

SUMMARY OF
INVESTMENT RATES
AS OF JULY 1, 1993

First National Bank of Gunnison

Time C. D.'s 3 mo. 3%
6 mo. 3.1%
1 yr. 3.5%
Passbook savings— 3.25%*

*2 free withdrawals per month, for each additional withdrawal there is a \$2 charge

Crested Butte State Bank

Time C. D.'s 3 mo. 3.25%
6 mo. 3.5%
1 yr. 3.65%
Passbook savings— 3.25%*

*6 free withdrawals per quarter, for each additional withdrawal there is a \$2 charge

First National Bank of Lake City

Time C. D.'s 3 mo. 3%
6 mo. 3.25%
1 yr. 4%
Passbook savings— 3%*

*6 free withdrawals per quarter, for each additional withdrawal there is a .50 charge

Gunnison Savings and Loan

Time C. D.'s 3 mo. not available
6 mo. 3.45%
1 yr. 3.75%
Passbook savings— 3.4%*

*no limit on number of withdrawals

Agenda Item #10
7/12/93

VRANESH AND RAISCH

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*extra
copy in
Court file
Dr. 1*

RECEIVED

June 30, 1993

JUL 09 1993

COLO RIVER WATER
CONSERVATION DISTRICT
FILES

Mr. David Mutz
Mr. Steve McCall
Grand Junction Projects Office
U.S. Bureau of Reclamation
2764 Compass Dr.
Grand Junction, Colorado 81506

Re: Draft Water Management Agreement Among the Bureau of Reclamation, Uncompahgre Valley Water Users Association, Upper Gunnison River Water Conservancy District, and the Colorado River Water Conservation District

Dear Messrs. Mutz and McCall:

The following are comments on behalf of the County of Arapahoe ("Arapahoe") regarding the proposed Water Management Agreement among the Bureau of Reclamation ("BUREC"), the Uncompahgre Valley Water Users Association ("UVWUA"), the Upper Gunnison River Water Conservancy District ("UGD") and the Colorado River Water Conservation District ("CRWCD"). Arapahoe is the owner of the Union Park Reservoir Project ("Union Park") which proposes to divert water from the Taylor River. As BUREC is aware, Arapahoe was involved in the litigation which resulted in the dismissal of UGD's application in Case No. 86CW202 and the award of a decree in Case No. 86CW203, which is the basis for the subject Agreement.

Arapahoe believes that there is ample water available for UVWUA, actual supplemental irrigation, reasonable fishery and recreation uses in the Taylor River, and the proposed Union Park. However, the issues surrounding operation of Taylor Park Reservoir will directly affect each of these uses, as well as Colorado's ability to use its Colorado River Compact entitlements. The draft Agreement raises significant issues for the Taylor River, the Gunnison Basin and the State of Colorado.

A. NEPA Compliance.

BUREC should comply with all NEPA substantive and procedural requirements by conducting the necessary studies and preparing an Environmental Impact Statement before it enters into any agreement based upon the state decree in Case No. 86CW203. The draft Agreement would be a major federal action significantly

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affecting the human environment. The effect of this Agreement on future water use in the Gunnison Basin could be far reaching, and it requires both public input and environmental studies to define its impacts, legalities, alternatives, and reasonable terms, if BUREC enters into any Agreement.

The historical operations at Taylor Park Reservoir have been dictated primarily by its physical limitations. It is an on-stream reservoir with storage capacity of 106,230 acre feet on a river which produces an average of 154,000 acre feet per year. In order to avoid over-topping of the dam, a sufficient amount of water has historically been released to accommodate projected inflows during spring run-off. UGD participated in an Agreement in 1975 ("1975 Agreement") to time these necessary releases to assist fisheries and recreation. UGD then obtained a decree in state court based upon an accounting technique which it alone applied to these historic operations, despite testimony from witnesses for the U.S. and UUVWA that they had never refilled Taylor Park Reservoir for UGD's use.

The draft Agreement proposes major changes in the operation of the Taylor Park Reservoir which requires significant study. Following is a discussion of those changes and studies which should be conducted:

- 1. Changes in Operation of Taylor Park Reservoir:
 - a. River calls.

No one has ever claimed that the U.S. should not release water from Taylor Park Reservoir to avoid over-topping of the dam based upon historical conditions. In fact, the Taylor Park Reservoir has never been administered by the Division Engineer in response to calls by senior water rights. In addition, BUREC has never interfered with state appropriations of water in the Taylor River. However, the draft Agreement proposes a significant change from these historical operations because the practical effect of paragraph 3a of the Agreement is that BUREC will attempt to prevent further in-state appropriations. The impact of these actions must be addressed.

- b. Area to be served.

The draft Agreement also presents a significant change because it proposes to provide irrigation water to an area outside of the service area for which Taylor Park Reservoir was built. Taylor Park Reservoir was constructed as part of the Uncompahgre Project to serve approximately 170,000 acres in the Uncompahgre Valley in Delta and Montrose counties. The proposal to sell irrigation water to UGD in the Taylor River Basin in

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Gunnison County would be a major operational change. As discussed below, there is also a legal issue as to whether BUREC can do this without Congressional approval.

c. Administration of Taylor Park Reservoir.

Finally, as stated above, witnesses for the U.S. and UVUA as owner and operator of Taylor Park Reservoir respectively testified in Case No. 86CW203 that neither party ever stored water for UGD. The fact that UGD obtained a decree in state court based upon an accounting technique which it applied to historic operations does not change the U.S. previous statements under oath that it never purposely stored water for UGD. The draft Agreement is a major change in the operations of Taylor Park Reservoir because it requires that the BUREC account for a refill of a federal facility, make releases for new uses, and sell water to UGD outside of the Uncompahgre Project boundaries.

2. Studies Required.

a. Effects on in-state appropriations.

BUREC should study the effect of using a state decree for fish and recreation uses on Colorado's ability to utilize its Compact apportionments. Under CRSPA, the Aspinall Unit was built to assist the Upper Basin States to use their Compact apportionments. If BUREC uses the Aspinall Unit for the opposite effect, this issue must be studied and resolved.

b. Amount of water for fisheries and recreation.

The U.S. has conducted no studies to determine the amount of water, if any, which should be released for fishery and recreation uses. The decree in Case No. 86CW203 references flow rates for fish and recreation uses which would far exceed the water available on the Taylor River. The studies on which those flow rates were based were conducted below Spring Creek, a major tributary to the Taylor River. Studies need to be conducted in the portion of the Taylor River between Taylor Park Reservoir and the confluence with Spring Creek to determine what flows are optimal.

c. Alternatives.

There are numerous alternatives which must be studied which could improve the Taylor River for fish and recreation uses, without curtailing state appropriations of water. These improvements could include channel improvements, habitat modifications, and fish stocking. Each of these measures could drastically improve the fishing and recreational opportunities in

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the Taylor River without blocking other types of water development within the state.

In summary, the U.S. should conduct a full EIS to address the issues raised above. BUREC conducted an Environmental Assessment before it entered into the 1975 Agreement for operations of the Taylor Park Reservoir. The current draft Agreement goes well beyond the 1975 Agreement, and an EIS is warranted to study the impacts, including the effect of curtailing proposed appropriations on the Taylor River for use on either the west slope or east slope, the amounts of water necessary for fishery and recreation uses, the effects of this proposed Agreement on Colorado's ability to use its Colorado River Compact apportionment, identification of lands to be served irrigation water; analysis of the legal issues outlined below, and alternatives to the proposed Agreement.

B. Legal Issues.

The draft Agreement raises significant legal issues as to BUREC's use of water in the State of Colorado under the 1902 Reclamation Act and the Colorado River Storage Project Act ("CRSPA").

1. 1902 Reclamation Act.

Taylor Park Reservoir is an irrigation facility constructed pursuant to the Reclamation Act of 1902 (32 Stat. 388), and amendatory or supplemental acts. Because the authorizing federal legislation for Taylor Park Reservoir does not permit the storage or release of water primarily for recreational fisheries or wildlife use, the U.S. cannot simply enter into a water management agreement which provides for such uses. The United States Supreme Court and 10th Circuit Court of Appeals have held that "state water law does not control in the distribution of reclamation water if inconsistent with other Congressional directives to the Secretary." California v. United States, 438 U.S. 645, 688 n. 21 (1978); Jicarilla Apache Tribe v. U.S., 657 F.2d 1127, 1137 (10th Cir. 1981). Therefore, the state court's award of 106,230 acre feet of refill right for fishery and recreational purposes does not automatically authorize those uses under the Reclamation Act of 1902 or any relevant legislation subsequently enacted.

Before Taylor Park Reservoir can be used for recreational, fishery or wildlife purposes, federal law requires that Congressional approval be obtained to utilize the Reservoir in such a manner. 43 U.S.C § 390b(d) provides that prior to allowing any modifications to be made to a reservoir project, Congress must approve of such modifications before water stored in the

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facility may be utilized in such a way that "would seriously effect the purposes for which the project was authorized, planned or constructed." The Reclamation Project Act of 1939 has expanded the uses of 1902 Reclamation Act projects to include domestic, municipal and industrial purposes. However, if no Congressional approval exists, BUREC cannot change the use of the Taylor Park Reservoir to make releases primarily for fishery and recreational uses.

In addition, the Taylor Park Reservoir is authorized as a part of the Uncompahgre Valley Project. That project was built specifically to apply water to the irrigation of lands within and under said Uncompahgre Valley Project which was limited to 170,000 acres located in the counties of Delta and Montrose, of which there was approximately 105,000 irrigable acres. There is no legal authority to use water from the Taylor Park Reservoir in Gunnison County for any purpose. Therefore, BUREC should not enter into an agreement for any type of use within Gunnison County absent an act of Congress.

2. Colorado River Storage Project Act.

The draft Agreement is also in derogation of CRSPA. It proposes use of the Aspinall Unit as a means to facilitate the management of water for fish and recreation uses as primary uses.

CRSPA was passed primarily to allow the Upper Basin States to utilize their full Compact apportionments. The draft Agreement proposes to use the Aspinall Unit for the opposite effect. It would use water for incidental fishery and recreation uses and foreclose development of water resources in the state.

Further, from a practical standpoint, it will result in a significant amount of water passing through the State of Colorado to the Lower Basin States in derogation of CRSPA, the Colorado River Compact and the Upper Colorado River Basin Compact. The Aspinall Unit has proven to be too low in altitude and too far downstream for any significant consumptive use in Colorado, as is evidenced by the fact that only 78 acre feet are currently under contract. Below the Aspinall Unit is the Black Canyon in which no water rights can be developed. Therefore, unless a massive use can be found between the end of the Black Canyon and the state line, all water used for incidental fishery and recreation uses under the draft Agreement will be lost to the State of Colorado under its Compact entitlements. This is the exact opposite effect of that envisioned by Colorado when it gave its approval of CRSPA to the U.S. Congress.

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C. Further Actions.

Arapahoe has been attempting to monitor the progress of this draft Agreement. However, it was informed in December that no mailing list existed, and that BUREC may attempt to enter into the Agreement without any studies or analyses. Arapahoe requests that it be placed on all mailing lists concerning the Agreement, and that BUREC send Arapahoe all future draft agreements, public notices, and any other materials available to the public.

D. Conclusion.

Arapahoe believes that the Gunnison River Basin is very important for the State of Colorado. It can be managed to optimize fishery and recreation uses, while allowing water resources development and use of Colorado's Compact apportionments. These issues are very important to the State of Colorado, and should be addressed in full by BUREC.

Thank you in advance for your cooperation. We look forward to hearing from you.

Very truly yours,

COUNTY OF ARAPAHOE

VRANESH AND RAISCH

By: 

Peter H. Ziemke
Assistant County Attorney

By: 

Paul J. Zillis

PJZ/keb

cc: Arapahoe County Commissioners
Robert F.T. Krassa
Donald H. Hamburg
L. Richard Bratton
John E. Kreidler

Upper Gunnison River Water Conservancy District

M E M O R A N D U M

TO: Board Members,
Upper Gunnison River Water Conservancy District

FROM: Tyler Martineau *TM*

DATE: June 24, 1993

SUBJECT: Agenda Item 10, July 12, 1993, Board Meeting --
Taylor Park Water Management Agreement

The first negotiating session for the development of the Taylor Park Water Management Agreement was held on June 24. The Bureau of Reclamation (USBR), the Uncompahgre Valley Water Users Association, the Colorado River Water Conservation District, and the Upper Gunnison River Water Conservancy District participated in the negotiations.

At the beginning of the session the USBR stated the purpose of the water management agreement. It will be to preserve the historic benefits and depletions which have occurred under the 1975 Agreement.

grates to date

The USBR conducted the session. They started at the beginning of the proposed agreement and read through section by section taking comments along the way. In the two hours allotted the negotiators made it through page 8 of the agreement. The Upper Gunnison District negotiators presented each of the points raised in our memorandum to the board dated June 4, 1993. Along the way the USBR agreed to some minor changes, and indicated it would need to give further consideration to a number of major changes that were requested. They will provide their response on the major issues at an upcoming negotiation session.

During the course of the meeting the following points were raised:

- * The USBR said that it understands the need of the Upper Gunnison District to have a clear understanding of the status of the 1982 Reclamation Reform Act in the Water Management Agreement.
- * Current Reclamation policy is that 25 years is the maximum term available for contracts.

- * The USBR said that it would review the possibility of requiring mutual consent of all the parties to the agreement in order for the agreement to be terminated.
- * The USBR said that it would consider an annual lump sum payment for irrigation water instead of a per acre-foot charge.
- * The USBR stated that charges for irrigation water would be based upon administrative costs plus an additional as yet undefined amount. They believe that the total payment should be commensurate with the level of actual irrigation benefits received.
- * The USBR stated that it would possibly agree to a variable amount of refill storage to be paid for each year. The USBR might want to ask for some type of standby charge to be paid in those years when the amount to be stored was small or zero.
- * The Uncompahgre Valley Water Users Association said it would like the USBR to consider having a part of the money collected under the water management agreement be used to help with the Association's repayment obligations for Taylor Park Reservoir.
- * The USBR suggested that the Aspinall Unit could be operated so as to allow a refill to occur in Taylor Park Reservoir in most years. Not only could the USBR take action which would prevent a call from the Aspinall Unit from limiting the refill, but the USBR could also operate the Aspinall Unit (through making releases) so as to limit downstream calls from coming up and preventing the refill.

The next meeting will be held on July 15. At that meeting the negotiators will go through the rest of the proposed agreement. The Bureau will then develop a revised form of the proposed contract which will be circulated for further discussion.

origin of proposal
p 7 of June 21 '93
Board meeting
if water could be put in Blue
Mesa, then could be used
as protection for calls.

