they remain optimistic the dam will be approved.

"Here's a guy (Bush) passing

through town, riding around in a limousine with the governor of that state and talking about this. That's not a decision," said Sen. Bill Armstrong, R-Colo., a leader of Colorado Republicans' efforts to lobby the White House. "We don't know what he said, or how he said it, or what he meant."

A White House spokesman said "the president's remarks (to Orr) stand. We are not in a position to amplify at this point."

Orr was traveling and could not be reached for comment. Her spokesman, Doug Parrott, said the governor talked to Bush about three or four issues during his visit, including Two Forks.

"It wasn't like an hour-long discussion of this, but she felt very good about it," Parrott said.

Orr also told Bush about a recent *Rocky Mountain News* poll that showed Denver residents op-

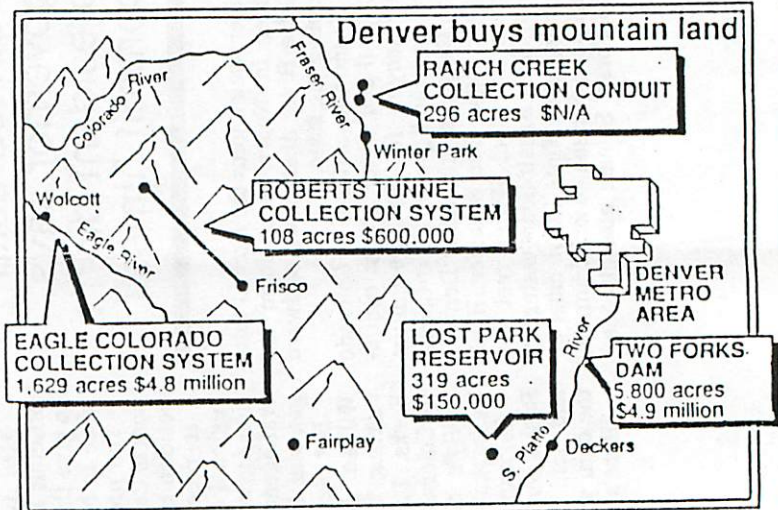
pose the project. She said it surprised him and seemed to have "made quite an impression."

Sununu asked the Colorado delegation about the News poll, which showed 47% of city voters opposed Two Forks, 32% supported it and 21% were undecided, the congressmen said. Schaefer and Hefley said they told him the poll reflects the mood during a time of adequate water supplies but does not take into account growing demand or the impact of droughts.

Nebraska water officials were not swayed by the Denver water officials' presentation yesterday, said hydrologist Ann Bleed. The Denver officials requested the meeting, she said, apparently after Nebraska officials disputed the conclusions of a water board document, "Myths about Two Forks," that is being used by the Colorado lobbyists.

LITIGATION/WATER RIGHTS

U.S. WATER NEWS



Denver looks to other projects

DENVER, Colo. — Most of the transmountain water diversions planned by Denver and its suburbs would be useless if the controversial Two Forks dam is not built, several water planners agreed recently.

The Denver Water Board has long-range plans for major diversions from the Blue, Eagle, and Fraser Rivers on Colorado's Western Slope, while the City of Aurora and Arapahoe County are vying over the rights to take water from the Gunnison River basin. Most of these projects need a large holding pond on the Eastern Slope.

The proposed Denver projects would take water from the east and

west sides of the Gore Range, above the towns of Vail and Dillon, and transfer this water by gravity to Lake Dillon in Summit County, then under the mountains through the Roberts Tunnel to the South Platte River. Denver has already spent \$5.4 million to acquire properties for the projects, which would not be built until the year 2030.

Ed Reutz, spokesman for the Denver Water Board, confirmed the problem but said the converse is not true: Two Forks does not necessarily need the Western Slope projects. But the additional transmountain diversions would allow the giant Eastern Slope dam to operate more efficiently.

Planners for Arapahoe and Aurora recently came to the same conclusion about the Collegiate Range Aurora Project, which would take water from the the Taylor River, a tributary to the Gunnison.

However, one proposed project called Union Park might work without Two Forks. Union Park is a large subalpine meadow at 10,000 feet in the upper Taylor drainage. Promoters of the project, including Arapahoe County which bought the idea last year, say a dam there could hold up to a million acre feet, enough for both Eastern and Western Slopes usage.

NOTE: The "overlooked" Union Park alternative from the untapped Gunnison Basin will increase the safe yield of Metro Denver's existing system 40% more than Two Forks for about half the unit cost. This massive, high altitude, off river reservoir will also provide balanced, multi-year drought protection for Colorado's river environments on both slopes. Two Forks and its related future diversions would worsen the current over-depletion of Upper Colorado Basin headwaters. Although the Gunnison Basin currently loses almost a million acre feet of Colorado entitled water to the down river states, this vast surplus water source was illegally ignored in the Metro Denver EIS. Union Park has a 1999 completion date, and is certain to be Colorado's next major water project.

NATURAL ENERGY RESOURCES COMPANY

P. O. Box 567 • Palmer Lake, Colorado 80133 • (719) 481-2003 • FAX (719) 481-4013

EXPRESS MAIL

May 30, 1989

Senator William L. Armstrong
Washington, D. C. 20510

Dear Senator Armstrong:

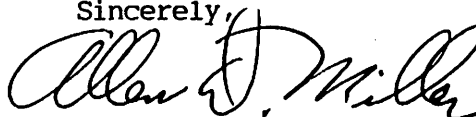
Your May 16, 1989 letter is appreciated. However, you are making a serious environmental, economic, and political mistake by rejecting our request for a Congressional investigation into the "overlooked" alternatives to Denver's destructive Two Forks Dam proposal.

The \$40 million Metro Denver Water Supply Final EIS is not a legally sufficient decision document under NEPA, because it purposely ignored several ongoing alternatives that are substantially superior to the outmoded Two Forks concept. Unfortunately, Denver's 50 year investment in Two Forks water rights and engineering has been used to systematically bias Colorado's Round Table and Metro Denver's water providers into thinking Two Forks was the only viable alternative. None of these organizations had the vision and engineering expertise to question Denver's relentless drive to dam the South Platte. They surely did not evaluate the advanced Gunnison and City - Farm Recycling alternatives before they were misled into their heavy Two Forks commitments.

Because of this misguided political momentum, Two Forks developed a life of its own that effectively destroyed the objectivity of the EIS. For example, Denver's existing water rights were used by the Corps as a basic screening criteria for eliminating viable alternatives from detailed consideration. This may explain why the Gunnison, Colorado's largest untapped water source, was never considered until we finally forced the embarrassed Corps into a very inadequate review just prior to release of its Final EIS. Because of the lower cost and less environmental impact of a Gunnison solution, Arapahoe County and the City of Aurora are now aggressively pursuing this vast overlooked water source for Metro Denver. Although the City of Thornton dropped most of its interest in Two Forks in 1986 to pursue its innovative City - Farm Recycling Project, this 60,000 acre feet water supply for Northern Denver was completely omitted from the Final EIS. The overlooked Gunnison and City - Farm alternatives are scheduled to come on line long before Two Forks, with double the safe yield for about half the unit cost. A large, high altitude, off river, Gunnison storage reservoir at Union Park will also help correct Colorado's seriously unbalanced water use, while providing much needed drought protection for both slopes.

Because of the national environmental importance of this gross alternatives oversight, we again strongly urge that you and the other Colorado delegates immediately initiate an EIS Congressional investigation. The investigation should include a completely independent engineering review of the several overlooked options. This fresh review could be quickly done at a fraction of the cost and image damage to Colorado caused by a prolonged legal battle with our determined national environmental groups.

Sincerely,



Allen D. (Dave) Miller, President

ADM/bm

cc: President Bush, U. S. Congressional Delegates, EPA, Colorado Legislators.

HANK BROWN
4TH DISTRICT, COLORADO
COMMITTEE ON
WAYS AND MEANS

Congress of the United States

House of Representatives
Washington, DC 20515

301 S. HOWES, ROOM 203
FORT COLLINS, CO 80521
(303) 493-9132

243 POST OFFICE BUILDING
LA JUNTA, CO 81050
(719) 384-7370
311 E PLATTE AVE.
FORT MORGAN, CO 80701
(303) 867-8909
ADAMS AND ARAPAHOE COUNTIES
(303) 466-3443

May 30, 1989

Allen D. Miller
President
Natural Energy Resources Company
P.O. Box 567
Palmer Lake, CO 80133

Dear Dave:

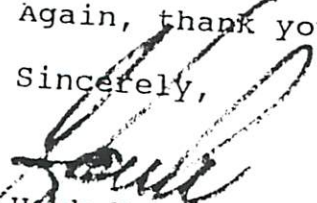
Thank you for your letter requesting a Congressional investigation of the Environmental Impact Statement for the Two Forks Project. I appreciate your taking the time to come back to Washington recently to give a presentation on alternatives to Two Forks.

As you know, Environmental Protection Agency Administrator William Reilly has initiated a veto of the permit for Two Forks Dam. The Army Corps of Engineers and the Metropolitan Water Providers now have until July 14 to consult with EPA and propose changes in the scope of the project or increase the environmental mitigation measures.

Administrator Reilly has indicated that during this process alternatives to the Two Forks proposal will be investigated. It appears that in light of the EPA's review of the Two Forks Project and alternative projects that a Congressional review is unnecessary.

Again, thank you for contacting me.

Sincerely,


Hank Brown
Member of Congress

HB/jac

June 16, 1989

Hank, Many thanks for your last night's telephone call. Appreciated the 40 minute opportunity to give a firsthand account why the Two Forks EIS is an unlawful decision document. Also, I welcome your offer to encourage Colorado water experts to take a fair look at the superior, but "overlooked", City-Farm and Union Park (Gunnison) alternatives being developed for Metro Denver by the City of Thornton and Arapahoe County.



Denver needs a water policy

by JOHN
MUSICK

Denver Post
5-20-89

DENVER POST columnist Ed Quillen recently described Colorado as the "state of indecision." The proposed Two Forks Reservoir is a perfect example of his point.

Only a few weeks ago, the Environmental Protection Agency called it unnecessary and a potential environmental disaster.

Predictably, Two Forks promoters launched an offensive to counter that conclusion. They steadfastly pressed for their pet project, rather than seriously seeking logical solutions to real problems.

The Denver Water Board has built an excellent water system. And Two Forks is a manifestation of their vision. But Two Forks was part of a vision conceived in the early 1900s, when the horse-drawn carriage was our major form of transportation and indoor plumbing was only beginning to deliver our water.

It is no longer viable for solving today's water problems, any more than Stapleton International Airport or Currigan Hall can meet the needs of the future.

Just as Denver needs a modern airport and a new convention center, it needs a new water-management concept for the 21st century.

Anticipating the eventual demise of the Two Forks plan, a group of headwaters counties on the Front Range developed an alternative which would employ modern concepts of water supply. However, that alternative, developed over the last decade, has been ignored by Denver and the U.S. Army Corps of Engineers.

The new plan is quite simple: Form a regional water supply authority involving headwaters counties, urban cities and downstream agricultural counties. Legislation for the creation of such a River Basin Authority exists today. It can be formed by simple agreement of the counties and cities involved.

The River Basin Authority would do six things:

- ✓ Store water in existing upstream reservoirs first.
- ✓ Store South Platte River water in Chatfield

Reservoir, Cherry Creek Reservoir and a new high plains reservoir which could be built between Colorado Springs and Denver at Fremont Fort.

✓ Store irrigation reservoir water upstream in Fremont Fort Reservoir by exchange.

✓ Tap large groundwater reservoirs underlying Denver during times of drought to supplement the river water which has been stored in surface reservoirs.

✓ Deliver this raw untreated well and river water to existing municipalities and water districts for treatment and delivery to their customers only in accordance with accepted concepts of conservation and metering.

✓ Collect all metropolitan treated wastewater and deliver it by pipeline to the downstream storage reservoirs for use by farmers to grow crops, purifying the water through the Earth's living filter.

Every law and regulation to accomplish this simple system is in place. It would solve all of Denver's water supply, wastewater treatment and conservation requirements well into the 21st century.

This simple plan would involve everyone: counties, cities and farmers. It would increase high plains flat water recreation, improve Denver water supplies, prevent floods, clean up the South Platte River, provide minimum stream flows for the river and preserve irrigated agriculture. And it would integrate ground and surface waters into a comprehensive plan.

Best of all, it could begin immediately. And it would represent a modern decision, a first step toward Colorado's becoming a leader in water resource management. And it would end Colorado's being a State of Indecision.

John D. Musick Jr. is a Boulder water lawyer.

NATURAL ENERGY RESOURCES COMPANY

P. O. Box 567 • Palmer Lake, Colorado 80133 • (719) 481-2003 • FAX (719) 481-4013

May 17, 1989

William K. Reilly, Administrator
Environmental Protection Agency
401 M Street S. W.
Washington, D. C. 20460

Dear Mr. Reilly:

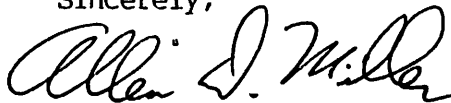
Although the enclosed Denver Post article is very brief and somewhat misleading, it does highlight the fact that Metro Denver, state, and Gunnison interests are vigorously pursuing the beneficial use of surplus water from the untapped Gunnison Basin. The Metro Denver EIS is not a valid decision document, because the Corps improperly screened the Gunnison from detailed consideration to protect Denver's outmoded Two Forks concept from a superior water source.

Arapahoe County's advanced Union Park Reservoir and Siphon from the Gunnison is certain to be the successor to the vetoed Two Forks project. The Corps' computer analysis has recently confirmed that by pumping an average 80,000 acre feet of surplus Gunnison flood waters into the massive, high altitude, off river, sage covered, Union Park Reservoir site, the drought yield of Denver's existing reservoirs can be increased by 140,000 acre feet. Because of this unprecedented multiplier effect, Union Park's safe yield is 40% more than Two Forks for about half the unit cost. Union Park will also unify the state by enhancing its environment, agriculture, and tourist economies. This unique project is specifically designed to provide much needed drought protection for Colorado's major river basins on both slopes.

The City of Thornton's ongoing City - Farm Recycling Project is another environmentally sound water project that was improperly ignored by the Corps to protect Two Forks. This innovative use of irrigation water will economically increase Northern Metro Denver water supplies by 60,000 acre feet. Northern Colorado farming will be fully protected with the 100% return of treated affluent to the same irrigation ditches.

The beneficial use of Gunnison and recycled irrigation water will save the nationally treasured South Platte Canyon and stop the destructive dewatering of the overworked Upper Colorado Basin. EPA's farsighted veto of Two Forks will open the door to a rational consensus for balanced Colorado water development.

Sincerely,



Allen D. (Dave) Miller
President

ADM/bm

Encl: Denver Post article dated May 16, 1989.

cc: Mr. Lee A. DeHihns, Colorado Congressional Delegates and Legislators, local state, and federal officials.

Standoff over water may end

West Slope, suburbs study compromise

By Bill McBean
Denver Post Staff Writer

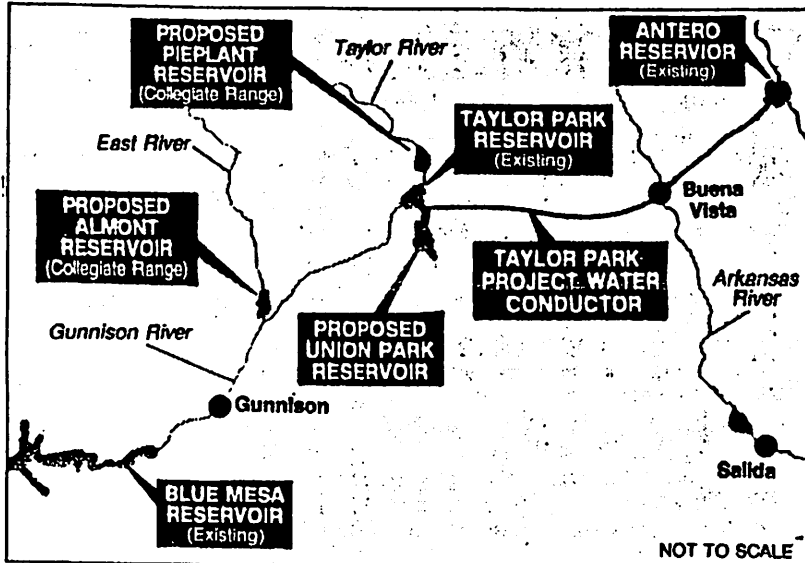
The five-year standoff between thirsty Denver suburbs and West Slope water interests over Gunnison River water soon may end, thanks to a compromise suggested in a recent study.

The study, managed by the Colorado Water Resources and Power Development Authority, is significant because it balances West Slope recreation and irrigation needs with the need of metro communities to develop new sources of drinking water.

For five years, Arapahoe County and Aurora have fought over the rights to about 70,000 acre-feet of unappropriated Gunnison River water.

West Slope water owners have been girding for a prolonged battle with both governments, fearing removal of Gunnison water would deflate the water-based recreation industry, hurt the environment and damage agriculture.

The authority's report suggests Arapahoe County and Aurora use the existing Taylor Park Reservoir northeast of Gunnison instead of



The Denver Post / Bruce Geut

building new facilities.

Using an extended system of tunnels and pipelines to get the water over the mountains, Taylor Park Reservoir could supply about 42,000 acre-feet a year to suburban communities.

If an option to pump water out of Blue Mesa Reservoir to Taylor Park reservoir was added, the yield might be 100,000 acre-feet. The price tag: \$531 million.

The report recommends suburban governments buy senior water rights now stored in Taylor Park instead of trying to prove in Water Court that some Gunnison River water isn't being used.

Revenues from those water sales could be used to build two West Slope reservoirs to enhance crop irrigation and bolster the region's recreation-based economy.

Tom Griswold, Aurora utilities director, said he's considering the

plan as an alternative to the Collegiate Range project, a \$340 million transmountain diversion that would require building two new reservoirs.

"There needs to be a solution over there that benefits the (Gunnison) basin," Griswold said. "That study, at least, points out some opportunities to do that."

Dick Bratton, attorney for the Upper Gunnison River Water Conservancy District, agreed. The study, he said, "has the potential for a unique kind of partnership."

But Andy Andrews, an engineer for Arapahoe County and Gunnison, was critical of the plan.

The study on which the plan is based said the transmountain diversion favored by Gunnison and Arapahoe — the Union Park project — would cost roughly \$200 million more than Andrews' current estimate of \$446 million.

Water equation is still unsolved in the formula for Colorado's future

WHILE THE economic recession of the mid-1980s hit Colorado especially hard, there are signs that our state is on the move again. Denver is building a new convention center that will attract visitors from across the country. I have no doubt that many of these visitors will travel outside Denver to enjoy our ski slopes, fishing streams and campgrounds — and their visits will stimulate our entire state's recreation economy.

Last year, Adams County voters approved construction of a new airport in partnership with Denver. I am convinced that the new airport will have a major positive impact on the metropolitan area, Colorado and the Rocky Mountain region.

The progress on the convention center and a new airport is good news, not just for the Denver metropolitan area, but for the whole state. These and other actions, such as the maintenance of a solid transportation infrastructure and a first-rate educational system, will be the foundations for strong economic growth in Colorado well into the next century.

One challenge remains to be addressed, and that is the development of an adequate supply of water to meet the needs of the metropolitan area's growing communities. From my own experience with the Foothills project — where we ultimately were able to develop a solution that ended not only a long political debate but also several lawsuits — I know how difficult these issues can be. Nevertheless, I have always believed that we can find a way to meet the water demands of our growing Front Range communities

by **TIM WIRTH**

that the entire state could support.

The Foothills Agreement is a good example of cooperation in drafting a plan for meeting the Front Range's water demand. In 1979, conservationists, the Denver Water Board and the federal government were locked in litigation over Denver's plans to build the Strontia Springs Dam and the Foothills treatment plant. The parties asked for my help in working out a settlement and after long and difficult negotiations, we were able to reach a compromise that all parties agreed was fair and reasonable. That agreement permitted the Denver Water Board to construct the Strontia Springs Dam as well as the Foothills water treatment plant, which have proved to be vital parts of the Denver water supply system.