Add additional "Whereas" clauses:

1. WHEREAS, the Gunnison District holds conditional decrees under what is known collectively as the Upper Gunnison Project for _____ of storage and _____ cfs of direct flow rights and which decrees have a priority date which is equal to those awarded to the Aspinall Unit.

2. WHEREAS, it was contemplated when the Curecanti Unit (now Aspinall Unit) was planned and constructed, that the storage releases from the operation of said Unit would provide sufficient water to satisfy downstream senior users and as a result would tend to "shield" the Gunnison River Basin above Blue Mesa Reservoir from a call to satisfy downstream senior rights.

Should
not
pay

3. WHEREAS, since the construction of the Aspinall Unit, said releases from operations have effectively acted as such shield.

4. WHEREAS, as a result of recent litigation involving water rights in the Upper Gunnison River Basin, it has been determined that said Aspinall operations may no longer act as such "shield" to the extent it was original contemplated.

5. WHEREAS, the parties to this Agreement desire to provide such "shield" to the extent and in the manner hereinafter provided.

NOW, THEREFORE,....

1. Reclamation shall, to the extent reasonably possible, and under the terms and conditions hereinafter specified, operate the Aspinall Unit and Taylor Park Reservoir in a manner such that releases from the Aspinall Unit will satisfy downstream senior water rights and therefore result in a shield to the Gunnison River Basin above Blue Mesa Reservoir from a call by such downstream senior water rights. Said operations of said Unit and the operation of Taylor Park Reservoir shall, to the extent Reclamation deems it acceptable, be as follows:

a. Taylor Park Reservoir Operations.

(Copy 3.a, b, c, d and e of draft contract dated 3/1/93) (make copy)

b. Aspinall Unit Operations.

(1) Water released by the Association from Taylor Park Reservoir for use by the Gunnison District for increased and supplemental irrigation purposes and water rights owned by the Gunnison District as part of the Upper Gunnison Project may be stored in Blue Mesa Reservoir for subsequent release by Reclamation for the purpose of satisfying downstream senior water rights which might otherwise call out upstream junior water rights. Such use shall be considered as an

water
lost when
hits
Blue
Mesa
decel

I feel -
it's not
bought
but

This is irrigation
water
but it is mixed
w/ water
we can't
use and wildlife
gets w/ different
"incidental" argument
of storage

Used for irrigation purposes - approx 4,000 ac-ft depletion -
not 100,000 ac-ft
no cost but storage cost

Lake Powell

- Continue operational practice
Aspinall separates Upper from Lower

Basin's
same concept

"additional" use of the water otherwise stored by Reclamation in Blue Mesa Reservoir and released for other purposes, and Reclamation shall not, by virtue of this Agreement, be obligated to release at times and in amounts that would be considered inconsistent with said other Reclamation uses.

as in
C.O.
Basin's

c. Accounting - Compensation.

ac 85

(1) The maximum amount of water from said Gunnison District decrees that may be stored at any one time in Blue Mesa Reservoir for such "additional" uses shall be 100,000 cfs.

So now is
different from
operation

(2) The Gunnison District shall pay Reclamation \$ _____ annually on October 1 of each year for the costs of administering said water rights (adjust for inflation?).

one separate
Contract -
Aspinall

(3) The final decision as to the amount and timing for releases of such water shall be made solely by Reclamation.

(4) The Gunnison District shall be responsible for initiating and pursuing any necessary plan of augmentation or other legal proceeding necessary to implement the within Agreement. Reclamation shall cooperate with the Gunnison District in any such legal proceeding.

Revised agreement
if new water

A. should not have to pay for "shield"

Said "great idea"

Augmentation plan and

- 1. Mixing too many issues - Time has passed
- 2. Bureau's water in Taylor Assignment was time now
- 3. "Storage" etc as part of augmentation plan
- 4. Extended use of water
"additional uses"

5) B of Rec can manage their water to provide for needs of Unimp. and Up. Gunn.

From time to time want to contract for up to 19,200 cfs for supplemental irrigation

6) water not paid by decree when hits Blue Mesa

7) B of Rec can manage its inventory to assume a part of 2nd fill by admin. credits in blue mesa or capacity each year is new

8) 1964 Description - no charge for depletion and charge for storage

UN Comp. Next for 2p Gunn

4,000 cfs depreciation

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June 28, 1993

Board of Directors and Tyler Martineau
Upper Gunnison River Water Conservancy District
Gunnison, Colorado 81230

RE: Taylor Park Management Agreement

Dear Susan and Gentlemen:

I am enclosing a copy of a draft of proposed language to include in the Taylor Park Management Agreement. I drafted this merely as a working document for an alternate proposal to that suggested by the Bureau of Reclamation. This was drafted primarily to address the fact that now that the 1975 agreement and the refill rights (86CW203) are in place, the next major problem in the Upper Gunnison Basin, where there is an opportunity for solution, is to provide a supply of water to satisfy the downstream senior water rights in order to shield a call by those downstream senior rights. This is one possible solution.

We did raise this issue generally at the meeting regarding the Taylor Park Management Agreement last week. However, as this agreement is very rough and preliminary, I did not feel it was appropriate to distribute it to the various committee members. The response by the Bureau to the concept was primarily related to the Reclamation Reform Act, which we realized would probably be a problem.

I would appreciate any comments or suggestions you might have before the next committee meeting.

Very truly yours,



L. Richard Bratton

LRB:ddc
Enclosure

Upper Gunnison River Water Conservancy District

M E M O R A N D U M

TO: Board Members,
Upper Gunnison River Water Conservancy District

FROM: Tyler Martineau *TM*

DATE: May 19, 1993

SUBJECT: Refill accounting for Taylor Park Reservoir.

As was requested at the monthly board meeting on May 10, 1993 enclosed is a preliminary accounting of the refill that will occur in Taylor Park Reservoir this year. The following assumptions were used:

1. The 1993 water supply forecast (which provides reservoir inflows) has been updated to May 1. The schedule of outflows from the reservoir is the same schedule as was approved by the four parties to the 1975 Storage and Exchange Agreement on April 22, 1993. The accounting shows that with the present operation Taylor Park Reservoir will spill in the first two weeks of July. The Bureau of Reclamation will undoubtedly want to amend the current schedule of outflows from the reservoir to prevent a spill. The new schedule of outflows would result in a reduction of total refill storage in 1993 of less than 4000 acre-feet. *ck?*
2. The first fill of Taylor Park Reservoir was completed on May 15. It may be when the final accounting is done that the first fill will have been completed as early as May 1. In this case an additional 4200 acre-feet of total refill storage would occur in 1993.
3. The "Refill Ending Content" is a cumulative accounting of the physical amount of water that will actually be stored in Taylor Park Reservoir under the refill water right in 1993. The paper refill accounting would show a total refill in 1993 of about 52,700 acre-feet under the assumption that a call is placed by Ernest Cockrell's private instream right which is equal to the outflow from Taylor Park Reservoir or 445 cfs, whichever is less. The paper refill accounting would show a total refill in 1993

May 19, 1993

of 106,230 acre-feet if there was no call or demand on the river by the private instream right. The paper refill includes water actually stored in Taylor Park Reservoir, plus water that was allowed to pass through the reservoir (i.e., simultaneous storage and release) which could, when the refill right was in priority, have been retained in storage.

4. When outflows from the reservoir begin to exceed inflows the first releases from storage will be made from the first fill water stored in the reservoir. These releases will fulfill fishery and recreation purposes provided for the 1975 Storage and Exchange Agreement. The accounting does not show any releases being made from refill storage in 1993. Refill storage will be released for fishery and recreation purposes after the first fill water has been fully used up. Refill storage will also be used whenever deliveries of multipurpose water (for irrigation, fisheries, and recreation) to Upper Gunnison water users are made. Releases of multipurpose water will be deducted from the refill storage in Taylor Park Reservoir as they occur, regardless of whether the first fill water has been used up.

*How does
this
work for
agreement?*

These assumptions may be subject to modification as the district proceeds with the development of the water management agreement, or if changes in operation of the reservoir are required due to the high water conditions this spring.

7500

5/19/93

1993 TAYLOR PARK RESERVOIR OPERATION
 BASED UPON THE MAY 1, 1993 WATER SUPPLY FORECAST

May 1 Content:		51000 af			1st Fill	Refill	Total
Month	Inflow 1000 af	Inflow cfs	Release 1000 af	Release cfs	Ending Content 1000 af	Ending Content 1000 af	Ending Content 1000 af
1May	13.2	440	9.0	300	55.2	0.0	55.2
2May	24.8	827	15.0	500	55.2	9.8	65.0
1June	32.0	1067	12.0	400	55.2	29.8	85.0
2June	28.0	933	12.0	400	55.2	45.8	101.0
1July	17.4	580	12.0	400	55.2	51.2	106.4
2July	8.6	287	12.0	400	51.8	51.2	103.0
1August	6.1	203	9.8	325	48.2	51.2	99.4
2August	4.9	163	9.8	325	43.3	51.2	94.5
1September	3.0	100	9.0	300	37.3	51.2	88.5
2September	3.0	100	9.0	300	31.3	51.2	82.5
1October	3.0	100	9.0	300	25.3	51.2	76.5
2October	3.0	100	3.0	100	25.3	51.2	76.5
Total	147.0		121.5				

Note: Flows are shown for the first half and the second half of each month.

22 June 92

Upper Gunnison River Water Conservancy District

M E M O R A N D U M

TO: Board Members,
Upper Gunnison River Water Conservancy District

FROM: Tyler Martineau *TM*

DATE: May 27, 1992

SUBJECT: 1992 Taylor Park Reservoir Operations

At the meeting of the Upper Gunnison Board on May 26, Peter Smith and Bob Arnold requested that I provide information to the board concerning the forecasted water supply conditions for this year for Taylor Park Reservoir. Enclosed is a copy of the operation for Taylor Park Reservoir previously approved by the Upper Gunnison District, which was based upon the April 1, 1992 water supply forecast. The total inflow to the reservoir for the period of May through October at the time was forecasted to be 102,000 acre-feet.

Enclosed also is a copy of the revised operation proposed by Fred Crabtree at the Bureau of Reclamation to me yesterday based upon the May 1 water supply forecast. As of May 1 the forecasted inflow for the same May through October period was 83,000 acre-feet, a drop of 19,000 acre-feet.

The effects resulting from the reduced water supply are most readily observed in the "ending content" in Taylor Park Reservoir and in the "flow at Almont" columns in the spreadsheets. For example, in July and August the storage content in Taylor Park Reservoir would be significantly lower than previously forecasted, and streamflows in the Taylor River at Almont would be less. For your information I have also enclosed an area - capacity table for Taylor Park Reservoir which I obtained from the Bureau of Reclamation.

I have set up a meeting next week to include a representative from the Gunnison River irrigators, the rafting companies, local anglers, and the Taylor Park Reservoir recreation interests to receive input on the proposed changes in operation as requested by the board. I will provide you with a report on the input received after the meeting.

1992 OPERATION APPROVED BY THE UPPER GUNNISON RIVER WATER COSERVANCY DISTRICT
 BASED UPON THE APRIL 1, 1992 WATER SUPPLY FORECAST

Taylor Park Operation - 1992

Apr 1 Forecast

May 1 Content 64000 af

Month	Inflow 1000 af	Inflow cfs	Release 1000 af	Release cfs	Ending Content 1000 af	Side Inflow 1000 af	Flow at Almont 1000 af	Flow at Almont cfs
1May	12.5	417	6.0	200	70.5	4.0	10.0	332
2May	12.5	417	6.0	200	77.0	4.0	10.0	332
1June	19.5	650	7.0	233	89.5	5.6	12.6	418
2June	19.5	650	7.0	233	102.0	5.6	12.6	418
1July	9.0	300	9.0	300	102.0	3.3	12.3	410
2July	9.0	300	9.0	300	102.0	3.3	12.3	410
1August	4.0	133	9.0	300	97.0	2.7	11.7	388
2August	4.0	133	6.0	200	95.0	2.7	8.7	288
1September	3.0	100	9.0	300	89.0	1.7	10.7	357
2September	3.0	100	9.0	300	83.0	1.7	10.7	357
1October	3.0	100	4.5	150	81.5	1.9	6.4	213
2October	3.0	100	4.5	150	80.0	1.9	6.4	213
Total	102.0		86.0					

Note: Flows are shown for the first half and the second half of each month.

PROPOSAL FOR REVISIONS TO 1992 OPERATION MADE BY THE USBR
 BASED UPON THE MAY 1, 1992 WATER SUPPLY FORECAST

Taylor Park Operation - 1992

May 1 Forecast

May 1 Content 64000 af

Month	Inflow 1000 af	Inflow cfs	Release 1000 af	Release cfs	Ending Content 1000 af	Side Inflow 1000 af	Flow at Almont 1000 af	Flow at Almont cfs
1May	12.5	417	5.5	183	71.0	4.0	9.5	315
2May	12.5	417	5.5	183	78.0	4.0	9.5	315
1June	14.5	483	6.6	220	85.9	4.5	11.1	370
2June	14.5	483	8.8	293	91.6	4.5	13.3	443
1July	5.5	183	8.8	293	88.3	2.6	11.4	380
2July	5.5	183	6.5	217	87.3	2.6	9.1	303
1August	4.0	133	6.2	205	85.2	2.7	8.8	293
2August	4.0	133	6.2	205	83.0	2.7	8.8	293
1September	2.5	83	8.9	297	76.6	1.4	10.3	343
2September	2.5	83	8.9	297	70.2	1.4	10.3	343
1October	2.5	83	4.5	150	68.2	1.6	6.1	203
2October	2.5	83	3.5	117	67.2	1.6	5.1	170
Total	83.0		79.8					

Note: Flows are shown for the first half and the second half of each month.

TAYLOR PARK RESERVOIR
AREA AND CAPACITY TABLE

Reservoir Storage Content (acre-feet)	Reservoir Surface Elevation (feet)	Reservoir Surface Area (acres)
106,230 (full reservoir)	9330	2033 - 21 ^o
86,950	9320	1823
69,895	9310	1588
51,155	9300	1360
42,815	9290	1108
32,835	9280	888
24,745	9270	730
18,160	9260	587
12,820	9250	481
8,530	9240	377
5,170	9230	295
2,785	9220	182
1,335	9210	108
535	9200	52
140	9190	27
0	9180	0

*P
1928000*

150' deep

*land - 10 feet full 20 acres almost 20,000 gal
So T. Park water roughly 30 acre
2' roughly up
almost 30 acres
anywhere
in area.*

Upper Gunnison River Water Conservancy District

M E M O R A N D U M

TO: Board Members,
Upper Gunnison River Water Conservancy District

FROM: Tyler Martineau TM

DATE: July 1, 1993

SUBJECT: Agenda Item 11, July 12, 1993, Board Meeting --
Gunnison River (Black Canyon) Contract.