The agreement also included a very important commitment to conserving water throughout the Denver service area — including specific conservation goals to be met by specific dates. If fully implemented, that agreement could save Denver as much as 80,000 acre-feet of water per year, or about the same amount of water as would be yielded by Two Forks.

Those conservation commitments were agreed to by the Denver Water Board in return for agreement by various groups to drop lawsuits related to Foothills and in return for permits from various federal

agencies. There was no doubt that all parties expected Denver to live up to the commitments the city made and it was certainly my understanding that the Denver Water Board would move expeditiously to complete its side of the deal.

Late last year, conservationists (many of whom had participated in the Foothills negotiations) wrote to me and alleged that the conservation stipulations the Corps of Engineers was considering for a Two Forks permit would fall short of the pre-existing water conservation requirements established by the Foothills agreement. Specifically, the conservationists argued that per capita water use in the Denver service area is *increasing* rather than decreasing, despite the conservation commitments made by the Denver Water Board in the Foothills agreement. The conservationists also stated that, over time, Denver could make available substantial quantities of water for metropolitan use if the Foothills conservation commitments were fully implemented.

I forwarded the conservationists' letter to the Corps of Engineers and asked that agency to evaluate the conservationists' contentions. While the Corps did not fully respond in writing, they did confirm one of the conservationists' principal concerns: per-capita use of water in the Denver service area is increasing rather than decreasing. In subsequent conversations, the Corps of Engineers also confirmed that an aggressive water conservation program in Denver has the potential to significantly reduce consumption, thereby freeing up water for other users.

I have not wavered in my commitment to the Foothills agreement. That accord permitted Denver to rapidly complete a dam and water treatment plant, with only one condition — good faith compliance with the agreement's conservation program. That program still is critically important, but its implementation is uncertain. I urged the Corps of Engineers to include in any permit for the Two Forks project a condition that would assure implementation of the conservation goals that all the parties agreed to in order to resolve the Foothills controversy. The Corps has recognized the importance and controversy surrounding the conservation commitments. In his record of decision on the Two Forks proposal, Col. Steven West wrote that "conservation has been made a major issue in the Two Forks permit because the Denver Water Board has not implemented conservation in accordance with the expectations of most of the major interests. If the Denver Water Board had, much of the criticism that has been generated by this permit application could have been avoided."

In reviewing the proposed permit for the Two Forks project, EPA Administrator Bill Reilly was required to evaluate the permit conditions proposed by the Corps and to determine whether the proposed Two Forks project was consistent with the Clean Water Act's provisions. Apparently he has concluded that the Two Forks project did not meet Clean Water Act guidelines for issuing permits. In deciding to initiate the veto process, Reilly stated that "the proposed dam and reser-

voir could result in very serious adverse environmental impacts, that the administrative record does not resolve the critical environmental issues raised by this project and that the proposed permit conditions may not provide adequate safeguards.

"I am not convinced," he went on, "that the project as proposed will avoid environmental harm to the extent practicable or that the proposed permit conditions will minimize or compensate for damage to the fisheries, wildlife habitat and recreation areas."

Reilly's decision initiated a new round of consultations and reviews. At this point it is impossible to predict the results of that process. But regardless of how that process is resolved, we must begin to heal the deep divisions that have developed within our state during the Two Forks debate.

I hold a commitment to strong economic growth in Colorado, and I know the importance of providing an adequate supply of water for the metropolitan area. I continue to believe that an aggressive, metropolitan-wide conservation program must be one foundation of such a water supply plan.

But I have always recognized that conservation alone will not be enough to provide water supplies for the Front Range over the long term. That is why I have stressed the importance of developing a comprehensive plan that includes not only conservation but also the construction of structural sources of water that have broad support in our state. I am convinced that such alternatives exist.

Tim Wirth is Colorado's Democratic U.S. Senator

United States Senate

WASHINGTON, D.C. 20510

May 16, 1989

Mr. Allen Miller
President, Natural Energy Resources Company
P.O. Box 567
Palmer Lake, Colorado 80133

Dear Mr. Miller:

Thank you for your letter of May 5, 1989 requesting a Congressional investigation regarding omissions of alternatives to the Metro Denver Water Supply Final Environmental Impact Statement (EIS).

I do not believe such an investigation is warranted. The Final EIS stated that more than 100 alternative water supply sources were considered, including groundwater, reuse and approximately 50 reservoir sites in the Platte Basin.

The City and County of Denver with the Metro Denver Water Providers, a group of 40 metro cities, counties and special districts, locally funded the \$40 million, 8 year environmental impact study (EIS).

That study grew from a 1981 statewide water roundtable which represented a variety of interests from throughout the Colorado, and a system EIS. This statewide and multi-government cooperation helped in settlement of key water litigation among Denver, northern Colorado agricultural interests, and Colorado's West Slope.

The coalition of 41 governments represents unprecedented cooperation to responsibly provide an adequate, stable future water supply for more than half the state's population.

Thank you for writing and expressing your concerns.

Best regards.

Sincerely,


William L. Armstrong

WLA:ck

OPINIONS

Two Forks veto may redirect urban growth back to Denver County

WE SUPPOSEDLY live under a government of laws. But often the most powerful of them is the Law of Unintended Consequences — the principle which states that when government sets out to do one thing it often unintentionally does something quite different. Now, that law may be about to reverse 15 years of suburban growth and core city stagnation in the Denver area.

In 1974 Colorado voters approved the Poundstone amendment to the state constitution, thus halting Denver's annexations — largely because suburban voters feared such annexations would drag them into Denver's court-ordered school busing. The amendment stopped Denver County's growth cold — but did nothing to reduce growth pressures in the metropolitan area as a whole. Hence it ended up by stagnating Denver and supercharging growth in the suburbs.

Now, in the spring of 1989, two mighty political engines are charging ahead on parallel tracks. Their combined effect may have the unintended consequence of slowing growth in the suburbs and revitalizing the core city of Denver. The first event is Denver's decision to build a new airport on 53.5 square miles of land acquired from Adams County last year in the first-ever voter-approved annexation under the Poundstone amendment. If Denver voters approve



**BOB
EWEGEN**

that project on Tuesday, they will free the existing 4,700 acres of Stapleton Airport for redevelopment — a huge area already well-served by roads, utilities and other urban services.

Of course, just having land available to serve new industrial, commercial and residential developers doesn't mean they will come to Denver. But the second event — the EPA's veto of the proposed Two Forks Dam — may give them no choice.

In many suburban communities, growth-oriented public officials are close to panic. Many believe that without the new water supplies that Two Forks would assure them, they can't promise developers the long-term water supplies they need.

But Denver can. Even without Two Forks, Denver has adequate supplies of water to take care of its present needs, supply the new airport, and support the redevelopment of Stapleton and other desirable parts of the city.

Of course, if the metropolitan area's future growth is determined by water availability, the consequences won't be perfect. But they won't be all bad either. Denver and Adams County have the greatest need for new growth, especially industrial and commercial tax base, because these two counties are carrying by far the greatest burdens in supporting the area's human services needs. With the new airport catalyzing growth in Denver and Adams County, Denver has the water to serve that growth. For its part, Adams County, in general, has the most practical alternatives to Two Forks — as Thornton's innovative plan to bring in irrigation water from northern Colorado has proved. Aurora, which also carries a growing share of the regional burdens, has an independent water system and some practical — if expensive and controversial — alternatives to Two Forks.

That leaves Arapahoe, Jefferson and Douglas counties — affluent suburban enclaves with little need to expand their tax bases and little water to support growth. All three counties have seen citizen

rebellions in recent years as voters protested against what they perceived as runaway development.

While developers view these three counties as the most enticing sites, citizens who live in them generally are skeptical toward development. Suburbanites moved to the suburbs to get away from the city in the first place — and don't want to recreate core-city congestion in their suburban enclaves.

Despite many imperfections, the social landscape that would result from letting water availability drive development in metropolitan Denver may prove more desirable to most voters than the present practice of letting the developers play local governments against each other in bidding wars as to who will supply the most intensive and least-regulated development.

The polls consistently show a majority of metropolitan voters against Two Forks and in favor of the new airport — the very combination that would most revitalize the core city economically while preserving suburban lifestyles.

Come to think about it, maybe the voters are smarter than the developers give them credit for. And maybe these consequences aren't so unintended after all.

Bob Ewegen is assistant editorial page editor of The Post

NATURAL ENERGY RESOURCES COMPANY

P. O. Box 567 • Palmer Lake, Colorado 80133 • (719) 481-2003 • FAX (719) 481-4013

April 21, 1989

Colorado Congressional Delegation
Washington, D. C. 80510, 80515

Dear Senators Armstrong and Wirth; Representatives Brown, Campbell, Hefley, Schafer, Schroeder, and Skaggs:

EPA's review of the **Two Forks Dam Study** irregularities (summary attached) is certain to sustain Mr. Reilly's courageous decision to veto the permit.

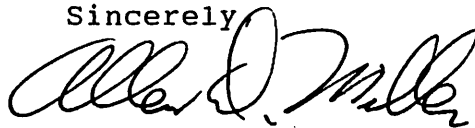
It would be a travesty for Colorado if the Republican side of our Congressional Delegation splits with the Bush Administration on this critical environmental issue. National environmental groups and the media are already characterizing Colorado as being environmentally insensitive, and the adverse publicity can rapidly escalate. It is a growing certainty that investment capital gravitates away from those states that appear politically divided on important environmental issues.

In spite of the Denver Water Department's relentless 50 year position to the contrary, Two Forks would cause serious, unmitigable, environmental damage to nationally important natural resources. As indicated in our April 19th **Two Forks Alternatives** presentation for Colorado's Congressional Delegation, this destruction is entirely unnecessary. There are several advanced alternatives that are superior, but purposely overlooked in the studies to protect an obsolete concept.

Thornton's ongoing **City-Farm Recycling Project** to pump 60,000 acre feet of high quality Cache La Poudre irrigation water to Northern Denver suburbs before it is recycled back to the farms is designed to protect Northern Colorado's environment and agriculture. Arapahoe County's ongoing high altitude **Union Park** storage and siphon project from the untapped Gunnison will increase Metro Denver's safe yield by 140,000 acre feet, while providing needed drought protection for the river environments on both slopes. These two environmentally sound projects have twice the yield of Two Forks for about half the unit cost.

Copies of our presentation slides are enclosed for your further consideration.

Sincerely



Allen D. (Dave) Miller, President

ADM/bm

Encls: Two Forks Irregularities; Alternatives Presentation.

cc: local, state, and federal officials.

TWO FORKS DAM STUDY IRREGULARITIES

Investigation will confirm the following Two Forks study irregularities:

1. The Two Forks site-specific study is fatally flawed, because it did not seriously consider several superior alternatives, including the Gunnison, Green Mountain, and City-Farm Recycling options.

2. Contrary to required study procedures, the Denver Water Department (DWD) pressured the Corps into starting the site-specific analysis before completing a proper system-wide review that should have identified **all reasonable alternatives** for detailed study.

3. The site-specific analysis only seriously considered the South Platte dam alternatives that fit DWD's Upper Colorado and South Platte water rights.

4. Less than 10% of the total study cost was used for evaluating the other South Platte dam options identified in the faulted scoping process.

5. About half of the total study cost was for premature Two Forks Dam design work and duplicate environmental studies hired by DWD to influence the same work being done by the responsible permitting agencies.

6. EPA was the only permitting agency that did not accept reimbursement of study expenses from Two Forks proponents.

7. Several key professional staff members of the Corps, Fish and Wildlife, and EPA were transferred and/or directly pressured by superiors and proponent managers when their study results and recommendations were contrary to Two Forks.

8. About 11% of the total study cost was for management and extra legal monitoring by DWD and the Metro Providers to influence results and control concerned providers who relied on DWD's strategy and technical advice.

9. The EIS Water Supply Analysis did not include any of the safe annual yields from several more efficient and less damaging **ongoing** projects, including Thornton's City-Farm Recycling Project (60,000 af), Aurora's Arkansas Exchange Project (17,000 af), Arapahoe County's Union Park Storage Project from the untapped Gunnison (140,000 af), and DWD's Green Mountain Pumpback Project (120,000 af).

10. The critical 1984 Governor's Round Table and state legislative resolutions to dam the South Platte were engineered by representatives whose legal firm was receiving \$millions from DWD's Two Forks effort.

11. The EIS cost of Two Forks does not include the construction and environmental cost of West Slope compensatory storage that DWD hastily promised the Colorado River District to resolve Two Forks water right litigation just prior to the December 1986 release of the Corps' Draft EIS.

12. The participating officer of the engineering firm hired by the Corps to write the "impartial" EIS had a serious conflict of interest as an active board member of a water district promoting Two Forks.

In spite of efforts to control study results, the EIS found Two Forks to be the most environmentally damaging of the limited options considered.

State doesn't need Two Forks

The recent decision by Environmental Protection Agency Director William Reilly to overturn the Two Forks dam project is, perhaps, the single most impressive action I have seen from Washington in many years. Reilly is to be commended for "bucking a stacked deck" and doing what is right, rather than what is expedient.

Colorado does not need this dam. Rather, it needs a comprehensive water plan for the future, which would recognize all of our water resources. To continue dewatering the already overburdened Upper Colorado River Basin when other excellent options are available, such as the largely untapped Upper Gunnison River Basin, simply does not make sense. Two Forks represents what is not in Colorado's best interests, nor those of neighboring water compact states.

Reilly's decision will force Colorado to assess all water resources, rather than bowing to the will, power and money of the Denver Water Board, which continues to try and push this project through using political muscle. In addition, Reilly's action will save one of the best trout rivers in the state, and a canyon of inestimable scenic and tourist-dollar value.

It appears that the issue is now becoming a partisan political football. With global warming, oil spills, acid rain, etc., much in the news, it's my opinion that ecological and environmental platforms will determine the next set of elections, both in Colorado and nationally. The smart politician should weigh carefully the impact of backing this controversial project before "diving in."

Lastly, I would encourage other Coloradans to write, expressing their appreciation and support, to William Reilly, administrator, EPA, 401 M Street, S.W., Washington, D.C. 20460. Send copies to your state and national elected officials, as well. If the Denver Water Board wins, Colorado loses.

— Douglas H. Barber
Colorado Springs

B8

GAZETTE TELEGRAPH

THURSDAY, APRIL 13, 1989

COLORADO SPRINGS

**GAZETTE
TELEGRAPH**

ESTABLISHED IN 1872


FREEDOM
NEWSPAPERS

EDITORIALS

Notice of Contractors Settlement

Project No. C8890440

Notice is hereby given that on the 6th day of February, 1989, at Gunnison Colorado, final settlement will be made by the STATE OF COLORADO with Electrical Dynamics Inc., P.O. Box 540, Gunnison, CO 81230, hereinafter called "CONTRACTOR", for and on account of the contract for the construction of a PROJECT described as Electrical Work - Keating Hall

1. Any person, copartnership, association or corporation who has an unpaid claim against the said

Gunnison, Colorado
Telephone 303/641-1334

KLINGSMITH & ASSOCIATES, P.C.

By /s/ P.C. Klingsmith, Reg. No. 4449
Attorney for Personal Representative
110 E. Virginia Ave., Box 59
Gunnison, CO 81230
Tel.: 303/641-1334

Published by Sams Communications, Inc.
(The Gunnison Country Times)
Gunnison, Colorado
Publication dates of December 28, 1988 and January 4,
11 and 18, 1989
No. 246

In the District Court Division No. 4 in and for Water State of Colorado

TO: ALL PERSONS INTERESTED IN WATER
APPLICATION IN SAID WATER DIVISION
NO. 4

Kay Phillips, Clerk _____

Pursuant to C.R.S. 37-92-302, as amended, you are notified that the following is a Resume of all applications filed in the office of the Water Clerk during the month of December, 1988.

The names, address of applicant, source of water, description of water right or conditional water right involved, and description of the ruling sought are as follows:

(8) Case No. 88CW166; HAROLD C. AND SONDR A K. WEBB, 746 E. 6th, Delta, Colorado 81416; Application For Surface Water Right; WEBB-BROWN WATERLINE, located in the SW1/4SE1/4 of Section 34, Township 13 South, Range 88 West, 6th P.M., North 971' from SW corner of SE1/4, Section 34, to point of diversion which is located on NS centerline of Section 34. Source of water: Trout Creek, tributary to Gunnison River. Decree for .06 c.f.s.. absolute, with appropriation date of July 12, 1962, for domestic purposes. Gunnison County.

(12). Case No. 88CW170; COANTHA CHILDERS, 691 West Main Road, El Centro, California 92243, by P. C. Klingsmith, P.O. Box 59, Gunnison, Colorado 81230; Application for Surface Water

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A. Gazzoli
orth Iowa
CO 81230
641-1398

indebtedness provided in said Note and Deed of Trust,
attorney's fees, and the expenses of said sale, and will
deliver to purchaser a Certificate of Purchase, all as
provided by the laws of Colorado.

The lien foreclosed may not be a first lien.
Dated at Gunnison, Colorado, this 3rd day of January,
1989.

/s/ Alva May Dunbar
Public Trustee in and for the
County of Gunnison, Colorado
Gunnison County Courthouse
200 East Virginia Avenue
Gunnison, Colorado 81230

Published by Sams Communications, Inc.
(The Gunnison Country Times)
Gunnison, Colorado
Publication dates January 11, 18, 25, February 1, 8 and
15, 1989
No. 2

deliver to
provided by
The lien
Dated at
January, 1989.

Courthouse
Gunnison
200 East Virginia Avenue
Gunnison, Colorado

Published by Sams Communications, Inc.
(The Gunnison Country Times)
Gunnison, Colorado
Publication dates of January 18, 25, February 1, 8 and 15,
1989
No. 9

four different points of diversion, marked as ditches "H.G." on the
attached plat. She proposes to withdraw all or a part of the amount
decreed from one or more of the points of diversion as her irrigation
requirements dictate. The crop grown by the applicant will be native
grasses. The water applicant will use for domestic purposes will be
drawn from the springs by means of pipes and under gravity flow.

Gunnison County..

(19). Case No. 88CW177, (Ref. W-3392 & 82CW116); ROBERT
SWEITZER, c/o Robert E. Wright, Jr., P.O. Box 179, Gunnison,
Colorado 81230; Application to Make Absolute a Conditional
Water Right; UNIT 3 WELL NO. 58, located upon Lot 58, Dos Rios
Unit 3 according to the plat thereof of record in the office of
the Clerk and Recorder of Gunnison County, Colorado, situate in
the NW1/4 SE1/4, Section 10, Township 49 North, Range 1 West,
N.M.P.M. Source of Water: alluvium of the Gunnison River.
Decree for 0.016 c.f.s., with an appropriation date of May 10,
1975, for domestic and lawn and garden watering purposes, with
diligence as follows: The subject well was drilled on September
19, 1988, a pump installed therein, and water therefrom applied
to beneficial use in the Applicant's residence on November 24,
1988. Gunnison County..

(20). Case No. 88CW178; COUNTY OF ARAPAHOE, by its
attorneys, John R. Henderson, Paul J. Zilis, P.O. Box 871,
Boulder, Colorado 80306; Application for Water Storage Rights
(Conditional), Surface Water Rights and for a Change of Water
Right as follows:

This Application is filed in the alternative to the
Application of Arapahoe County presently pending before this
Court in Case No. 86CW226. The only substantial difference
between the two Applications is the information concerning
appropriative acts set forth in paragraph 5. A motion is
presently pending before this Court which presents the issue of
validity of the appropriative acts asserted in Case No. 86CW226 -
whether a private entity can initiate an appropriation for a
municipal water right which right is acquired by a municipal user
or users prior to the date of the... that...

Section 34, Township 13 South, Range 88 West, 6th P.M., North 971' from SW corner of SE1/4, Section 34, to point of diversion which is located on NS centerline of Section 34. Source of water: Trout Creek, tributary to Gunnison River. Decree for .06 c.f.s., absolute, with appropriation date of July 12, 1962, for domestic purposes. Gunnison County.

(12). Case No. 88CW170; COANTHA CHILDERS, 691 West Main Road, El Centro, California 82243, by P. C. Klingsmith, P.O. Box 59, Gunnison, Colorado 81230; Application for Surface Water Rights; ILLINOIS GULCH IRRIGATION AND DOMESTIC WATER SYSTEM.