In my memorandum of June 4, 1993 concerning the Gunnison River Contract I listed the deadlines set by the Bureau of Reclamation (USBR) and the National Park Service (NPS) for comments on a number of documents. As of today we have not received anything in addition to what was provided to the board on June 4.

At the board meeting on June 21 several board members suggested revisions to the proposed "Purpose and Need Statement for the Gunnison River Contract". Attached is a draft of the statement in which the requested revisions have been included.

Included in the June 4 memorandum was a copy of the proposed "Memorandum of Agreement Among Lead and Cooperating Agencies for Gunnison River Contract National Environmental Policy Act Compliance" (MOA). Comments from the cooperating agencies concerning this document are due to the USBR and NPS by July 26.

In general, I find the proposed MOA to be simple and straight forward. There are two items which are noteworthy:

1. The USBR and NPS have reserved the right in the MOA to make a finding of no significant impact for the Gunnison River Contract. In this case an Environmental Assessment would be prepared for the contract instead of a more comprehensive Environmental Impact Statement (EIS). Many participants during the scoping process last year including the UGRWCD had requested that an EIS be prepared.
2. The agreement states that: "Each cooperating agency will... provide technical information, advice, and review on topics, resources and environmental impacts including, but not limited to, those areas in which the agency has jurisdiction by law or expertise."

Perhaps the most crucial question for the UGRWCD during the development of the Gunnison River Contract will be the impact that the contract will have upon water users in the Upper Gunnison basin. I believe the most important goal for the UGRWCD in participating in the contract development is to prevent the contract (and the Black Canyon federal reserved water right) from resulting in a reduction of historic water supply to water users in the Upper Basin. The provision in the MOA described in item 2 above, represents both a potential burden and an opportunity. It is a burden because we may be requested to do studies at our own expense of water matters in the Upper Gunnison basin. It represents an opportunity in that we will be given a chance to take on a leadership role in trying to identify and prevent impacts from the contract from occurring.

?
also contract
coordinated as
resolution
of Subordinate
obligations

for

The UGRWCD has been requested to suggest additional studies to be completed in connection with the EIS. There is no study planned at present that will describe the impacts of the contract on Upper Gunnison water users. I suspect that if we identify a need for such a study we will be asked to take responsibility for funding and conducting the effort.

At the board meeting on July 12 I recommend that the board:

1. Consider the amended version of the Purpose and Need Statement for the Gunnison River Contract.
2. Provide direction concerning comments to the USBR and NPS regarding the Memorandum of Agreement Among Lead and Cooperating Agencies.
3. Provide direction concerning additional studies to be conducted in connection with the EIS.

620 S

too early -

**COOPERATING AGENCIES
CHANGES TO GUNNISON RIVER CONTRACT
PURPOSE AND NEED STATEMENT**

Identification of the Purpose and Need for the water delivery contract study is an important early consideration and will help determine the scope of the study and the alternative.

Need: A long-term water service contract is needed that will assist in defining the apportionment and delivery of water from the Wayne N. Aspinall Unit Reservoirs within the Gunnison River Basin.

Purpose: The purposes of the contract are given equal priority and are to use Aspinall Unit water:

- * to protect Aspinall Unit authorized purposes;
- * to protect purposes and resources of the Black Canyon of the Gunnison National Monument, Curecanti National Recreation Area; and the Gunnison Gorge Special Recreation Management Area;
- * to satisfy the Black Canyon Reserved Water Right;
- * to assist in recovering downstream endangered fish species;
- * to assist the State of Colorado in the protection and use of its compact entitlement;
- * to minimize the impacts to Colorado water users and Western Area Power Administration of reserved right quantification and endangered species releases; and
- * to meet as many needs as possible with the same water releases from the Aspinall Unit.

ok

ok
u.i.

UGRWCD DRAFT
7/1/93

MEMORANDUM OF AGREEMENT
AMONG LEAD AND COOPERATING AGENCIES
for
GUNNISON RIVER CONTRACT
NATIONAL ENVIRONMENTAL POLICY ACT COMPLIANCE

I. INTRODUCTION

The Bureau of Reclamation (BOR) and National Park Service (NPS), and other agencies are proposing a contract (Gunnison River Contract) to deliver water to the Black Canyon of the Gunnison National Monument from reservoirs of the Wayne N. Aspinall Unit (Aspinall Unit) of the Colorado River Storage Project in western Colorado. BOR and NPS are the lead agencies in complying with analysis and documentation requirements of the National Environmental Policy Act (NEPA) for the contracting action, and are both referred to as joint-lead agencies. The following are cooperating agencies in NEPA compliance for the Gunnison River Contract, and are collectively referred to as cooperating agencies:

- Bureau of Land Management
- Fish and Wildlife Service
- Western Area Power Administration
- State of Colorado
- Colorado River Water Conservation District
- Uncompahgre Valley Water Users Association
- Upper Gunnison River Water Conservancy District

II. PURPOSE

The purpose of this Memorandum of Agreement (Agreement) is to establish a formal understanding of the roles and responsibilities of the cooperating agencies with respect to the joint-lead agencies in the completion of NEPA compliance activities for the Gunnison River Contract.

III. AUTHORITY AND BACKGROUND MATERIAL

A. Public Law 91-190, National Environmental Policy Act (NEPA) of 1969, as amended (Public Law 91-910, 42 USC 4321-4327).

B. Council on Environmental Quality (CEQ), Regulations for Implementing the Procedural Provisions of the NEPA (40 CFR Parts 1500-1508).

C. Council on Environmental Quality, 40 Questions and Answers about the NEPA Regulations (46 Federal Register 18026 - March 23, 1981).

IV. DEFINITIONS

A. Environmental Impact Statement (EIS) - A detailed written statement required by Section 102(2)(C) of NEPA for any major Federal action determined to have a significant impact on the environment.

B. Lead and/or and joint-lead agency - The agency or agencies preparing or having taken responsibility for preparing an EIS.

C. Cooperating agency - an agency which has agreed to cooperate with a lead agency in the preparation of a NEPA compliance document by developing information and preparing environmental analyses for which the agency has jurisdiction by law and/or special expertise.

if cost of preparation

V. PROVISIONS OF UNDERSTANDING

A. For purposes of this Agreement, it is assumed that an EIS will be prepared to comply with NEPA for the Gunnison River Contract. However, any time prior to release of a draft EIS, BOR and NPS may mutually determine that 1) no significant impact will result from the action, or 2) that no further action leading to development of the Gunnison River Contract should be pursued. Either decision would 1) be documented by cancellation of the notice of intent to prepare an EIS, as published in the May 6, 1992, Federal Register (FR 92-10472), and 2) result in either modification of this Agreement to provide for release of a draft environmental assessment and finding of no significant impact, or termination of this Agreement.

Change to revisit this later

position and as a preparer position and as later appelland

B. Decisions regarding EIS content and processing of the Record of Decision for approval by the Secretary of the Interior are the ultimate responsibility of the joint-lead agencies.

C. To achieve the comprehensive evaluation needed in the EIS, it is agreed that the cooperating agencies will actively participate in all phases of EIS development and review under the regulations of the CEQ.

D. Each cooperating agency will designate one Principal Coordinator to coordinate preparation of assigned portions of the

*Accep.
C-to Springs etc hanging back to appeal*

DRAFT 5/28/93

EIS and to provide technical information, advice, and review on topics, resources and environmental impacts including, but not limited to, those areas in which the agency has jurisdiction by law or expertise.

E. As lead agencies, BOR and NPS will prepare a Task Directive, schedules, public involvement plans, and other administrative documents. Cooperating agencies will provide review comments and assistance. All agencies share responsibility to meet schedules and provide work quality that is acceptable.

F. The joint-lead agencies will provide cooperating agencies advance notice of critical review points and time periods for review, and will further provide adequate opportunities to review all EIS-related products, including but not limited to preliminary drafts, reports, graphics, original data, analysis of alternatives and associated preferred alternative, draft and final EIS's, and the draft Record of Decision prior to publication and public distribution.

G. Each cooperating agency will actively participate with the joint-lead agencies in public briefings, hearings, and any other public events related to the draft and final Gunnison River Contract EIS.

H. The joint-lead agencies will afford cooperating agencies with adequate opportunity to review and incorporate, as appropriate, cooperating agency comments on the draft and final EIS prior to publication, filing and distribution of these documents.

I. The joint-lead agencies will be responsible for preparation of responses to comments on draft and final EIS's, but will seek assistance from cooperating agencies in responding to comments on issues in which the agencies have jurisdiction by law or expertise.

This will take some work

J. Each agency will fund their respective agency's participation under this agreement.

VI. OTHER RESPONSIBILITIES

Nothing in this Agreement will be construed to amend or abridge the authority of the agencies to further comment and carry out their responsibilities under the provisions of the NEPA, CEQ regulations and guidance, or other specific mandates and legal responsibilities.

VIII. IMPLEMENTATION AND TERMINATION

A. This Agreement is effective on the last signature date and shall be valid for a period of 5 years. At the end of this 5-year period, this Agreement will be reviewed and if necessary reaffirmed by all signatories.

B. This Agreement may be modified by letter of agreement from the joint-lead agencies with the concurrence of each cooperating agency. Any modification made to this Agreement shall be confirmed in writing prior to performance of the change.

C. Any signatory may terminate their participation in this Agreement by providing written notice to all other parties, effective 60 days following the date of delivery of such notice.

D. This Agreement will be reviewed on approval of a finding of no significant impact or a Record of Decision by the Secretary of the Interior. At that time, it may be terminated by mutual agreement or adjusted to reflect follow-up NEPA work or other coordination needs that may result from the ROD.

XI. EXECUTION ON BEHALF OF COOPERATING AND JOINT-LEAD AGENCIES

BUREAU OF LAND MANAGEMENT

Regional Director

Date

FISH AND WILDLIFE SERVICE

Regional Director

Date

WESTERN AREA POWER ADMINISTRATION

Area Manager

Date

STATE OF COLORADO

Director, Department of Natural Resources

Date

COLORADO RIVER WATER CONSERVATION DISTRICT

President

Date

UNCOMPAHGRE VALLEY WATER USERS ASSOCIATION

President

Date

UPPER GUNNISON RIVER WATER CONSERVANCY DISTRICT

President

Date

NATIONAL PARK SERVICE:

Regional Director, Rocky Mountain Region

Date

BUREAU OF RECLAMATION:

Regional Director, Upper Colorado Region

Date

Upper Gunnison River Water Conservancy District

M E M O R A N D U M

TO: Board Members,
Upper Gunnison River Water Conservancy District

FROM: Tyler Martineau *TM*

DATE: June 30, 1993

SUBJECT: Agenda Item 12, July 12, 1993, Board Meeting --
Proposal for Use of Water Rights for Wildlife
Purposes.

Doyle Templeton has developed a proposal which follows up on the report by John Hill concerning instream uses of water for fishery, wildlife, and recreational purposes. Attached is a schematic drawing for a wildlife pond/wetland area which Doyle feels could be developed on his property on Tomichi Creek below Sargents. The area he would like to use was historically cut-off from Tomichi Creek by the railroad grade. At present a portion of the old railroad bed has been removed and for a short period during high water years water flows over the banks of Tomichi Creek and overland into the proposed pond/wetland area. This spring, in anticipation of flooding, Saguache County placed a small embankment (4-5 ft. high) at the location shown in the drawing. This was done to direct water back towards Tomichi Creek through an overflow so as to prevent water from flowing further west on the south side of the railroad bed and flooding an RV park. *private*

In normal years the proposed wildlife area is dry much of the time. I don't know whether the area would be considered a jurisdictional wetland at present. *wetland*

Doyle's proposal would be to obtain a storage right and a direct flow right so that the proposed wildlife area could be kept continuously wet. A storage right would be used in the spring to fill the pond. A direct flow right would probably be needed throughout the summer also. The soils in the area are permeable enough that when irrigation on nearby fields is reduced in July, the stored water will seep out of the pond leaving the area dry. A diversion ditch would need to be constructed from Tomichi Creek to the wildlife area. At present water can get into the proposed area only during very high water. Doyle has also proposed that the existing small embankment be enlarged slightly to create a somewhat larger pond than was created this spring.

Water diverted under the direct flow right would largely flow through the wildlife area and return to the Creek. I expect there would be some small increase in consumptive use over that which would occur if the water were not diverted from Tomichi Creek. During the summer senior rights on the lower Tomichi usually call out the rights on the upper Tomichi. Therefore, in order to divert under a junior decree, an augmentation plan would probably be required.

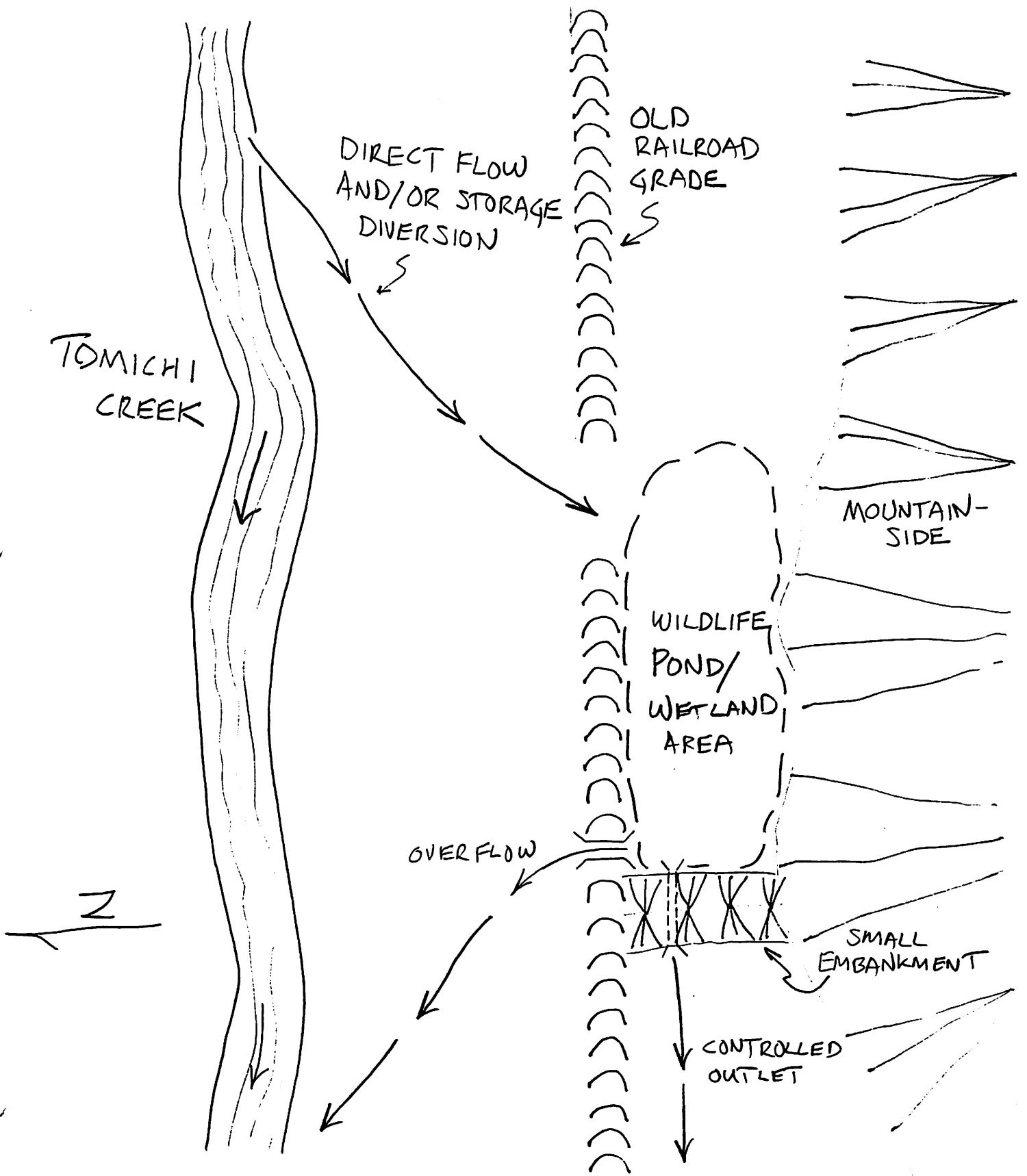
*are
existing rights?*

I would expect that diversions could be made under a junior storage right in the spring to fill the pond. The amount of storage would be between 1 and 10 acre-feet. This would be an increase in the use of decreed water in the basin.

There are probably other sites around the basin in which similar uses of water for wildlife purposes could be made. I would be interested in receiving direction from the board at the July 12, 1993 board meeting as to what sort of involvement the district might have in such projects.

*USES - has model for use to evaluate
sub-surface hydrology
USES finite difference groundwater model*

PROPOSED USE OF WATER FOR WILDLIFE PURPOSES



Upper Gunnison River Water Conservancy District

M E M O R A N D U M

TO: Board Members,
Upper Gunnison River Water Conservancy District

FROM: Tyler Martineau *TM*

DATE: June 24, 1993

SUBJECT: Colorado Water Workshop

Since the board meeting on June 21 I have been thinking that the District would benefit from having Patrice Thomas attend this year's Water Workshop. I believe the workshop would provide a useful opportunity for her to become familiar with the current ideas and players dealing with Colorado water matters. Bill Trampe has indicated to me that he does not think he would attend any meals at the workshop. Therefore, he is supportive of our using his complimentary registration for Patrice rather than for him since Patrice must be registered formally to attend any of the sessions. However, he did request that I ask if there might be any board member who would object to this proposal.

Board members are requested to let me know by the July 12 board meeting if they would like to see this complimentary registration used differently.

WATER QUALITY WORKSHOP

MONTROSE, COLORADO
JULY 30, 1993
FRIENDSHIP HALL
FAIRGROUNDS

- 9:00-9:30 REGISTRATION CONTINENTAL BREAKFAST
- 9:30-10:15 HOW I MADE IT PAY BILL BARNARD
RANCHER, FRUITA CO.
- 10:15-11:00 IMPROVING RIPARIAN AREAS JOHN HEILMEYER
BY GRAZING MANAGEMENT BLM PRINEVILLE, OR.
- 11:00-11:15 BREAK
- 11:15-12:00 SMALL LOT GRAZING - DICK ANTONIO
WHAT CAN BE DONE COOPERATIVE EXTENSION
MONTROSE CO.
- 12:00-12:30 LUNCH PROVIDED
- 12:30-1:15 STRATEGIES FOR SALT CEDAR KEITH DUNCAN
MANAGEMENT CEWS-AES AG SCIENCE
ARTESIA, NEW MEXICO
- 1:15-2:00 MONITORING RIPARIAN TRENDS CARL ZIMMERMAN
IMPORTANT BUT OFTEN OVERLOOKED CSSCB
GRAND JCT, CO.
- 2:00-2:15 BREAK
- 2:15-3:00 DORMANT PLANTINGS FOR JOHN YORK
RIPARIAN RESTORATION MEMBERS, NEW MEXICO
- 3:00-3:15 PROGRAMS AVAILABLE BOB ZEBROSKI
FOR ASSISTANCE CSSCB DENVER

This workshop is sponsored by the Colorado State Soil Conservation Board, local Soil Conservation Districts, the Colorado Riparian Association, and other cooperating agencies and organizations. Our goal is to provide information to interested land users and managers to help them make sound decisions concerning the land and water resources in Western Colorado. The workshop is free and open to the public.

For more information contact Carl Zimmerman at 243-5068 or your local Soil Conservation District.

A:AGENDA

Post-It™ brand fax transmittal memo 7871		# of pages 1
To Butch Clark	From Carl Zimmerman	
Co. CRA	Co.	
Dept.	Phone # 243-5068	
Fax #	Fax #	

641-2707 | 243-4467

Upper Gunnison River Water Conservancy District

M E M O R A N D U M

TO: Board Members
Upper Gunnison River Water Conservancy District

FROM: Tyler Martineau

DATE: June 22, 1993

SUBJECT: Water Quality Monitoring Workshop

As we discussed at the board meeting on June 21 the district will be sponsoring a one-day field workshop to demonstrate the principles and methods of biological water quality monitoring.

Date: July 10, 1993
Place: Rocky Mountain Biological Lab
Time: Meet at 10:00 a.m. at the General Store in Gothic

Biological water quality monitoring focuses on the sampling of small organisms that live in, crawl on, or attach to the stream bottom. Such organisms include snails, insect larvae, nymphs, and worms. A sampling program which assesses the abundance and diversity of such organisms provides a simple measure of water quality over time which can be much less expensive than programs in which water chemistry is analyzed.

The workshop will be led by Professors John Cairns and Dick Pratt of the Rocky Mountain Biological Laboratory. An explanation of why biological sampling makes sense as a means of assessing water quality will be provided. We will collect samples of aquatic organisms from a stream, and learn how to analyze them quickly and easily. No prior knowledge of water quality monitoring or stream organisms will be needed.

You are asked to bring irrigating boots or waders, if you have them. RMBL will have some wading gear available. Also bring a notebook and plan to get wet!

Lunch will be provided by RMBL. At present we are planning for board member attendance to be as shown on the attached list. Please let us know of any changes by Monday, June 26.

UGRWCD Board Members Planning to Attend
Water Quality Monitoring Workshop on Saturday July 10, 1993

Reed (1 or 2?)
Steckel
Arnold
Templeton (1 or 2?)
Smith (2)
Clark
Trampe

Upper Gunnison River Water Conservancy District

M E M O R A N D U M

TO: Board Members
Upper Gunnison River Water Conservancy District

FROM: Tyler Martineau TM

DATE: July 7, 1993

SUBJECT: Water Quality Monitoring Workshop

Arrangements have been completed for the Water Quality workshop which is planned for this Saturday:

Date: July 10, 1993
Place: Rocky Mountain Biological Lab
Time: Meet at 10:00 a.m. at the General Store in Gothic

Please remember to bring:

Irrigating boots or waders, if you have them.
(RMBL will have some wading gear available).
Notebook.
Raincoat, hat, sunscreen, etc.

Lunch will be provided by RMBL.

We should be finished by about 3:00 p.m.

Attendees:

Ramon Reed (2)
Dennis Steckel
Bob Arnold
Doyle Templeton (2)
Peter Smith (2)
Butch Clark
Bill Trampe (2)
Mark Schumacher (2)
Susan Lohr
John McClow
Tyler Martineau
Susan Brown (2)
Laura Anderson
Steve Glazer
Sue Navy

Upper Gunnison River Water Conservancy District

REGULAR MEETING

Monday, June 21, 1993
1:00 p.m.

County Commissioners' Meeting Room
Gunnison County Courthouse
Gunnison, Colorado

A G E N D A

1. Call to Order.
2. Approval of May 10, 1993 and May 24, 1993 Minutes.
3. Election of Officers for 1993 - 1994.
4. Appointment of Board Attorney for 1993 - 1994. *To Dec. subject 5/92
Contract
Hyer. ATTY*
5. Designation of Location for Posting of Public Notices.
6. Consideration of Operational Expenses Paid.
7. Consideration of Other Expenses Payable.
8. Monthly Budget Report.
9. Resolution Authorizing Establishment of Savings Account with Crested Butte State Bank.
10. Legal Matters.
 - a. Union Park Project Water Availability Appeal.
 - b. Board Member Bonding Requirements *HB 92-1291*
 - c. Other Legal Matters.*HCCA
members are affected.
Gov. immunity if acting
in good faith and with
reasonable belief
? Is this same one
for indemnity bond.*
11. Taylor River Private Instream Water Rights.
12. Taylor Park Water Management Agreement. *cont #1*
13. Gunnison River (Black Canyon) Contract. *Time/Cont*
14. East River Study. *Copy Report Yes*
15. Miscellaneous Matters. *Steve Heger Report*
16. Unscheduled Citizens.
17. Future Meetings.
18. Adjournment.

contract be entered into with the board attorney and that development of this contract coincide with the next annual budget preparation. Ramon Reed seconded the amendment. Bob Arnold said that an amendment to a nomination is not allowable.

The nomination was approved unanimously.

Lee Spann moved to appoint the firm of Bratton and McClow as board attorney for a period of one year with a professional services contract which will be developed in conjunction with the annual budget. Ramon Reed seconded the motion. The motion carried.

5. DESIGNATION OF LOCATION FOR POSTING OF PUBLIC NOTICES



DRAFT

UPPER GUNNISON RIVER WATER CONSERVANCY DISTRICT

REGULAR BOARD MEETING MINUTES

June 21, 1993

The Board of Directors of the Upper Gunnison River Water Conservancy District conducted a Regular Meeting on June 21, 1993 at 1:00 p.m. in the County Commissioners Room, Gunnison County Courthouse, Gunnison, Colorado.

Board members present were: Robert Arnold, Ralph E. Clark, III, Susan Lohr, Ramon Reed, Mark Schumacher, Peter Smith, Lee Spann, Dennis Steckel, Doyle Templeton, and William S. Trampe. Board member not present was Purvis Vickers.

Others present were:

- L. Richard Bratton, Board Attorney
- John McClow, Board Attorney
- Tyler Martineau, Manager
- Patrice Thomas, Office Secretary
- Rita McDermott, Treasurer
- Lynnee Preston, Citizen
- Laura Anderson, Crested Butte Chronicle/Pilot Reporter
- Gary Sprung, High Country Citizens Alliance
- Enid Peppard, KKXX

1. CALL TO ORDER

President Trampe called the meeting to order at approximately 1:12 p.m.

2. APPROVAL OF MAY 10, 1993 AND MAY 24, 1993 MINUTES

President Trampe stated that the first item on the agenda was approval of the May 10, 1993 and May 24, 1993 minutes which had been circulated to the Board by mail.

UPPER GUNNISON RIVER WATER CONSERVANCY DISTRICT

REGULAR BOARD MEETING MINUTES

June 21, 1993

The Board of Directors of the Upper Gunnison River Water Conservancy District conducted a Regular Meeting on June 21, 1993 at 1:00 p.m. in the County Commissioners Room, Gunnison County Courthouse, Gunnison, Colorado.

Board members present were: Robert Arnold, Ralph E. Clark, III, Susan Lohr, Ramon Reed, Mark Schumacher, Peter Smith, Lee Spann, Dennis Steckel, Doyle Templeton, and William S. Trampe. Board member not present was Purvis Vickers.

Others present were:

- L. Richard Bratton, Board Attorney
- John McClow, Board Attorney
- Tyler Martineau, Manager
- Patrice Thomas, Office Secretary
- Rita McDermott, Treasurer
- Lynee Preston, Citizen
- Laura Anderson, Crested Butte Chronicle/Pilot Reporter
- Gary Sprung, High Country Citizens Alliance
- Enid Peppard, KKXX

1. CALL TO ORDER

President Trampe called the meeting to order at approximately 1:12 p.m.

2. APPROVAL OF MAY 10, 1993 AND MAY 24, 1993 MINUTES

President Trampe stated that the first item on the agenda was approval of the May 10, 1993 and May 24, 1993 minutes which had been circulated to the Board by mail.

Lee Spann moved that that the specific items of discussion be stricken from the May 24, 1993 minutes. The motion died for lack of a second.

Butch Clark moved that the May 10, 1993 and May 24, 1993 minutes be approved as circulated to the board. Ramon Reed seconded the motion. The motion carried.

3. ELECTION OF OFFICERS FOR 1993-1994

President Trampe opened nominations for President of the Upper Gunnison River Water Conservancy District. Bob Arnold nominated William S. Trampe for president.

Lee Spann moved that nominations cease and that the secretary record an unanimous ballot for William S. Trampe for president. Ramon Reed seconded the motion. The motion carried.

Lee Spann nominated Robert Arnold for vice-president.

Dennis Steckel moved that nominations cease and that the secretary record an unanimous ballot for Robert Arnold for vice-president. Ramon Reed seconded the motion. The motion carried.

Butch Clark nominated Mark Schumacher for secretary.

Bob Arnold moved that nominations cease and that the secretary record an unanimous ballot for Mark Schumacher for secretary. Ramon Reed seconded the motion. The motion carried.

Butch Clark nominated and moved that Rita McDermott be appointed as treasurer by acclamation. Lee Spann seconded the motion. The motion carried.

4. APPOINTMENT OF BOARD ATTORNEY FOR 1993-1994

Ramon Reed asked for consideration, at a future board meeting, of an amendment to the by-laws to have the term of the board attorney correspond with the fiscal year so that the appointment and the budget can be considered at the same time.

Lee Spann nominated the firm of Bratton and McClow as board attorney for one year. Susan Lohr seconded the nomination.

Butch Clark made an amendment to the nomination that a professional services

contract be entered into with the board attorney and that development of this contract coincide with the next annual budget preparation. Ramon Reed seconded the amendment. Bob Arnold said that an amendment to a nomination is not allowable.

The nomination was approved unanimously.

Lee Spann moved to appoint the firm of Bratton and McClow as board attorney for a period of one year with a professional services contract which will be developed in conjunction with the annual budget. Ramon Reed seconded the motion. The motion carried.