3. Legal description of each point of diversion: (Include distance and bearing from established government section corner or quarter corner; or distance from section lines, and indicate T, section number, township, range, and meridian; include map) The water system herein applied for herein lies consists of four irrigation ditches with headgates on the stream and five springs which are tributary to the stream, Illinois Gulch.

The entire water system applied for herein lies within Township 50 North, Range 3 East, N.M.P.M., in the SW1/4 and W1/4 of Section 23, and the NW1/4, Section 26, also sometimes known as Tract 40, U.S.G.S. Independent Resurvey, dated March 2, 1934. Gunnison County, Colorado.

A. Ditch Headgate No. 1, Illinois Gulch Irrigation and Domestic Water System: the point of diversion of this ditch is described as a point on the left bank of Illinois Gulch 125 feet South of the North line and 540 feet East of the West line of said Section 23.

B. Ditch Headgate No. 2, Illinois Gulch Irrigation and Domestic Water System: the point of diversion of this headgate is described as being at a point 2450 feet South of the North line and 260 feet East of the West line of said Section 23.

C. Ditch Headgate No. 3, Illinois Gulch Irrigation and Domestic Water System: the point of diversion of this headgate is described as being at a point 1730 feet North of the South line and 510 feet East of the West line of said Section 23.

D. Ditch Headgate No. 4, Illinois Gulch Irrigation and Domestic Water System: the point of diversion of this headgate is described as being at a point 880 feet North of the South line and 640 feet East of the West line of said Section 23.

E. Spring No. 1, Illinois Gulch Irrigation and Domestic Water System: the point of diversion of this spring is described as being at a point 1160 feet South of the North line and 255 feet East of the West line of said Section 23.

F. Spring No. 2, Illinois Gulch Irrigation and Domestic Water System: the point of diversion of this spring is described as being at a point 1320 feet South of the North line and 260 feet East of the West line of said Section 23.

G. Spring No. 3, Illinois Gulch Irrigation and Domestic Water System: the point of diversion of this spring is described as being at a point 2390 feet South of the North line and 125 feet East of the West line of said Section 23.

H. Spring No. 4, Illinois Gulch Irrigation and Domestic Water System: the point of diversion of this spring is described as being at a point 2419 feet North of the South line and 135 feet East of the West line of said Section 23.

I. Spring No. 5, Illinois Gulch Irrigation and Domestic Water System: the point of diversion of this headgate is described as being at a point 2135 feet North of the South line and 290 feet East of the West line of said Section 23.

4. Source: (tributary and river) Illinois Gulch, a tributary of Quartz Creek, a tributary of Tomicht Creek, a tributary of...

This Application Court in between the appropriate presently validity whether a municipal or users motion an of the Un raised, Ap rendered b claimed in date of app to competin These are t the alterna filing seek Application.

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c/o Boa Attn: 5334 So Little

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the West line of said Section 23.

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4. Source: (tributary and river) Illinois Gulch, a tributary of Quartz Creek, a tributary of Tomichi Creek, a tributary of the Gunnison River.

5. A. Date of initiation of appropriation: July 17, 1920

6. Amount claimed: 0.5 c.f.s. Absolute
0.111 c.f.s. Conditional

7. Use or proposed use: Absolute for irrigation, stock water and wildlife preservation; and conditional for domestic purposes.

A. If irrigation, complete the following:

Number of acres historically irrigated: 10± acres;
proposed to be irrigated: 10± acres.

Legal description of acreage: Applicant's predecessor in title obtained an U. S. Patent to the land after proving up on July 17, 1920. Applicant owns the tract of land above described consisting of 160± acres. The acreage irrigated lies in the creek bottom a distance of one mile. The irrigated acreage is comprised of three parts, the first served by Ditch 1 and Springs 1 and 2, the second by Ditch 2 and Springs 3 and 4, and the third and most southerly by Ditches 3 and 4 and Spring 5. The description of applicant's land lies within Township 50 North, Range 3 East, N.M.P.M., in the SW¼NW¼ and the W¼SW¼ of Section 23, and the NW¼NW¼ of Section 26, sometimes known as Tract 40 U.S.G.S. Independent Resurvey, dated March 2, 1934, Gunnison County, Colorado.

B. If non-irrigation, describe purpose fully. Domestic use.

8. Name and address of owner of land on which points of diversion and place of use(s) is (are) located:

Coantha Childers
691 West Main Road
El Centro, CA 92243

9. Remarks: The quantity of water available and the area to be irrigated will require that the applicant withdraw the surface water rights from

The daylights in the will follow the River Valley under the Arka the Town of Bu traverse directed the South Fork northwest of T

relatively flat Reservoir.

A local Clerk WILLO (a/k/

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C. TAYLOR Water Park Reservoir Reservoir. See

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3. Legal Descri Project Facilitie

A. UNION-A

(20). Case No. 88CW178; COUNTY OF ARAPAHOE
 attorneys, John R. Henderson, Paul J. Zilis, P.O. Box 871,
 Boulder, Colorado 80306; Application for Water Storage Rights
 (Conditional), Surface Water Rights and for a Change of Water
 Right as follows:

This Application is filed in the alternative to the Application of Arapahoe County presently pending before this Court in Case No. 86CW226. The only substantial difference between the two Applications is the information concerning appropriative acts set forth in paragraph 5. A motion is presently pending before this Court which presents the issue of validity of the appropriative acts asserted in Case No. 86CW226 - whether a private entity can initiate an appropriation for a municipal water right which right is acquired by a municipal user or users prior to the date of trial. Whatever the ruling on that motion an eventual appeal appears certain, given the significance of the Union Park project, and now that the issues have been raised, Applicant will be at risk until a final decision is rendered by the Colorado Supreme Court. The appropriative acts claimed in the present Application assert a different, but later, date of appropriation creating the risk that they may be junior to competing applications currently pending before this Court. These are the reasons that the present Application is filed in the alternative to Case No. 86CW226. Applicant does not by this filing seek a greater quantity of water than set forth in each Application.

1. Name, address and telephone number of Applicant:

The County of Arapahoe
 a County of the State of Colorado and a
 body corporate and politic

 c/o Board of County Commissioners
 Attn: Mr. Al Thelen, County Manager
 5334 South Prince Street
 Littleton, Colorado 80166

2. Names of Structures:

A. UNION-ANTERO CONDUIT.

The conduit will extend from Union Park Reservoir a distance of 43 miles to Antero Reservoir through Gunnison, Chaffee and Park Counties to Antero Reservoir on the South Fork of the South Platte River.

The conduit consists of the following elements:

11 feet diameter tunnel under Continental Divide	13.80 miles
6 feet diameter pipeline to Arkansas River	11.43 miles
6 feet diameter siphon under Arkansas River	1.80 miles
6 feet diameter pipeline from Arkansas River	2.70 miles
Flume from pipeline to tunnel	2.76 miles
11 feet diameter tunnel under Arkansas-Platte Divide	5.70 miles
Flume from Tunnel to Antero Reservoir	4.95 miles

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11 feet diameter tunnel under Continental Divide	13.80 miles
6 feet diameter pipeline to Arkansas River	11.43 miles
6 feet diameter siphon under Arkansas River	1.80 miles
6 feet diameter pipeline from Arkansas River	2.70 miles
Flume from pipeline to tunnel	2.76 miles
11 feet diameter tunnel under Arkansas-Platte Divide	5.70 miles
Flume from Tunnel to Antero Reservoir	4.95 miles
<hr/>	
Total Length	43.14 miles

The first tunnel will go straight east until it daylight in the South Cottonwood Creek Valley. The pipeline will follow the creek alignment until it reaches the Arkansas River Valley where it will be routed directly to the crossing under the Arkansas River by an inverted siphon one mile north of the Town of Buena Vista. The continuing pipeline and flume will traverse directly to the tunnel heading in the upper reaches of the South Fork of Seven Mile Creek. The second tunnel is located northwest of Trout Creek Pass. The flume will traverse the relatively flat terrain between the tunnel outlet and Antero Reservoir.

A location map (Exhibit A) is available at Water Clerk's Office.

B. WILLOW CREEK COLLECTION SYSTEM AND BERTHA GULCH TUNNEL (a/k/a WILLOW CREEK TUNNEL).

A system of diversion facilities, open channels and a tunnel carrying water from Bertha Gulch, three unnamed tributaries of Cow Creek, and Willow Creek, through the Willow Creek Tunnel into Union Park Reservoir.

C. TAYLOR PARK PUMPING PLANT.

Water will be diverted from the Taylor River at Taylor Park Reservoir and pumped through a tunnel to Union Park Reservoir. See paragraph 3.C. below for diversion point.

D. UNION PARK RESERVOIR.

The storage structure included in the project is the Union Park Reservoir which was originally decreed by the Water Court, Water Division 4, on June 14, 1984, in Case No. 82CW340. The adjudication was for 325,000 acre feet of water to be used as part of the Union Park Hydroelectric Project. Union Park Dam will be an on channel structure on Lottis Creek. Water will be stored from Lottis Creek, transported from Willow Creek and pumped from Taylor Park Reservoir to the Union Park Reservoir where it will be stored for subsequent use and reuse.

3. Legal Description of points of Diversion and Locations of Project Facilities:

A. UNION-ANTERO CONDUIT.

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the area to be irrigated
surface water rights from

January 18, 1989, THE GUNNISON COUNTRY TIMES, Page 9

The point of diversion from Union Park Reservoir will be located at a point which bears South 9°07'06" West a distance of 13,693.0 feet from the Northwest corner of Section 21, Township 14 South, Range 82 West of the 6th P.M., Gunnison County, Colorado.

The conduit route will be generally easterly through Gunnison County and northeasterly through Chaffee County and into Park County. It will pass through the following sections:

Sections 32 and 33 of Township 14 South, Range 82 West

Sections 4, 3, 2 and 1 of Township 15 South, Range 82 West

Sections 6, 5, 4, 3, 2 and 1 of Township 15 South, Range 81 West

Sections 6, 5, 4, 3 and 2 of Township 15 South, Range 80 West

Section 36 of Township 14 South, Range 80 West

Sections 31, 32, 29, 28, 27, 22, 23, 13 and 12 of Township 14 South, Range 79 West

Sections 7, 6, 5, 4, 3, 2 and 1 of Township 14 South, Range 78 West

Section 36 of Township 13 South, Range 78 West

Sections 31, 30, 20, 19, 17, 16, 10, 9 and 3 of Township 13 South, Range 77 West

Sections 34, 35, 36, 26 and 25 of Township 12 South, Range 77 West

Section 30 of Township 12 South, Range 76 West

The conduit route is shown on Exhibit "B" (available at the Water Clerk's Office.)

B. WILLOW CREEK COLLECTION SYSTEM AND TUNNEL.

Points of diversion are at the following bearings and distances from the SW corner of Section 15, Township 14 South, Range 82 West of the 6th P.M. in Gunnison County. Elevations are as shown on the "Tincup, Colorado" USGS 7.5 Minute Series Quad Sheet dated 1982.

(1) On an unnamed tributary of Cow Creek at 10,040 foot elevation, bearing South 49°49'30" East, 24,650 feet from said point.

(2) On an unnamed tributary of Cow Creek at 10,038 foot elevation, bearing South 47°55'15" East, 25,400 feet from said point.

Public
Sale
(No 4)

USHER and MARLENE
of Trust dated June 6,
90, in Book 550 at Page
Gunnison County Clerk and
the Public Trustee of said
described real property
Colorado:

UNIT NO. 1, according to
dated February 16, 1978,

DESCRIBED HEREIN IS NOT
NOTE as defined in Section

is a Promissory Note dated
principal sum of \$30,000.00
Gunnison Savings and Loan
the terms set forth in said
Trust; and,

Savings and Loan Association,
of Trust has filed Written
as provided in said Deed of

hereby given that I will, at
th day of March, 1989, at the
e, in the Gunnison County
Colorado, sell at Public auction
bidding for cash, the said real
said grantors, their heirs and
all interests subsequent to the
h, for the purpose of paying the
said Note and Deed of Trust,
expenses of said sale, and will
certificate of Purchase, all as
Colorado.

may not be a first lien.
Colorado, this 12th day of

/s/ Alva May Dunbar

Public Trustee in and for the
County of Gunnison, Colorado
Gunnison County Courthouse
200 East Virginia Avenue
Gunnison, Colorado 81230

Communications, Inc.
Times)

January 18, 25, February 1, 8 and 15,

(3) Willow Creek.

- C. Appropriation date: September 30, 1982 (Lottis Creek); October 15, 1982 (Taylor River); and December 14, 1982 (Willow Creek).
- D. Amount: 325,000 acre feet with right to refill and reuse as part of the Union Park pump-back storage hydroelectric project. Conditional.
- E. Use: The use of the water will be for the generation of hydroelectric energy and power generation in general. Water will be released from Union Park

Reservoir through the primary pumping-generating facilities and into Taylor Park Reservoir in generating mode where said water shall be diverted by the same facilities in pumping mode into Union Park Reservoir for reuse as part of the hydroelectric power project.

An Application identical in all material respects to this Application (with the exception of the claimed date of appropriation) is currently pending before this Court in Case No. 86CW226.

9. Proposed Change:

- A. In addition to the uses decreed by this Court in Case No. 82CW340 on June 14, 1984, the Applicant requests the Court to include all uses set forth in paragraph 7 hereinabove with relation back to the priority and appropriation date awarded in said decree.
- B. As an alternate site for the Union Park Dam, Applicant requests the Court to include the site described in paragraph 3.D. above in addition to the site described in 82CW340 (see paragraph 8.B. hereinabove).

10. Names and addresses of owners of land on which the points of diversion and dam are located and the land within the high water lines of the reservoir:

Bureau of Reclamation
c/o Regional Director
Upper Colorado Region Office
P. O. Box 11568
Salt Lake City, Utah 34147

Collard Land Company
c/o Richard Collard
2977 Highway 133
Carbondale, Colorado 81623

Francis A. and Linda Collins
P. O. Box 181
Clifton, Colorado 81520

Conoco, Inc.
9301 Indian School Road
Albuquerque, New Mexico 87112

Ms. Melba Edwards
Superior Court
303 Second Avenue
Louisville, Colorado 80027

Mr. Sherman Griffin
3504 Wedgewood Drive
Pueblo, Colorado 81005

Klingsmith and Associates
P. O. Box 748
Gunnison, Colo

for the us

C. water right unified, i paragraph

D. remain cond obligation Applicant a this facili interdepend single fac toward the c

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Gunnison Cou (22).

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(23) Ca ASSOCIATION, P attorney, L. R 81230; Applic POND, located feet from A.P. Township 15 Sou located in the Source of water tributary of Ta Decree for 5.08 June 1, 1986, f recreational pu

The dam and reservoir constructed and adju and covers a portior previously irrigated reservoir is the upp ditch continues to b water for said ditch runs directly to the irrigated by means o filed separately. Gunnison County.

(25) Case W-756); UPPER G its attorney, L. Colorado 81230; Reasonable Dilige

Name of Structu

A. Out of the No. 5590 in the Dis and State of Colora

Taylor Park Reservoir will be through a tunnel and pumping plant to Union Park Reservoir.

D. UNION PARK RESERVOIR: 900,000 acre feet. Total maximum appropriation for the entire unified and interdependent facility is 900,000 acre feet per year. All points of diversion are in Gunnison County, Colorado. Reservoir to be filled and refilled so as to achieve this maximum annual amount.

Proposed Use:

The following uses are proposed for the entire 900,000 acre integrated facility: municipal purposes, including fire protection, irrigation of lawns, gardens and parks, in private municipal facilities. Domestic, commercial and industrial, recreational purposes, fish and wildlife propagation, reservoir evaporation replacement, and hydroelectric purposes. These waters transported out-of-basin will be used, reused, successively used and used to extinction within the South Platte River basin and the Arkansas River basin.

Previous Adjudications:

Union Park Reservoir was decreed by the Water Court, Water Division 4, on June 14, 1984, in Case No. 82CW340. The adjudication was for 325,000 acre feet of water to be used as part of the Union Park Hydroelectric Project.

From previous decree:

Points of diversion: All points of diversion are in Gunnison County, Colorado. The Union Park Reservoir will divert water from the Taylor River at the Taylor Park Reservoir, and from Lottis Creek and Willow Creek. As to the Taylor River at Taylor Park Reservoir, the diversion points bear from the Northwest corner of Section 21, Township 14 South, Range 82 West of the 6th P.M., South 80°40'03" West a distance of 12,821.97 feet; South 82°46'42" West a distance of 11,818.10 feet; and South 83°21'02" West a distance of 11,054.04 feet. Union Park Reservoir shall divert Lottis Creek water at the site of the Union Park Reservoir. The South abutment of the Union Park Reservoir dam bears from the Northwest corner of Section 21, Township 14 South, Range 82 West of the 6th P.M., South 15°20'19" West a distance of 22,332.95 feet. Willow Creek water will be diverted at the locations described on Exh. "C" (available-W.C. Office.) Water shall be transported from these sources into Union Park Reservoir where water will be stored and subsequently used to produce hydroelectric power.

Sources:

- (1) Taylor River at Taylor Park Reservoir.
- (2) Lottis Creek.
- (3) Willow Creek.

C. Appropriation date: September 30, 1982 (Lottis Creek); October 15, 1982 (Taylor River); and December 14, 1982 (Willow Creek).

D. Amount: 325,000 acre feet with right to refill and reuse as part of the Union Park pump-back storage hydroelectric project. Conditional.

E. Use: The use of the water will be for the generation of hydroelectric energy and power generation in general. Water will be released from Union Park Reservoir through the primary pumping-generating facilities and into Taylor Park Reservoir.

This list will be of land records disclosed.

11. Remarks:

This unified, integrated facility will operate in the following hydroelectric generating facilities for storage diverted through the South Platte River and diverted for use by the Gunnison Rivers. NECO entered into contracts with the City of Gunnison, Gunnison Water and Sanitation District, Colorado, and Applicant has succeeded in obtaining contracts. Applicant's use of some of the yield of the District, used by Applicant or the

The precise amount of water in the Union-Antero conduit will be dry year supply for each year. The evaporation from the Reservoir. Due to the any evaporation losses does not believe the operation of the facilities as set forth in the augmentation of water for the Reservoir will be adequate.

This Application is made by Applicant in compliance with paragraph 4 hereinabove of appropriation. Applicant requests consolidation of this Case with the Water Court.

12. Prayer for Relief.

A. Applicant requests a decree for conditional water rights as set forth in paragraph 4 hereinabove and paragraph 6 hereinabove.

B. Applicant requests a decree the right to divert water for the uses specified in paragraph 5 hereinabove.

C. Applicant requests a decree for the water rights which are the subject of this Case, unified, integrated and interdependent as set forth in paragraph 5 hereinabove.

D. Applicant requests a decree that the obligations remain conditionally decreed and that Applicant also requests that this facility comprise a single facility component toward the completion of the project.

thereto above the Union Park Dam. See paragraph 3.D. above for the location of Union Park Dam.

5. The Date of Appropriation:

- A. Date of Initiation of Appropriation: August 29, 1988.
- B. How Appropriation was Initiated: August 29, 1988 is the date upon which Applicant, Arapahoe County, purchased the Union Park Project from the Natural Energy Resources Company ("NECO").

The August 29, 1988 date is the date upon which Arapahoe County became the owner of the project, and upon which Arapahoe County's intent to appropriate came into existence. All necessary field survey work had been completed earlier than the claimed date by NECO or its agents.

The August 29, 1988 date is claimed as an alternate date to, and without prejudice to, the claim originally filed by NECO in 86CW226 for appropriation dates in

September, October and December of 1982 for various project components.

6. The Amount Claimed:

- A. UNION-ANTERO CONDUIT: 450 cubic feet per second - conditional
- B. WILLOW CREEK DIVERSION: 340 cubic feet per second - conditional
- C. TAYLOR RIVER DIVERSION AT TAYLOR PARK RESERVOIR: 1,000 cubic feet per second - conditional. (Diversion from Taylor Park Reservoir will be through a tunnel and pumping plant to Union Park Reservoir.)
- D. UNION PARK RESERVOIR: 900,000 acre feet. Total maximum appropriation for the entire unified and interdependent facility is 900,000 acre feet per year. All points of diversion are in Gunnison County, Colorado. Reservoir to be filled and refilled so as to achieve this maximum annual amount.