5. DESIGNATION OF LOCATION FOR POSTING OF PUBLIC NOTICES

Lee Spann moved that public notices be officially posted at the Gunnison County Courthouse and also posted on the bulletin board at the Upper Gunnison River Water Conservancy District offices. Ramon Reed seconded the motion. The motion carried.

6. CONSIDERATION OF OPERATIONAL EXPENSES PAID

Bob Arnold moved to approve Operational Expenses Paid, as prepared by the treasurer, for May 1993. Dennis Steckel seconded the motion. The motion carried.

7. CONSIDERATION OF OTHER EXPENSES PAYABLE

Rita McDermott, treasurer, said the the entry of \$212.50 for Helton-Williamsen May 7, 1993 invoice should be deleted as it was a duplicate of an item approved at the last board meeting.

Tyler Martineau asked Mr. Bratton about the invoice for Andy Williams. Mr. Bratton said that he had not talked with Mr. Williams yet but that the benefit of the work has been received. Rita McDermott said that she is still holding an invoice of \$950 for Mr. Williams. President Trampe asked Mr. Martineau if payment of this invoice should be considered. Mr. Martineau said that copies of the Williams invoice will be distributed to the board so that it can be considered at the next board meeting.

Susan Lohr asked about the lodging expense for John Hill. Mr. Bratton said that this expense was incurred when Mr. Hill attended the May 10, 1993 board meeting.

Tyler Martineau pointed out the Colorado Water Workshop fee and explained that this fee entitles the District to two registrations. President Trampe suggested that the board discuss the designation of attendees later in the meeting.

Lee Spann said that the checking account balance was large and the manager and treasurer should consider having part of that balance in an interest bearing account.

Bob Arnold moved to approve Other Expenses Payable except for payment of board of directors' fees and mileage to members not present at this meeting and the duplicate Helton & Williamsen entry as noted by the treasurer. Ramon Reed seconded the motion. The motion carried.

8. MONTHLY BUDGET REPORT

Bob Arnold commented that the expenditures looked on schedule in relation to the budgeted amounts. There were no further comments on the Monthly Budget Report prepared by the treasurer.

9. RESOLUTION AUTHORIZING ESTABLISHMENT OF SAVINGS ACCOUNT WITH CRESTED BUTTE STATE BANK

Tyler Martineau reviewed the memorandum on this matter which was circulated to the board. The board members discussed current interest rates and activity charges for savings accounts, certificates of deposit, and checking accounts.

Ramon Reed moved adoption of Resolution 93-3 Authorizing Establishment of Savings Account with Crested Butte State Bank. Bob Arnold seconded the motion. The motion carried.

Butch Clark asked if the District has resolutions for its other bank accounts. Tyler Martineau responded that it did not. Butch Clark suggested that a resolution be executed for each bank with which the District has an account.

Tyler Martineau said that he will provide the board with a report on the current interest rates and activity charges for each of the District accounts.

10. LEGAL MATTERS

a. Union Park Project Water Availability Appeal

Dick Bratton reported that a meeting will be held on June 22, 1993 in Denver to plan and delegate the legal work among the parties working on the Union Park Project Water Availability Appeal. He asked the board for input on several issues.

SP Mr. Bratton said that it may be better not to pursue the Public Trust Doctrine at this time because it would trigger responses by a number of environmental groups that could complicate the appeal. Mr. Bratton said that the Upper Colorado River Commission has concerns about the 620(f) issue, that is, whether the Bureau of Reclamation can call for hydropower against agricultural or domestic uses. Mr. Bratton suggested that one way to address this issue would be to take the position that the original water court decision should be affirmed. This would avoid taking the issue on directly. He requested flexibility in his approach to discussion on the 620(f) issue at the meeting.

The board discussed aspects of the Public Trust Doctrine and the issues associated with its inclusion in the water availability case. Dick Bratton said that Barney White suggested that the Supreme Court be approached by requesting that the Public Trust Doctrine be addressed as a separate issue. Mr. Bratton thinks that most parties would support this approach. Butch Clark said that the board orientation has been that the Public Trust Doctrine should not be included in the water availability case. He asked if the Public Trust Doctrine will still be addressed by other litigants. Mr. Bratton replied that it was included by other litigants. The board consensus was that the Public Trust Doctrine should be addressed separately from the water availability case.

→
Push them over

The board discussed the pros and cons of continuing with the appeal of the 620(f) issue. Mr. Spann advised Mr. Bratton to take a flexible approach on the appeal of the 620(f) issue at the meeting. The other board members concurred and agreed that an appeal, at this time, may not be beneficial to the District interests.

b. Board Member Bonding Requirements

Dick Bratton reported that the judge would not enter an order to provide that the amount of the bond required for board members would be \$0. Mr. Bratton advised the board that he agreed with the judge as it would appear to circumvent the law. Mr. Bratton said that he had checked with three other water districts and found that they have blanket policies rather than individual board member policies. He provided the board and manager with several suggestions to obtain the blanket policy.

c. Other Legal Matters

Dick Bratton reported that the deadline for the diligence application for the O'Fallon Ditch decree was amended to August 1994 and signed by the judge.

Dick Bratton said that the minutes of May 10, 1993 show John Hill as saying that the Upper Gunnison Project is not feasible and this language should be corrected or deleted.

Mr. Martineau pointed out that this opinion is not in the minutes but in John Hill's memorandum to the board dated May 5, 1993. Mr. Martineau said that Mr. Hill expressed his opinion and the board may want to express a different opinion.

Mr. Bratton said that he believes Mr. Hill was referring to the problem of short-term funding for the project. Lee Spann asked if Mr. Hill would provide an explanation or retraction of this statement. Dennis Steckel suggested both approaches: (1) A letter from Mr. Hill clarifying this statement and (2) board consideration of the matter after receipt of the explanatory letter from Mr. Hill. There was board consensus to pursue these two steps. Mr. Bratton said that he would request a letter from John Hill.

John McClow, board attorney, reported on the Dominquez Reservoir case. He said that the Supreme Court sent it back to the Water Court with the interpretation that there must be a trial even though the outcome may remain the same.

Butch Clark asked John McClow about the July 1 date for the anticipated agreement between Rocky Point proponents and the Bureau of Reclamation. Mr. McClow reported that he had not heard any information and to his knowledge nothing has been filed yet.

11. TAYLOR RIVER PRIVATE INSTREAM WATER RIGHTS

Tyler Martineau reviewed his June 11 memorandum which was circulated to the board and the letter to Keith Kepler from the four parties to the 1975 Agreement. He said that the substance of this letter would preserve the status quo and the right of the parties to litigate in the future. He reviewed the letter to Charles(Barney) White from Keith Kepler which sets forth how Mr. Kepler plans to administer the private instream right of Ernest Cockrell. Mr. Martineau summarized the letter stating that Mr. Kepler will curtail rights only to 1986, the date of the refill right, and therefore, will treat Mr. Cockrell's call as a subordination. When the refill storage occurs it will be considered an exercise of the District right and not the private instream right.

Ramon Reed posed several questions for clarification about language in the second paragraph of Mr. Kepler's June 14, 1993 letter to Barney White. He asked about the phrase, "expanded use of your clients rights." Tyler Martineau said that his interpretation is that Mr. Kepler was saying that he will not allow the private instream right to benefit at the expense of those rights between 1973-1986. Mr. Reed asked for clarification of "your agreement." Mr. Martineau said that this language referred to agreement as to the flow schedule which was adopted by the four parties to the 1975 Agreement. There is not a formal agreement with Mr. Cockrell but Mr. White, representing Mr. Cockrell, included this flow schedule in his letter to Mr. Kepler which was taken as implied consensus to the agreement by the other four parties.

Butch Clark asked if the language in Mr. Kepler's letter indicates he cannot allow the concept of a loan. Mr. Martineau replied yes.

Ramon Reed asked if Mr. Kepler's direction to not administer selective subordination is an over-all policy. Mr. Bratton said that is his impression. Dennis Steckel said that this decision could have broad implications and asked if it meant that a water right has to be administered in place. Mr. Bratton said that if water could be put into Blue Mesa for relief against downstream calls then the District would not have to deal with selective subordination.

*origin of
proposal
for Bratton
in Taylor
Meyi*

12. TAYLOR PARK WATER MANAGEMENT AGREEMENT

Tyler Martineau reviewed his June 4, 1993 memorandum to the board and asked for any additional feedback for the negotiating meeting on June 24 with the Bureau of Reclamation.

Butch Clark said that he can provide copies of examples of how the Bureau of Reclamation has calculated costs in other agreements.

Dick Bratton received the board's permission to include John McClow as his back-up in the negotiating sessions.

Tyler Martineau asked if the negotiating team was authorized to present his summary memorandum of June 4, 1993 to the Bureau of Reclamation. The board discussed the fact that the contents of this memorandum contained ideas rather than positions of the board.

Butch Clark moved that the June 4, 1993 memorandum from Tyler Martineau be shared with the Bureau of Reclamation and identified as an initial list of issues discovered by the board but not a final position of the board. Lee Spann seconded the motion. The motion carried.

Ramon Reed requested copies of comments from other parties to the agreement.

Tyler Martineau said that Steve Glazer had requested that his written comments be incorporated into the board comments. It was the consensus of the board that Mr. Glazer's comments were included to the extent that the board felt appropriate at the time. Mr. Bratton offered that Mr. Glazer can present his written comments directly to the Bureau of Reclamation.

Reed

13. GUNNISON RIVER (BLACK CANYON) CONTRACT

Tyler Martineau reviewed his June 4, 1993 memorandum with the board. He said that a Purpose and Need Statement is needed for the EIS. He read the purposes as amended at the cooperating agencies meeting with the Bureau of Reclamation and the National Park Service on June 3, 1993.

Lee Spann asked about the purpose of assisting in recovering downstream endangered fish species. Tyler Martineau said that it is a necessary purpose because of the coordination with other operations such as the Aspinall Unit. Susan Lohr noted that this issue is important at the federal level.

Ramon Reed commented that the last purpose in the list read is the most important to the District. He suggested that this purpose be divided into two separate purposes. One purpose would be to minimize the impacts to Colorado water users of reserved right quantification and endangered species releases and the other purpose would be to meet as many needs as possible with the same water releases.

Butch Clark said that the purposes don't include operation of the upper river system for hydro-power (WAPA). Tyler Martineau said that the consensus at the Gunnison River Contract meeting was that WAPA is a water user and included in this way. Butch Clark said that he would be more comfortable if WAPA needs were identified specifically. Lee Spann also indicated that identification of WAPA's needs is important to this contract.

Dennis Steckel asked if the exchange agreement is an authorized use of water out of the Aspinall Unit. Tyler Martineau said that it would probably be considered a non-legal authorized use. Mr. Steckel noted that the tightening of the Aspinall uses will have a dramatic effect on the Upper Gunnison water users.

Tyler Martineau said that the Bureau of Reclamation is talking about using the Gunnison River Contract to allocate the entire storage in the Aspinall Unit to various purposes and the Colorado River Water Conservation District is very concerned. Butch Clark observed that if multiple uses of the same water are identified it may be helpful.

Susan Lohr asked why the scope of the Gunnison River Contract was broadened. Tyler Martineau said that the Bureau of Reclamation and the National Park Service would probably respond that that it was enlarged in response to the comments from the public scoping process.

Butch Clark said that it is necessary to know the responsibilities of a cooperating agency in regard to this contract development so that the manager's time and the budget can be allocated accordingly. Mr. Martineau said that the cooperator's agreement states the major responsibilities as attendance and participation at meetings and review of documents.

Tyler Martineau said that the District goal in participation is that the Upper Gunnison River water users will not be hurt when the National Park Service quantifies the 1933 reserved water right in the Black Canyon and exercises it.

14. EAST RIVER STUDY

Tyler Martineau stated that Lynn Cudlip transmitted her report, "Summary of Water Quality Studies for the East and Slate River Drainages", to the District. He said that he is very pleased with the report and asked board members to let him know if they wanted a copy of the report.

Mr. Martineau said that he had been unable to attend the meeting of advisors for Gunnison County's 201 wastewater facilities study. Bill Trampe attended the meeting and reported on information in addition to that in the summary in Mr. Martineau's June 11, 1993 memorandum. Mr. Trampe said that Gary Tomsic and Joanne Williams will project wastewater uses in the unincorporated areas of the county for the next twenty years. He said that the consultant for the county has requested all information be provided by July 1, 1993.

Lee Spann and Mark Schumacher asked the extent of the area to be covered by the county's 201 study. Mr. Trampe said that the focus will be on the upper East River and that it would not extend to the fish hatchery or Jack's Cabin.

Susan Lohr mentioned her concern that the US Forest Service and the Crested Butte Mountain Resort are moving forward on the Snodgrass Mountain development and should be included in the study of water facility issues. She also mentioned that the county should provide adequate notice of the meetings to members of the 201 Advisory Committee.

Ramon Reed asked Mr. Martineau about the next step in the District's study now that Lynn Cudlip has submitted her report. Mr. Martineau said that funds are left in the contract with Lynn Cudlip so she will do additional information gathering. He said that information is also being shared with the Bureau of Reclamation to write the Task 1 Memorandum. He said that the process has been delayed somewhat by sharing basic information gathering with the county's study. He said that Gunnison County will provide the population projections. Mr. Martineau said that he has more work to do on irrigator's use of water.

Ramon Reed asked if there is a time schedule for the District study. Mr. Martineau said that July was the initial date for completion of the Task 1 Memorandum and the work is behind schedule.

15. MISCELLANEOUS MATTERS

Tyler Martineau discussed the upcoming Water Workshop and explained that the board can designate two attendees and that additional board members can attend all the sessions but will need to pay separately for their meals.

Lee Spann moved that the president and the manager be designated to attend the Colorado Water Workshop at Western State College. Bob Arnold seconded the motion. The motion carried.

Tyler Martineau reviewed his recommendations for the proposed newsletter as presented in his memorandum to the board. Dennis Steckel asked how he obtained the price estimates and Mr. Martineau said that Laura Anderson of the Crested Butte Chronicle & Pilot had assisted him with the proposal.

The board directed Mr. Martineau to proceed with the production of a newsletter based on his recommendations and to advertise through a request for proposal for the writing and production services.

Tyler Martineau referred the board to his June 11, 1993 memorandum summarizing the request to partially sponsor the development of an educational video by the City of Gunnison for school children. There was discussion about the quality of the final product and also the ability of the District to review any opinions about water use presented in the video.

Ramon Reed moved that \$200.00 be donated to the production of the video on water education by the City of Gunnison. Butch Clark seconded the motion. The motion carried five to four.