7. Proposed Use:

The following uses are proposed for the entire 900,000 acre foot integrated facility: municipal purposes, including fire protection, irrigation of lawns, gardens and parks, in private and municipal facilities. Domestic, commercial and industrial use, recreational purposes, fish and wildlife propagation, reservoir evaporation replacement, and hydroelectric purposes. Those waters transported out-of-basin will be used, reused, successively used and used to extinction within the South Platte River basin and the Arkansas River basin.

8. Previous Adjudications:

Union Park Reservoir was decreed by the Water Court, Water Division 4, on June 14, 1984, in Case No. 82CW340. The adjudication was for 325,000 acre feet of water.

Claypool, A

Mr. Ross V
Inspiration
1815 Union D
Lakewood, CO

Mr. Allen B.
Tosan Mining
622 North 16
Grand Juncti

H. V. Stewar
P. O. Box 13
Cory, Colora

R. W. Tompk
30800 Road No
Manzanola, CO

Mr. Charles W
718 North 12
Gunnison, Col

U. S. Forest
c/o District
Taylor River
216 North Col
Gunnison, Col

Joseph P. and
45958 Highway
Gunnison, Colo

Raymond VanTuy
279 County Roa
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11. Remarks:

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1/4 of Section 5 and 6, Township 15 South, Range 82 West of the 6th P.M.

The reservoir at maximum level will occupy part or all of Sections 28, 29, 30, 31, 32, 33 and 34 of Township 14 South, Range 82 West, and Sections 3, 4, 5, 8, 9, 10, 15, 16, 17 and 21 of Township 15 South, Range 82 West with boundaries as shown on Exhibit "D" (available at Water Clerk's Office.)

The dam, when completed, will impound a total of 900,000 acre feet of water in Union Park Reservoir.

Reservoir Dimensions:

- (a) Surface area at high water line = 4,200 acres
- (b) Maximum height of dam = 460 feet
- (c) Length of dam = 1,790 feet

Reservoir Capacity:

- (a) Total capacity of reservoir = 900,000 acre feet
- (b) Active capacity of reservoir = 785,600 acre feet
- (c) Inactive storage = 114,000 acre feet
- (d) Dead storage = 400 acre feet

4. Source of Water:

A. UNION-ANTERO CONDUIT.

The source of water is water stored in Union Park Reservoir. Water will be diverted into the conduit at Union Park Reservoir. Union Park Reservoir will store waters collected on Lottis Creek and tributaries above the Union Park Dam, from Willow Creek, and from the Taylor River at Taylor Park Reservoir all as described in paragraph B, C and D below.

B. WILLOW CREEK DIVERSION.

Willow Creek and the following tributaries of Willow Creek: Bertha Gulch and three unnamed tributaries of Cow Creek. Willow Creek is tributary to the Taylor River.

C. TAYLOR RIVER AT TAYLOR PARK RESERVOIR.

See description in paragraph 3.C above. This component diversion will take its water from the Taylor Park Reservoir on the Taylor River and all tributaries thereto above the existing Taylor Dam.

D. LOTTIS CREEK.

The diversion of Lottis Creek at Union Park Dam will take its water from the said Creek and all tributaries

4°30'50" East, 18,500 feet from the SW corner of Section 15, Township 14 South, Range 82 West of the 6th P.M. all in Gunnison County. The tunnel will be 11,400 feet long. The capacity of the collection conduits from points (1) to (2) and (2) to (3) referenced above is 31.3 cfs. The capacity from point (3) to Willow Creek is 67.3 cfs. The capacity from Willow Creek to the east portal of the tunnel is 263.0 cfs. The

capacity from Bertha Gulch to the tunnel is 30 cfs. The capacity of the tunnel is 340 cfs.

C. TAYLOR RIVER DIVERSION.

The diversion point on Taylor River on the shore of Taylor Park Reservoir is located at a point South 83°21'02" West a distance of 11,054.04 feet from the Northwest corner of Section 21, Township 14 South, Range 82 West of the 6th P.M. in Gunnison County, Colorado. Water will be pumped from the Taylor River at Taylor Park Reservoir by the Taylor Park Pumping Plant and through an unnamed tunnel to Union Park Reservoir. The capacity of the tunnel is 1,000 cfs.

D. UNION PARK RESERVOIR.

The dam axis will be located at one of two alternate sites, as follows:

(1) The south abutment is located at a point which bears South 15°20'19" West a distance of 22,332.95 feet from the Northwest corner of Section 21, Township 14 South, Range 82 West of the 6th P.M., Gunnison County, Colorado. The dam axis intersects Lottis Creek at a point which bears South 15°20'19" West a distance of 21,700 feet from the NW corner of said Section 21. Upon best information, this dam is located in the NE 1/4 NW 1/4 of Section 8, Township 15 South, Range 82 West of the 6th P.M., or

(2) The north abutment is located at a point which bears South 18°36'00" West a distance of 20,564.4 feet from the NW corner of said Section 21, thence South 41°36'25" West along the dam axis a distance of 1,790 feet to the south abutment. The dam axis intersects Lottis Creek at a point approximately 700 feet from the north abutment. Upon best information, this dam is located in the SE 1/4 SW 1/4 of Section 5 and the NW 1/4 NW 1/4 of Section 8, Township 15 South, Range 82 West of the 6th P.M.

The reservoir at maximum level will occupy part or all of Sections 28, 29, 30, 31, 32, 33 and 34 of Township 14 South, Range 82 West, and Sections 3, 4, 5, 8, 9, 10, 15, 16, 17 and 21 of Township 15 South, Range 82 West with boundaries as shown on Exhibit "D" (available at Water Clerk's Office.)

The dam, when completed, will impound a total of 900,000 acre feet of water in Union Park Reservoir.

Reservoir Dimensions:

- (a) Surface area at high water line = 4,200 acres
- (b) Maximum height of dam = 460 feet
- (c) Length of dam = 1,790 feet

From promissory Note dated principal sum of \$30,000.00 in the Gunnison County Savings and Loan Association, terms set forth in said deed; and, the Gunnison County Savings and Loan Association, of Trust has filed Written as provided in said Deed of

whereby given that I will, at the day of March, 1989, at the place in the Gunnison County, Colorado, sell at Public auction for cash, the said real estate and grants, their heirs and interests subsequent to the date of the purpose of paying the Note and Deed of Trust, and will execute of Purchase, all as do.

may not be a first lien. Colorado, this 12th day of

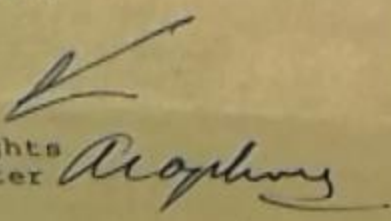
/s/ Alva May Dunbar
Public Trustee in and for the County of Gunnison, Colorado
Gunnison County Courthouse
200 East Virginia Avenue
Gunnison, Colorado 81230

Communications, Inc.
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Section 36 of Township 14 South, Range 80 West

Sections 31, 32, 29, 28, 27, 22, 23, 13 and 12 of Township 14 South, Range 79 West

Sections 7, 6, 5, 4, 3, 2 and 1 of Township 14 South, Range 78 West

Section 36 of Township 13 South, Range 78 West

Sections 31, 30, 20, 19, 17, 16, 10, 9 and 3 of Township 13 South, Range 77 West

Sections 34, 35, 36, 26 and 25 of Township 12 South, Range 77 West

Section 30 of Township 12 South, Range 76 West

The conduit route is shown on Exhibit "B" (available at the Water Clerk's Office.)

B. WILLOW CREEK COLLECTION SYSTEM AND TUNNEL.

Points of diversion are at the following bearings and distances from the SW corner of Section 15, Township 14 South, Range 82 West of the 6th P.M. in Gunnison County. Elevations are as shown on the "Tincup, Colorado" USGS 7.5 Minute Series Quad Sheet dated 1982.

(1) On an unnamed tributary of Cow Creek at 10,040 foot elevation, bearing South 49°49'30" East, 24,650 feet from said point.

(2) On an unnamed tributary of Cow Creek at 10,038 foot elevation, bearing South 47°55'15" East, 25,400 feet from said point.

(3) On an unnamed tributary of Cow Creek at 10,030 foot elevation, bearing South 43°51'11" East, 26,550 feet from said point.

(4) On Willow Creek at 10,020 foot elevation, bearing South 34°00'11" East, 26,700 feet from said point.

(5) On Bertha Gulch at 10,010 foot elevation, bearing South 34°35'00" East, 22,100 feet from said point.

These points of diversion are in an area resurveyed by the U.S. Bureau of Land Management in 1971 through 1984 but not officially plotted on the said USGS "Tincup" Quad Sheet. Upon the best information and belief, they are in Sections 5, 6 and 7 of Township 15 South, Range 81 West of the 6th P.M. and in Section 1 of Township 15 South, Range 82 West of the 6th P.M. in Gunnison County,

Through open conduits, water from these diversion points is fed into the Willow Creek Tunnel a/k/a Bertha Gulch Tunnel. The east portal of said tunnel is located at elevation 10,000 feet, at a point which bears South 34°59'52" East, 22,500 feet from the SW corner of Section 15, Township 14 South, Range 82 West of the 6th P.M. and whose west portal is located at elevation 9,980 feet, at a point which bears South 4°30'50" East, 18,500 feet from the SW corner of Section 15, Township 14 South, Range 82 West of the 6th P.M. all in Gunnison County. The tunnel will be 11,400 feet long. The capacity of the collection conduits from points (1) to (2) and (2) to (3) referenced above is 31.3 cfs. The capacity from point (3) to Willow Creek is 67.3 cfs. The capacity from Willow Creek to the east portal of the tunnel is 263.0 cfs. The

capacity from Bertha Gulch to the tunnel is 30 cfs. The capacity of the tunnel is 340 cfs.

Raymond VanTuyl, et al.
279 County Road 14
Gunnison, Colorado 81230

This list will be updated in the event that an examination of land records discloses any material change in land ownership.

11. Remarks:

This unified, integrated and interdependent facility will operate in the following manner. In addition to the hydroelectric generation facilities, water in the amounts and at the rates herein specified will be diverted from Lottis Creek, the Taylor River and Willow Creek by the aforementioned facilities for storage in Union Park Reservoir. Water may be diverted through the Union-Antero Conduit for delivery to the South Platte River and Arkansas River basins. Water may also be diverted for use by appropriators downstream on the Taylor and Gunnison Rivers. NECO, the predecessor to the Applicant, has entered into contracts for use of a part of the water with the City of Gunnison, Gunnison County, Colorado and With the Parker Water and Sanitation District located in Douglas County, Colorado,

and are incorporated by reference herein.

Applicant has succeeded to NECO's rights and duties as to those contracts. Applicant has also entered into a contract for the use of some of the yield of this project by Castlewood Water District,

The remaining water will be used by Applicant or those in contract with Applicant.

The precise amount of water diverted and transported in the Union-Antero conduit will depend on demand and the availability of water. The water in storage at Union Park is intended as a dry year supply for east slope and west slope users.

The evaporation from the Union Park Reservoir will be only insignificantly larger than from the presently decreed Union Park Reservoir. Due to the large storage capacity of the reservoir any evaporation losses should be easily replaced. The Applicant does not believe the operation of the unified and interdependent facilities as set forth herein involves either an exchange or augmentation of water rights. Releases from the Union Park Reservoir will be adequate to protect downstream users.

This Application is filed without prejudice to any claim made by Applicant in Case No. 86CW226, including the claimed date of appropriation. Applicant reserves the right to request consolidation of this Case with 86CW226 subject to approval by the Water Court.

12. Prayer for Relief.

A. Applicant respectfully requests this Court grant a decree for conditional water rights from the sources listed in paragraph 4 hereinabove in the total maximum amounts listed in paragraph 6 hereinabove.

This Application is filed without prejudice to any claim made by Applicant in Case No. 86CW226, including the claimed date of appropriation. Applicant reserves the right to request consolidation of this Case with 86CW226 subject to approval by the Water Court.

12. Prayer for Relief.

A. Applicant respectfully requests this Court grant a decree for conditional water rights from the sources listed in paragraph 4 hereinabove in the total maximum amounts listed in paragraph 6 hereinabove.

B. Applicant requests this Court grant in said conditional decree the right to divert and use the specified amounts of water for the uses specified in paragraph 7 hereinabove.

C. Applicant requests this Court grant priority dates for water rights which are the subject of this Application for this unified, integrated and interdependent facility as set forth in paragraph 5 herein above.

D. Applicant requests this Court allow such rights to remain conditionally decreed subject to the Applicant's obligation to demonstrate diligence on a quadrennial basis. Applicant also requests this Court find the various components of this facility comprise a single unified, integrated and interdependent facility and that work done towards completing a single facility component will be considered as diligent effort toward the completion of the entire facility.

E. Such other and further relief as the Court may deem proper.

Gunnison County..

(22). Case No. 88CW180; CRYSTAL CREEK HOMEOWNERS ASSOCIATION, P.O. Box 406, Almont, Colorado 81210; by its attorney, L. Richard Bratton, P.O. Box 669, Gunnison, Colorado 81230; Application For Surface Water Right; GANDY GULCH PUMP AND PIPELINE, located at a point which is North 80°34'17" East 749.19 feet from A.P.4 of Tract 38 which is located in Section 8, Township 15 South, Range 83 West, 6th P.M. and thence North 7° East 180 feet to the point of diversion. Source of Water: Gandy Gulch Creek, Doctor Creek, a tributary of Taylor River, a tributary of Gunnison River. Decree for 0.185 c.f.s. absolute, with appropriation date of June 15, 1988, for irrigation of trees and grass purposes. Gunnison County.

(23) Case No. 88CW181; CRYSTAL CREEK HOMEOWNERS ASSOCIATION, P.O. Box 406, Almont, Colorado 81210, by its attorney, L. Richard Bratton, P.O. Box 669, Gunnison, Colorado 81230; Application For Storage Water Right; GANDY CREEK REARING POND, located at a point which is North 80°34'17" East 749.19 feet from A.P.4 of Tract 38 which is located in Section 8, Township 15 South, Range 83 West, 6th P.M. said dam being located in the SE1/4NE1/4 and NE1/4SE1/4 of said Section 8. Source of water: Gandy Gulch Creek, a tributary of Taylor River, a tributary of Gunnison River. Decree for 5.08 acre feet per year. Gunnison County.

E. Such other and further relief as the Court may deem proper.

Gunnison County..

(22). Case No. 88CW180; CRYSTAL CREEK HOMEOWNERS ASSOCIATION, P.O. Box 406, Almont, Colorado 81210; by its attorney, L. Richard Bratton, P.O. Box 669, Gunnison, Colorado 81230; Application For Surface Water Right; GANDY GULCH PUMP AND PIPELINE, located at a point which is North 80°34'17" East 749.19 feet from A.P.4 of Tract 38 which is located in Section 8, Township 15 South, Range 83 West, 6th P.M. and thence North 7° East 180 feet to the point of diversion. Source of Water: Gandy Gulch Creek, Doctor Creek, a tributary of Taylor River, a tributary of Gunnison River. Decree for 0.185 c.f.s. absolute, with appropriation date of June 15, 1988, for irrigation of trees and grass purposes. Gunnison County.

(23) Case No. 88CW181; CRYSTAL CREEK HOMEOWNERS ASSOCIATION, P.O. Box 406, Almont, Colorado 81210, by its attorney, L. Richard Bratton, P.O. Box 669, Gunnison, Colorado 81230; Application For Storage Water Right; GANDY CREEK REARING POND, located at a point which is North 80°34'17" East 749.19 feet from A.P.4 of Tract 38 which is located in Section 8, Township 15 South, Range 83 West, 6th P.M. said dam being located in the SE1/4NE1/4 and NE1/4SE1/4 of said Section 8. Source of water: Gandy Gulch Creek, a/k/a Doctor Creek, a tributary of Taylor River, a tributary of the Gunnison River. Decree for 5.08 acre feet absolute, with appropriation date of June 1, 1986, for fish propagation, boating and other recreational purposes. REMARKS:

The dam and reservoir were constructed at a point along the previously constructed and adjudicated Doctor No. 2 Ditch which is referred to above and covers a portion of said ditch and approximately 0.5 acres of the land previously irrigated by said ditch. The source of supply of water for the reservoir is the upper portion of said ditch. The lower portion of said ditch continues to be utilized as it had been in the past and the source of water for said ditch is an outlet installed in the north end of the dam which runs directly to the lower portion of said ditch. An additional 0.5 acres is irrigated by means of the Gandy Gulch Pump out of said pond which is being filed separately.

Gunnison County.

(25) Case No. 88CW183 (Ref. 84CW286, 80CW206, W-2547 and W-756); UPPER GUNNISON RIVER WATER CONSERVANCY DISTRICT, c/o its attorney, L. Richard Bratton, P.O. Box 669, Gunnison, Colorado 81230; Application For Quadrennial Finding of Reasonable Diligence, as follows:

Name of Structure:

A. Out of the decree dated January 27, 1961 in Civil Action No. 5590 in the District Court in and for the County of Gunnison and State of Colorado in Water District No. 59:

1. The Castleton Reservoir, being Reservoir or Non-Direct Flow Irrigation District Structure No. 43, with Conditional Priority No. 572 for the 9000 acre feet of water which has an appropriation date of November 13, 1957, and which takes its source of water from Castle Creek and natural drainage.

2. The Ohio Creek

Decree for 5.08 acre feet absolute, with appropriation date of June 1, 1986, for fish propagation, boating and other recreational purposes. REMARKS:

The dam and reservoir were constructed at a point along the previously constructed and adjudicated Doctor No. 2 Ditch which is referred to above and covers a portion of said ditch and approximately 0.5 acres of the land previously irrigated by said ditch. The source of supply of water for the reservoir is the upper portion of said ditch. The lower portion of said ditch continues to be utilized as it had been in the past and the source of water for said ditch is an outlet installed in the north end of the dam which runs directly to the lower portion of said ditch. An additional 0.5 acres is irrigated by means of the Gandy Gulch Pump out of said pond which is being filed separately.

Gunnison County.

(25) Case No. 88CW183 (Ref. 84CW286, 80CW206, W-2547 and W-756); UPPER GUNNISON RIVER WATER CONSERVANCY DISTRICT, c/o its attorney, L. Richard Bratton, P.O. Box 669, Gunnison, Colorado 81230; Application For Quadrennial Finding of Reasonable Diligence, as follows:

Name of Structure:

A. Out of the decree dated January 27, 1961 in Civil Action No. 5590 in the District Court in and for the County of Gunnison and State of Colorado in Water District No. 59:

1. The Castleton Reservoir, being Reservoir or Non-Direct Flow Irrigation District Structure No. 43, with Conditional Priority No. 572 for the 9000 acre feet of water which has an appropriation date of November 13, 1957, and which takes its source of water from Castle Creek and natural drainage.

2. The Ohio Creek Canal, being Direct Flow Irrigation District Structure No. 350, with Conditional Priority No. 573 for 277.0 cubic feet of water per second of time, which has an appropriation date of November 13, 1957 and has a source of supply out of Ohio Creek, Pass Creek and Castle Creek.

3. The Taylor River Canal, being Canal, or Direct Flow Irrigation District Structure No. 351, with Conditional Priority No. 574 for 302 cubic feet of water per second of time, which has an appropriation date of November 13, 1957 and has a source of supply out of the Gunnison River and releases from Taylor Park Reservoir.

4. The East River Canal, being Canal, or Direct Flow Irrigation District Structure No. 352, with Conditional Priority No. 575 for 82.00 cubic feet of water per second of time, which has an appropriation date of November 13, 1957 and has a source of supply out of the East River.

All of the above reservoirs and canals have their source of supply out of tributaries to the Gunnison River and are all located in Gunnison County, Colorado.

B. Out of the decree dated December 15, 1961 in Civil Action No. 5591 in the District Court in and for the County of Gunnison