Tyler Martineau reported that the aquatic biological monitoring workshop is scheduled for July 10, 1993 at the Rocky Mountain Biological Laboratory. Dr. John Cairns will lead the workshop to teach how insects can be a indicator of water quality levels. Susan Lohr suggested that the board members notify Mr. Martineau by June 28 if they can attend. The number of spaces is limited.

Susan Lohr mentioned that she read in the Denver Post newspaper that AWDI is selling. Other board members speculated that the sale might still include AWDI interests.

16. UNSCHEDULED CITIZENS

There were no citizen comments.

17. FUTURE MEETINGS

The next meeting of the board has been scheduled for July 12, 1993 at the Old Town Hall in Crested Butte. The meeting will begin at 7:00 p.m. Gary Sprung invited the board to a reception at 6:30 p.m.

18. ADJOURNMENT

President Trampe adjourned the meeting at approximately 4:05 p.m.

Respectfully submitted,

Mark Schumacher, Secretary

APPROVED:

William S. Trampe, President

Upper Gunnison River Water Conservancy District

TO: UGRWCD Board Members
FROM: Patrice Thomas
RE: Future Board Meetings
DATE: May 25, 1993

The annual board meeting of the Upper Gunnison River Water Conservancy District is scheduled for June 21, 1993, 1:00 p.m., at the Gunnison County Commissioners Room in the Gunnison County Courthouse.

Another board meeting is scheduled for July 12, 1993, 7:00 p.m., in Crested Butte at the Old Town Hall.

Both board meetings are required meetings.

Upper Gunnison River Water Conservancy District

M E M O R A N D U M

TO: Board Members,
Upper Gunnison River Water Conservancy District

FROM: Tyler Martineau *TM*

DATE: May 25, 1993

SUBJECT: Schedule for Negotiating Sessions with the Bureau of Reclamation Concerning the Water Management Agreement.

As you know the first negotiating session with the Bureau of Reclamation concerning the water management agreement has been scheduled for:

First Negotiation
Thursday, June 24, 1993
Multipurpose Building, Gunnison County Rodeogrounds
Gunnison, CO

The Bureau has also requested the following:

Second Negotiation
Thursday, July 15, 1993.
County Commissioners Room
Gunnison County Courthouse
Gunnison, CO

The multipurpose building will be tied up on July 15 with Cattlemans' Days activities. Both meetings will be held at 10:00 am.

Please let me know if you have any difficulty with these dates. Attendance at the negotiations is optional for board members.

cc: Ed Warner

OPERATIONAL EXPENSES PAID

May 10, 1993	U. S. West Communications-office telephone	\$158.09
May 10, 1993	The Paper Clip-office supplies	7.49
May 10, 1993	Tyler Martineau-April direct administrative travel expense	271.30
May 10, 1993	Silver World Publishing-April meeting notices	31.00
May 10, 1993	State Farm Mutual Insurance-health insurance-Tyler Martineau	246.88
May 31, 1993	Reliable Corp.-office supplies	408.70
May 31, 1993	Chronicle & Pilot-April notices	12.50
May 31, 1993	Water Court, Water Division 4-mailing costs for monthly resumes	8.00
May 31, 1993	Tyler Martineau-net salary for pay period 5/1/93-5/31/93	2,474.08
May 31, 1993	Patrice Thomas-net wages for pay period 5/1/93-5/31/93	629.72
May 31, 1993	Rita McDermott-net salary for pay period 5/1/93-5/31/93	251.45
May 31, 1993	Colorado Department of Revenue-CWT-May	219.45
May 31, 1993	First National Bank-FWT & FICA-May	1,599.40

OTHER EXPENSES PAYABLE

May 24, 1993 Special Meeting:

Bob Arnold	attendance-\$25	\$25.00
Ralph Clark III	attendance-\$25	25.00
Susan Allen Lohr	attendance-\$25 & 72 mi.@.25-\$18	absent
Ramon Reed	attendance-\$25	25.00
Mark Schumacher	attendance-\$25 & 20 mi.@.25-\$5	absent
Peter Smith	attendance-\$25	25.00
Lee Spann	attendance-\$25 & 6 mi.@.25-\$1.50	26.50
Dennis Steckel	attendance-\$25	25.00
Doyle Templeton	attendance-\$25 & 64 mi.@.25-\$16	41.00
William Trampe	attendance-\$25 & 14 mi.@.25-\$3.50	28.50
Purvis Vickers	attendance-\$25 & 120 mi.@.25-\$30	55.00

OTHER EXPENSES PAYABLE

June 21, 1993 Annual Meeting:

Bob Arnold	attendance-\$25	\$25.00
Ralph Clark III	attendance-\$25	25.00
Susan Allen Lohr	attendance-\$25 & 72 mi.@.25-\$18	43.00
Ramon Reed	attendance-\$25	25.00
Mark Schumacher	attendance-\$25 & 20 mi.@.25-\$5	30.00
Peter Smith	attendance-\$25	25.00
Lee Spann	attendance-\$25 & 6 mi.@.25-\$1.50	26.50
Dennis Steckel	attendance-\$25	25.00
Doyle Templeton	attendance-\$25 & 64 mi.@.25-\$16	41.00
William Trampe	attendance-\$25 & 14 mi.@.25-\$3.50	28.50
Purvis Vickers	attendance-\$25 & 120 mi.@.25-\$30	55.00
L. Richard Bratton	June retainer fee	50.00
Bratton & McClow	June invoice	7,225.52
Helton & Williamsen, P.C.	May 7, 1993 invoice	212.50
Williams, Turner, & Holmes, P.C.	<i>de?</i>	
WSC Water Workshop	Annual sponsorship	1,200.00

Checked with Cates

**ATTORNEY INVOICES RECEIVED AND PAID
1993**

Bratton and Associates

	Invoice Date	Amount	Date Paid	Budget Year Expended
	12/23/92	\$5,795.34	1/11/93	1992
	1/27/93	\$3,055.31	2/12/93	1993
	2/26/93	\$8,222.00	3/15/93	1993
	3/29/93	\$4,811.26	4/12/93	1993
	4/28/93	\$7,365.28	5/10/93	1993

Williams, Turner, & Holmes, P.C.

	Invoice Date	Amount	Date Paid	Budget Year Expended
diligence	12/31/92	\$126.30	2/8/93	1992
diligence	1/31/93	\$208.10	3/8/93	1993
water rights	1/31/93	\$234.20	3/8/93	1992
diligence	2/28/93	\$1,045.10	4/12/93	1993
water rights	2/28/93	\$70.00	4/12/93	1993
diligence	3/31/93	\$442.20	4/12/93	1993
water rights	3/31/93	\$233.40	4/12/93	1993

Helton & Williamsen, P.C.

	Invoice Date	Amount	Date Paid	Budget Year Expended
Engineering Services	4/9/93	\$63.75	4/12/93	1993
Engineering Services	5/7/93	\$212.50	5/10/93	1993

Total Disbursed \$31,884.74

Total Disbursed-1993 Budget \$25,728.90

Note: These amounts include Travel Expense

UGRWCD
FINANCIAL DATA-5/1/93 THRU 5/31/93

Balance on Hand - April 30, 1993

Checking Account	\$38,655.53
Petty Cash	100.00
Time C.D.-FNB	2,656.89
Time C.D.-Wetlands Fund	920.13
Money Maker-GS&L	40,701.90
Time C.D.-FNB-Lake City	40,378.08
Passbook Savings	27,969.15
TOTAL FUNDS 4/30/93	\$151,381.68

Tax Receipt Collections thru April

Real Estate	\$66,811.99
Specific Ownership	4,629.12
Interest	556.29

Note: Treasurers' Fees are included \$71,997.40

April Tax Receipt Collections Paid in May

Real Estate	\$47,885.91
Specific Ownership	1,103.80
Interest	28.55

Note: Treasurers' Fees are included \$49,018.26

Interest on Investments received in May 178.15
TOTAL TO DATE \$200,578.09

Total Disbursements thru 5/31/93 15,834.19
TOTAL FUNDS 5/31/93 \$184,743.90

Balances as of 5/31/93

Checking Account	\$71,900.83
Petty Cash	100.00
Time C.D.-FNB of Gunnison	2,656.89
Time C.D.-Wetlands-FNB of Gunnison	923.15
Money Maker-GS&L	40,815.80
Time C.D.-FNB of Lake City	40,378.08
Passbook Savings	27,969.15
TOTAL FUNDS 5/31/93	\$184,743.90

BRATTON & McCLOW
232 West Tomichi, Suite 202
P.O. Box 669
Gunnison, Colorado 81230
(303) 641-1903

Upper Gunnison River Water
Conservancy District
275 South Spruce Street
Gunnison, Colorado 81230

May 27, 1993

Professional services:

05/10/93 SP Research requirement of Directors' Surety Bonds;
memorandum to Dick Bratton on same

UGj Attend May board meeting

NO CHARGE

Amount

SUBTOTAL:

[

90.00]

Diligence

04/26/93 jh Research UGRWCD decrees

04/27/93 jh Research UGRWCD decrees and reports

04/28/93 jh Research and write opinion

04/29/93 jh Research and write opinion

04/30/93 jh Research and write opinion

05/04/93 jh Research and write opinion

05/05/93 jh Research and write opinion

05/06/93 jh Research and write opinion

UGd Review and revise memo on diligence; telephone
conference with John Hill to review/revise memo

UGd Additional telephone conference with John Hill;
revise memo; draft letter to Board

PAYMENT IN FULL IS DUE ON RECEIPT OF STATEMENT. A LATE CHARGE
OF 1 1/2% PER MONTH WILL BE ASSESSED ON BALANCES NOT RECEIVED WITHIN 30 DAYS.

THIS STATEMENT DOES NOT INCLUDE DISBURSEMENTS FOR WHICH WE HAVE NOT YET BEEN BILLED.

Amount

SUBTOTAL: [3,805.00]

Administrative

04/30/93 UGd Review minutes of meeting of April 12, 1993

05/10/93 UGd Review various agenda items with Tyler

UGd Attend regular May meeting of Board

SUBTOTAL: [500.00]

Private Instream Flow Rights

04/26/93 jh Research instream administration issue and memo

SUBTOTAL: [150.00]

Taylor Park Reservoir Operations

04/24/93 jh Conference with Dick Bratton

04/28/93 jh Conferences

UGd Review notes, prior decree; telephone conference with John Hill and Tyler re: private rights and 1993 operations; telephone conference with Mike and Scott Loveless (Bureau of Reclamation); telephone conference with Scott Loveless; telephone conference with Mike and Barney White

04/29/93 jh Review draft letter from Barney White

04/30/93 jh Review and revise draft letter; conference calls

UGd Telephone conferences with John (2), Tyler, Mike re: Barney White draft of letter to Division Engineer; telephone conference with Scott Loveless re: letter; telephone conference with Barney, Mike and Tyler

NO CHARGE

05/07/93 UGd Review letter from Barney White to Keith Kepler; draft letter to Loveless, Martineau and Gross and proposed letter to Kepler; telephone conference with Mike Gross

PAYMENT IN FULL IS DUE ON RECEIPT OF STATEMENT. A LATE CHARGE OF 1 1/2% PER MONTH WILL BE ASSESSED ON BALANCES NOT RECEIVED WITHIN 30 DAYS.

THIS STATEMENT DOES NOT INCLUDE DISBURSEMENTS FOR WHICH WE HAVE NOT YET BEEN BILLED.

- 05/10/93 UGd Telephone conference with Tyler and Mike Gross; revise draft letter to Division Engineer in response to Barney White letter; 2 subsequent telephone conferences with Tyler, and revisions to letter
- 05/11/93 UGd Telephone conference with Tyler; revise draft letter to Keith Kepler in response to Barney White's letter
- 05/13/93 UGd Telephone conference with Barney White; telephone conference with Tyler; telephone conference with Tyler and Mike Gross; draft revision to letter to Keith; letter to Barney; letter to Tyler, et. al.

Amount

SUBTOTAL: [1,390.00]

O'Fallon Ditch

- 05/10/93 UGd Review file re: proposed agreement between City and District re: working together and O'Fallon Ditch; review statute and case law; telephone conference with Tim Beaton; telephone conference with Diane Lothamer; revise Motion and Order

SUBTOTAL: [150.00]

Taylor Park Res Management Contract

- 05/23/93 UGd Telephone conference with John Hill re: Taylor Park Reservoir Management Contract NO CHARGE

UGd Work on Taylor Park Management Contract; review contract, make suggested changes

- 05/24/93 UGd Review prior contracts and negotiations for contracts with Bureau of Reclamation re: Taylor Park Reservoir and Curecanti exchanges

UGd Conference with Tyler and Bill to review draft Taylor Park Water Management Agreement; attend Board work session to review Taylor Park Water Management Agreement

SUBTOTAL: [675.00]

PAYMENT IN FULL IS DUE ON RECEIPT OF STATEMENT. A LATE CHARGE OF 1 1/2% PER MONTH WILL BE ASSESSED ON BALANCES NOT RECEIVED WITHIN 30 DAYS.

THIS STATEMENT DOES NOT INCLUDE DISBURSEMENTS FOR WHICH WE HAVE NOT YET BEEN BILLED.

	<u>Amount</u>
For professional services rendered	\$6,760.00
Itemization of costs	
-Telecopier expense	88.00
-Westlaw research charges	76.01
-Postage expense	16.91
-Photocopier expense	47.40
-Long distance telephone expense	128.27
	<hr/>
SUBTOTAL:	[356.59]
<u>Diligence</u>	
-Lodging for John Hill, 10 May	46.20
-Meals for John Hill, 10 - 11 May	26.00
-Film and processing	9.50
-Slides (map and bullet chart)	27.23
	<hr/>
SUBTOTAL:	[108.93]
	<hr/>
Total costs	\$465.52
	<hr/>
Total amount of this bill	\$7,225.52

PAYMENT IN FULL IS DUE ON RECEIPT OF STATEMENT. A LATE CHARGE
OF 1½% PER MONTH WILL BE ASSESSED ON BALANCES NOT RECEIVED WITHIN 30 DAYS.

THIS STATEMENT DOES NOT INCLUDE DISBURSEMENTS FOR WHICH WE HAVE NOT YET BEEN BILLED.

Upper Gunnison River Water Conservancy District

M E M O R A N D U M

TO: Board Members,
Upper Gunnison River Water Conservancy District

FROM: Tyler Martineau *TM*

DATE: June 4, 1993

SUBJECT: Agenda Item 9, June 21, 1993, Board Meeting --
Resolution Authorizing Establishment of Savings
Account with Crested Butte State Bank.

*Need a
resolution
for all
accounts*

Last fall the board of directors authorized the establishment of savings accounts with a number of institutions including the Crested Butte State Bank for the purpose of investing the board's funds in communities throughout the Upper Gunnison River Water Conservancy District. When it was announced that the Crested Butte State Bank would be opening a branch in Gunnison, I decided to delay opening the account until the new branch was opened. Previously the bank had asked that all the persons who would be authorized to sign on the account come in person to the bank. I thought we would benefit from such a delay because there would have been some inconvenience in requesting four people to make a trip during business hours to Crested Butte to open the account, and in travelling to Crested Butte for other bank transactions.

As it has turned out the Crested Butte State Bank has not yet opened the new branch. Therefore, it is probably appropriate to proceed with opening the account in Crested Butte. The Bank has requested that the board provide them with a resolution authorizing the account. A copy of the draft resolution is attached for your review.

DRAFT

RESOLUTION 93-__

I HEREBY CERTIFY that I am the duly elected and qualified Secretary of the Upper Gunnison River Water Conservancy District and the keeper of the records and seal of said District and that the following is a true and correct copy of a resolution duly adopted at a regular meeting of the Board of Directors of said District held in accordance with the By-Laws of said District on the _____ day of _____, 1993.

"Be It Resolved, that Crested Butte State Bank be, and it is hereby, designated a depository of this District and that funds so deposited may be withdrawn upon a check, draft, note or order of the District.

"Be It Further Resolved, that all checks, drafts, notes or orders drawn against said account be signed by any one of the following:

NAME	TITLE
William S. Trampe	President
Robert Arnold	Vice President

New Officers

and countersigned by any one of the following:

Tyler Martineau	Manager
Rita D. McDermott	Treasurer

whose signatures shall be duly certified to said Bank, and that no checks, drafts, notes or orders drawn against said Bank shall be valid unless so signed.

"Be It Further Resolved, that said Bank is hereby authorized and directed to honor and pay any checks, drafts, notes or orders so drawn, whether such checks, drafts, notes or orders be payable to the order of any such person signing and/or countersigning said checks, drafts, notes or orders, or any of such persons in their individual capacities or not, and whether such checks, drafts, notes or orders are deposited to the individual credit of the person so signing and/or countersigning said checks, drafts, notes or orders, or to the individual credit of any of the other officers or not. This resolution shall continue in force until further written notification to said Bank.

In Witness Whereof, I have hereunto affixed my name as Mark Schumacher, Secretary and have caused the seal of said District to be hereto affixed this _____ day of _____, 1993.

Secretary

Upper Gunnison River Water Conservancy District

M E M O R A N D U M

TO: Board Members,
Upper Gunnison River Water Conservancy District

FROM: Tyler Martineau *TM*

DATE: June 11, 1993

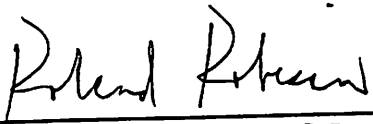
SUBJECT: Agenda Item 11, June 21, 1993, Board Meeting --
Taylor River Private Instream Water Rights.

At the April 12, 1993 board meeting the district was authorized to move forward with negotiations on a one-year interim agreement with Ernest Cockrell concerning administration of water rights on the Taylor River. The purpose of the interim agreement was to provide for Mr. Cockrell's exercise of his instream flow water right on the Taylor River and for the exercise of the district's refill water right in Taylor Park Reservoir in a way that would avoid forcing a resolution of threshold questions concerning the relative priorities of the two water rights.


At the May 10, 1993 board meeting a copy of Barney White's letter to Keith Keppler requesting administration of water rights on the Taylor River for the benefit of the private instream right was circulated to the board. In response to his request a letter from the four parties to the 1975 agreement has been provided to Keith Keppler, a copy of which is attached. The letter preserves the right of the parties to the 1975 Agreement to seek a judicial determination of the relative priorities of the private instream right and the refill right at a later date if it should be necessary. ?

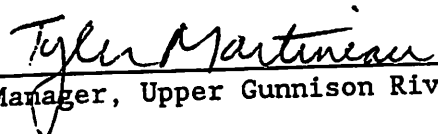
Based upon the schedule of outflows from Taylor Park Reservoir for 1993 it appears that Ernest Cockrell's instream flow demand will be satisfied. The schedule of outflows will also permit the district to achieve a refill in the neighborhood of 50,000 acre-feet. Since the development of the schedule of outflows and the execution of the two letters to Keith Keppler there has been no further discussion of the interim agreement for 1993.

2. We do not agree with all of the legal conclusions in Mr. White's letter, either as stated or implied, with regard to the water rights of Mr. Cockrell and their relationship to the refill water right in 86CW203. However, we believe the agreed schedule of outflows and associated storage in Taylor Park Reservoir will satisfy the need for water in 1993 for the beneficial uses contemplated by the 1975 Exchange Agreement and the purposes decreed in the original Taylor Park Reservoir Decree and the Taylor Park Reservoir refill right awarded in 86CW203. This agreed schedule of outflows is for 1993 only and the United States, together with the other parties to the 1975 Exchange Agreement, intend to exercise the 86CW203 refill right as fully decreed in future years. Moreover, by agreeing to this schedule of operations, we want it thoroughly understood that no precedent is being set which would limit any party's option in seeking a judicial determination of: (1) the relative priorities or relationship between Mr. Cockrell's instream rights in W-1991 and the refill rights in 86CW203, (2) the proper accounting of such water rights, (3) or the rights of the parties to the 1975 Exchange Agreement to operate Taylor Park Reservoir without interference from the instream rights of Mr. Cockrell in W-1991.

By: 
United States Bureau of Reclamation

By: _____
Manager, Uncompahgre Valley Water Users Association

By: 
Assistant Secretary - Engineer, Colorado River
Water Conservation District

By: 
Manager, Upper Gunnison River Water Conservancy District

cc: Charles B. White, Esquire
Brownstein Hyatt Farber and Madden, P.C.
410 Seventeenth Street, 22 Floor
Denver CO 80202

Upper Gunnison River Water Conservancy District

M E M O R A N D U M

TO: Board Members,
Upper Gunnison River Water Conservancy District

FROM: Tyler Martineau *TM*

DATE: June 11, 1993

SUBJECT: Agenda Item 11, June 21, 1993, Board Meeting --
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RECEIVED JUN 10 1993

TAKE
PRIDE IN
AMERICA



United States Department of the Interior

BUREAU OF RECLAMATION
Upper Colorado Regional Office
P.O. Box 11568
Salt Lake City, Utah 84147-0568

IN REPLY
REFER TO:

UC-415

JUN - 4 1993

Mr. Keith Kepler
Division Engineer
PO Box 456
Montrose CO 81402

Subject: Administration of Water Rights Decreed in Case No. W-1991 (Water Rights)

Dear Mr. Kepler:

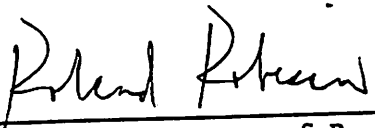
We recently received a copy of the letter to you from Mr. Barney White dated May 3, 1993, relative to the administration of water rights decreed in Case No. W-1991. For the record, the undersigned parties to the 1975 Exchange Agreement would like to advise you of the following:

1. On March 17, 1993, and April 22, 1993, meetings were held in accordance with the provisions of the 1975 Exchange Agreement between the Upper Gunnison River Water Conservancy District, Bureau of Reclamation, Colorado River Water Conservation District and Uncompahgre Valley Water Users Association. The Colorado Division of Wildlife and Ernest H. Cockrell also participated in the meetings as interested parties. As a result of those meetings, the parties to the 1975 Exchange Agreement agreed to the schedule of outflows for 1993 set out below:


- a. May 1 through May 31: 300 cubic feet, until computed inflows to the reservoir reach 550 cubic feet. At that time, a constant outflow of 500 cubic feet will be made for 13 days.
- b. June 1 through July 31: Following the 13-day outflow of 500 cubic feet, outflows will be lowered to 400 cubic feet.
- c. August 1 through August 31: 320 cubic feet per second
- d. September 1 through October 15: 300 cubic feet per second
- e. October 16 through October 31: 100 cubic feet per second

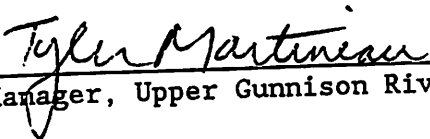
That schedule of outflows was based upon a number of factors, including the anticipated runoff in 1993 and the optimum use of said water; including use for irrigation, fishery, recreation, wildlife, and other uses of water within Taylor Park Reservoir and within Taylor River and the Gunnison River between Taylor Park Dam and Blue Mesa Reservoir. The outflow schedule also took into consideration the potential for flooding because of the anticipated high runoff in 1993.

2. We do not agree with all of the legal conclusions in Mr. White's letter, either as stated or implied, with regard to the water rights of Mr. Cockrell and their relationship to the refill water right in 86CW203. However, we believe the agreed schedule of outflows and associated storage in Taylor Park Reservoir will satisfy the need for water in 1993 for the beneficial uses contemplated by the 1975 Exchange Agreement and the purposes decreed in the original Taylor Park Reservoir Decree and the Taylor Park Reservoir refill right awarded in 86CW203. This agreed schedule of outflows is for 1993 only and the United States, together with the other parties to the 1975 Exchange Agreement, intend to exercise the 86CW203 refill right as fully decreed in future years. Moreover, by agreeing to this schedule of operations, we want it thoroughly understood that no precedent is being set which would limit any party's option in seeking a judicial determination of: (1) the relative priorities or relationship between Mr. Cockrell's instream rights in W-1991 and the refill rights in 86CW203, (2) the proper accounting of such water rights, (3) or the rights of the parties to the 1975 Exchange Agreement to operate Taylor Park Reservoir without interference from the instream rights of Mr. Cockrell in W-1991.

By: 
United States Bureau of Reclamation

By: _____
Manager, Uncompahgre Valley Water Users Association

By: 
Assistant Secretary - Engineer, Colorado River
Water Conservation District

By: 
Manager, Upper Gunnison River Water Conservancy District

cc: Charles B. White, Esquire
Brownstein Hyatt Farber and Madden, P.C.
410 Seventeenth Street, 22 Floor
Denver CO 80202

STATE OF COLORADO

DIVISION OF WATER RESOURCES
WATER DIVISION FOUR
Office of the State Engineer
Department of Natural Resources

Stewart II



received
6/15/93

1540 E. Niagara
P.O. Box 456
Montrose, Colorado 81402
Phone (303) 249-6622
FAX (303) 249-8895

Super

June 14, 1993

Roy Romer
Governor
Ken Salazar
Executive Director
Hal D. Simpson
State Engineer
Keith Kepler
Division Engineer

Charles B. White
Brownstein, Hyatt, Farber & Strickland, P. C.
Twenty-second Floor
410 Seventeenth Street
Denver, Colorado 80202-4437

Dear Mr. White,

This is to acknowledge your May 3, 1993 request that we administer junior water rights for the benefit of Ernest H. Cockrell's instream flow water right on the Taylor River decreed in case no. W-1991. Specifically, you request administration for the 445 c. f. s. instream flow decree for the Taylor River below Taylor Park Dam and above Lottis Creek. There is a stream gaging station directly below Taylor Park Dam. Included in your request is a statement that you would agree to a schedule of flows less than the 445 c. f. s. stated in the decree in order to allow some 'second fill' storage in Taylor Park Reservoir. The schedule of flows you have agreed to would be met by the proposed operation schedule for Taylor Park Reservoir for this year developed by the Bureau of Reclamation and the Upper Gunnison River Water Conservancy District. Subsequent releases of this 'second fill' water stored in Taylor Park Reservoir benefit your client.

I do have a few comments on how we intend to administer and keep records for this instream flow. First, out of priority storage for the Taylor Park second fill must occur in such a way that it does not cause injury to other water rights. We cannot allow an expanded use of your clients rights. Therefore, when Taylor Park Reservoir is storing in accordance with your agreement after the first fill is complete we will curtail only those rights junior to the Taylor Park second fill. We will curtail back to the W-1991 right only when necessary meet the instream flow amounts stated in the schedule and when water is not being put in storage under the second fill. We are not considering the W-1991 right to be exercised for the filling of the reservoir and do not consider this a loan of a water right.

We will administer and keep records for the instream flows below Taylor Reservoir and our current plan is as follows: The maximum beneficial use to be recorded during the period April 1 through October 15 will be limited to 445 c. f. s. The maximum beneficial use to be recorded for the period October 16 through March 31 will

*see page 3 of W-1991 Lottis
Kepler*

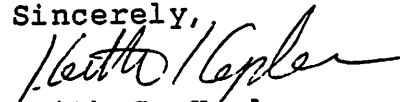
*1992
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*43-
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be limited to 150 c. f. s. These amounts reflect your decreed amount limited by the amount determined to be optimum for fish in the Taylor River by the Court in case no. 86 CW 203. Beginning November 1, the first fill of Taylor Park Reservoir is expected to be in priority. Any water bypassed through Taylor during this first fill period will be shown as stream flow being used for fishery purposes. After the first fill is complete, the natural inflow passing through Taylor Park Reservoir will be shown as stream flow being used for fishery purposes and any release from storage will be shown as reservoir release for fishery purposes, up to the limits stated above.

I am hoping that this plan for administration will be acceptable to the many parties that have an interest in this issue.

Sincerely,



Keith C. Kepler
Division Engineer

KK

cc. Hal Simpson, State Engineer
Steve Sims, Deputy Attorney General
Tyler Martineau, Upper Gunnison Water Conservancy District
Jim Hokit, Uncompahgre Valley Water Users Association
Brent Uilenberg, U. S. Bureau of Reclamation
Col Stanton, U. S. Bureau of Reclamation
Mike Gross, Colo. River Water Conservation District
Bob Drexel, Water Commissioner

Agenda Item 6c
5/10/93**BROWNSTEIN HYATT FARBER & STRICKLAND, P.C.****ATTORNEYS AT LAW**
TWENTY-SECOND FLOOR
410 SEVENTEENTH STREET
DENVER, COLORADO 80202-4487
TELEPHONE (303) 534-8335
TELECOPIER (303) 623-1956

Charles B. White

May 3, 1993

VIA FAX**Mr. Keith Kepler**
Division Engineer
Water Division No. 4
P. O. Box 456
Montrose, CO 81402**Re: Administration of Water Rights Decreed in Case No. W-1991**

Dear Keith:

I am writing on behalf of Ernest H. Cockrell, the owner of certain of the water rights adjudicated in Case No. W-1991, Water Division No. 4, on February 11, 1975, with a date of appropriation of June 1, 1910. Mr. Cockrell owns the entire 445 c.f.s. right in the Taylor River above the confluence of Lottis Creek and below Taylor Park Dam and an undivided interest in the 225 c.f.s. right in the Taylor River above Taylor Park Dam and below the confluence of Illinois Creek (collectively, the "W-1991 Rights").

As he and his predecessors have done in prior years, Mr. Cockrell will exercise the W-1991 Rights in their full decreed amounts, to the extent that water is available in priority. We request that you administer water rights in the Taylor River and its tributaries in priority for the benefit of the W-1991 Rights.

In particular, but not by way of limitation, we request that you administer the absolute and conditional second filling rights adjudicated to Taylor Park Reservoir in Case No. 86CW203 on September 18, 1990, with a date of appropriation of August 28, 1975, whenever the following circumstances exist, subject to the conditions of this letter:

1. The 1904 water right for the first filling of Taylor Park Reservoir has been fully satisfied during the current water year, in accordance with the accounting conditions attached as Schedule A to the decree in Case No. 86CW203;

Mr. Keith Kepler
May 3, 1993
Page 2

- 2. Inflows to Taylor Park Reservoir exceed outflows;
and
- 3. Outflows from Taylor Park Reservoir are less than
445 c.f.s.

The full decreed amount of 445 c.f.s. is necessary and can and will be used to achieve the beneficial uses decreed in Case No. W-1991. The W-1991 Rights could require the bypass of all inflows into Taylor Park Reservoir up to 445 c.f.s. However, in view of the hydrology of the Taylor River, there are certain times at which the storage of a portion of the inflows in Taylor Park Reservoir under the priority of the second filling can provide benefits to the 445 c.f.s. right by regulating the flows of the River and providing sustained higher flows throughout the summer and fall months. Storage of such inflows can, therefore, help to optimize the use of the waters of the Taylor River to achieve all of the beneficial purposes for which the W-1991 Rights are decreed, provided that such storage and subsequent release occur pursuant to an agreement of the parties and releases are made according to a schedule which is appropriate to the hydrologic circumstances of each water year.

We have reached agreement with the Bureau of Reclamation and the Upper Gunnison River Water Conservancy District concerning a flow regime for 1993 which is intended to optimize the beneficial use of water for the decreed purposes of the W-1991 Rights, taking into account the unique circumstances which exist during this water year. Mr. Cockrell will consent to the storage of portions of the inflow into Taylor Park Reservoir under the priorities awarded in Case No. 86CW203 on the condition that releases from the Reservoir are made according to the following schedule:

May 1 through May 31: 300 c.f.s., until computed inflows to the Reservoir reach 550 c.f.s. At that time, a constant release of at least 445 c.f.s. will be made for 13 days.

June 1 through July 31: Following the 13-day release of at least 445 c.f.s., releases will be lowered to 400 c.f.s.

August 1 through August 31: 320 c.f.s.

September 1 through October 15: 300 c.f.s.

October 16 through October 31: 100 c.f.s.

May 19th, 93
Schedule
1 May 300
2 May 500
1 June 400
2 June 400
1 Jul 400
2 Jul 400
1 Aug 325
2 Aug 325
1 Sep 300
2 Sep 300
1 Oct 300
2 Oct 100

Mr. Keith Kepler
May 3, 1993
Page 3

Whenever a change in the rate of release from Taylor Park Reservoir is to occur pursuant to this letter, releases may be ramped up or down at the rate of approximately 50 c.f.s. per day in order to minimize adverse effects on the fishery, recreation, wildlife, and other uses of water within the Taylor River.

Mr. Cockrell will consider all water stored in Taylor Park Reservoir at times when outflows from the Reservoir are less than 445 c.f.s. to have been stored with his consent under the priorities decreed in Case No. 86CW203, on the condition that the stored water is released to the stream in accordance with the schedule described above. This allowance of storage is further conditioned on the continued accounting of Taylor River water rights which recognizes that the stored water will be beneficially used under the priority of the W-1991 Rights at the time that it is released.

We request that you maintain records of the exercise of the W-1991 Rights by using the records of flow at the USGS gauge in the Taylor River immediately below Taylor Park Dam to establish the quantities of water which are actually used by the 445 c.f.s. right, up to its decreed rate of flow.

The allowance of storage under the priority of the 86CW203 rights in accordance with this letter is intended to apply only with respect to the 86CW203 rights, and only for calendar year 1993. It is not intended as a subordination, abandonment, or non-use of any aspect of the W-1991 Rights, and is not intended for the benefit of any water right or water user other than the 86CW203 right. Mr. Cockrell's objective is to allow the flows of the Taylor River to be regulated in a manner which will optimize the beneficial use of water for each of the decreed purposes of the W-1991 Rights. This practice is in the nature of a loan or substitution of water and is consistent with the State's policy of optimum use of water and the legislative intent expressed in C.R.S. §§ 37-80-120, 37-83-104, and 37-83-105.

The flow rates specified in this letter may be altered by agreement between Mr. Cockrell, the Bureau of Reclamation, and the Upper Gunnison River Water Conservancy District as necessary to avoid the risk of flooding or for other agreed reasons. In order to facilitate your administration of the W-1991 Rights, you may assume that Mr. Cockrell has consented to a change in the above rates which has been proposed or implemented by the Bureau of Reclamation unless we notify you in writing of his objection.

Please give me a call at your earliest convenience with any questions or comments concerning this letter or other matters which

Mr. Keith Kepler
May 3, 1993
Page 4

may arise concerning the administration of the W-1991 Rights.
Thank you for your cooperation.

Very truly yours,



Charles B. White

CBW:kb

cc: Ernest H. Cockrell
Brent E. Spronk
✓ L. Richard Bratton, Esq.
Brent R. Uilenberg

Upper Gunnison River Water Conservancy District

M E M O R A N D U M

TO: Board Members,
Upper Gunnison River Water Conservancy District

FROM: Tyler Martineau *TM*

DATE: June 4, 1993

SUBJECT: Agenda Item 12, June 21, 1993, Board Meeting --
Taylor Park Water Management Agreement.

The following is a summary of the major comments developed to date by the board and staff concerning the proposed Taylor Park Water Management Agreement. I have discussed the comments highlighted in bold with Brent Uilenberg of the Bureau of Reclamation. He said that the Bureau will not provide any response to the district's comments until the first negotiation session on June 24.

- * **The Bureau of Reclamation should provide copies of the Federal Acts referred to on pages 1, 5, and 10 of the proposed agreement.** *? Inclusive*
- * **The Bureau of Reclamation should provide an explanation of which provisions of reclamation law would apply to the water management agreement.**
- * Page 2, paragraph (a). The Gunnison District is of the opinion that the agreement should be clarified so that it is clear that the Uncompahgre Valley Water Users' Association (Association) should pay all of the reimbursable costs of the Uncompahgre Project. Additionally, the Gunnison District should not be required to assume any of the obligations of the Association. *of*
- * Page 2, paragraph (b), Language should be added to clearly identify this right as the 1st fill storage right.
- * Page 2, paragraph (c), last sentence. The sentence should be reworded to describe both the absolute and conditional portions of the irrigation portion of the refill decree.

- * Page 3, paragraph (e). Following the words, "upstream depletion", add "by water rights junior to the Aspinall Unit," and strike the word "of".
- * Page 3, paragraph (f). Following the words "August 28, 1975", add "(1975 Agreement)".
- * Page 4, paragraph (g). Strike the words "which would result in a maximum of 40,000 acre-feet of depletions above Blue Mesa Dam as described in the 1959 Economic Justification Report".
- * Page 4, paragraph (i). Strike the words, "additional surplus".
- * Page 4, paragraph (i). Following the words, "with no capital expenditures by the Association, or the United States", add the words "or the Gunnison District".
- * Page 5, paragraph 2(a). The Gunnison District requests a 50-year term.
- * Page 5, paragraph 2(b). The Gunnison District requests a 50-year term.
- * Page 6, paragraph 2(c). The use of the word, "supplemental" should be explained. Does this have implications with respect to the Reclamation Reform Act of 1982?
- * Page 6, paragraph 2(d). The Gunnison District believes that termination should be by mutual consent rather than by action of any one party.
- * Page 6, paragraph 2(e). The paragraph should apply equally to all of the parties to the agreement.
- * Page 6, paragraph 3(a). Strike the words, "Subject to Reclamation's final approval of the release schedule", and add the words, "and 1990 agreement, and in accordance with the annual release schedule developed by the four parties to the 1975 agreement". The annual operations meeting should also be mentioned in this paragraph.
- * Page 6, paragraph 3(a). This paragraph should provide that there will be no depletion charge against the 60,000 acre-feet subordination for fishery and recreation releases from Taylor Park Reservoir. Only quantities of water actually depleted should count against the subordination. There also should be no monetary charges paid for water used solely for fishery and recreation purposes other than those identified in the 1975 agreement and the 1990 agreement.

June 4, 1993

- * Page 7, paragraph 3(a), first line. Reword the sentence to read, "shall be protected by the Colorado State Engineers Office against diversion by intervening appropriators".
- * Page 7, paragraph 3(d). This provision will result in the Gunnison District having no refill water to carry over for use in a dry year. The fact that the district may not have a firm source of supply of water in a dry year when the water is needed may mean that the usefulness of the refill as a replacement source in an augmentation plan is very limited.
- * Page 8, paragraph 4(a). This paragraph provides for the Gunnison District to be paying for a large amount of storage in wet years when it may not be needed. Then in dry years when water is needed it may not be available.
- * Page 8, paragraph 4(a), first sentence. Add the word, "only", after the word "Taylor Park Reservoir".
- * Page 8, paragraph 4(a). The methodology for calculating the accounting and management charge should be fully described to the Gunnison District. There should be an open review process for the calculation of accounting and management charges.
- * Page 8, paragraph 5(a). The amount of storage for irrigation uses should be variable each year, with the range of storage amounts falling between zero and 19,200 acre-feet. There should be no minimum amount of storage. The amount of storage for irrigation should be determined each year at a May operations meeting.
- * Page 8, paragraph 5(a), second sentence. The words, "The consumptive uses of", should be added to the beginning of the sentence.
- * Page 9, paragraph 5(b). The Upper Gunnison River Water Conservancy District should not be bound to pay for water, if any, released unilaterally by the Bureau of Reclamation.
- * Page 9, paragraph 6(a). Due to amendment 1 the Gunnison District may not be able to enter into a long term agreement that involves a general obligation to the Bureau. The meaning of "general obligation" needs to be clarified.
- * Page 9, paragraph 6(b). The first sentence is not consistent with other parts of the agreement.
- * Page 9, paragraph 7. The words, "other causes", should be removed.

CO
1975
1990
agreement

Set out
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ms.

June 4, 1993

- * Page 9, paragraph 7. The Gunnison District should be compensated if there is intentional loss of use of refill water which results from an act of the Bureau.
- * Page 10, paragraph 8. The words, "by the Gunnison District," at the end of the sentence should be moved and inserted following the word, "whatsoever". The language in paragraph 8 needs to clarify who has control of what functions.
- * The Gunnison District would like to develop the agreement so that when existing irrigated lands are dried up water may be moved to other existing irrigated lands or new irrigated lands. That is, there would be no net increase in irrigation depletions contemplated by the agreement.

The negotiating team will be seeking additional direction and comments from the board of directors concerning the water management agreement at the meeting of the board on June 21.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF RECLAMATION

UNCOMPAHGRE PROJECT, COLORADO
WATER MANAGEMENT AGREEMENT

AMONG
THE BUREAU OF RECLAMATION,
THE UNCOMPAHGRE VALLEY WATER USERS ASSOCIATION,
UPPER GUNNISON RIVER WATER CONSERVANCY DISTRICT,
AND THE COLORADO RIVER WATER CONSERVATION DISTRICT

THIS AGREEMENT, made this ____ day of _____, 199__, among the **BUREAU OF RECLAMATION**, hereinafter referred to as the United States or as Reclamation, under the provisions of the Act of June 17, 1902 (32 Stat. 388), and Acts amendatory thereof and supplementary thereto, particularly the Acts of April 11, 1956 (70 Stat. 105), March 10, 1934 (48 Stat. 401) as amended, and Section 7 of the Act of July 9, 1965 (79 Stat. 216), the **UNCOMPAHGRE VALLEY WATER USERS ASSOCIATION**, hereinafter referred to as the Association, a corporation organized and existing under the laws of the State of Colorado, having its principal place of business at Montrose, Colorado, the **UPPER GUNNISON RIVER WATER CONSERVANCY DISTRICT**, hereinafter referred to as the Gunnison District, a conservancy district organized under the laws of the State of Colorado, having its principal place of business at Gunnison, Colorado, and the **COLORADO RIVER WATER CONSERVATION DISTRICT**, hereinafter referred to as the Colorado District, a quasi-municipal entity organized *abovine* under the laws of the State of Colorado, having its principal office at Glenwood Springs, Colorado;

DRAFT 3-01-1993

PREAMBLE

WITNESSETH, That the following statements are made in explanation:

(a) WHEREAS, the United States constructed the Uncompahgre Project, including the Taylor Park Dam and Reservoir on the Taylor River, a tributary to the Gunnison River, and pursuant to that certain contract dated December 13, 1948, symbol Ilr-1530, between the United States and the Association, the Association is obligated to repay the reimbursable costs of the project, and to operate and maintain the project in accordance with the terms and conditions of said contract; and,

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page 2*

(b) WHEREAS, the United States is the owner of an adjudicated water right for the storage of 111,260 acre feet of water in Taylor Park Reservoir which water right was decreed by the District Court of Gunnison County, Water District No. 59, with a priority date of August 3, 1904; and,

Here in after referred to as follows

(c) WHEREAS, the Gunnison District was granted a decree by the District Court of Gunnison County, Water Division 4, in Case No. 86-CW-203 for the refill of Taylor Park Reservoir in the amount of 106,230 acre feet with an appropriation date of August 28, 1975, to be used for recreational purposes, including fishery and wildlife, while the water is impounded in the reservoir, and released at times and in quantities calculated to enhance the fishery and recreational uses of the Taylor and Gunnison Rivers above Blue Mesa Reservoir. Of the total refill right of 106,230 acre feet, the Court declared 44,700 acre-feet be adjudicated absolute under this Decree, and the remaining 61,530 acre-feet be decreed conditional for the same aforesaid uses and purposes. In addition, the court ruled that 19,200 acre-feet of the absolute

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change

DRAFT 3-01-1993

decreed amount for fishery and recreation purposes may also be used for ^{As of the} ~~increased and~~ ~~supplemental~~ irrigation within the Gunnison District; and,

(d) WHEREAS, the United States has constructed, as part of the Colorado River Storage Project (Act of April 11, 1956, 70 Stat. 105), the Wayne N. Aspinall Storage Unit (formerly the Curecanti Unit) consisting of a three-reservoir complex on the Gunnison River below the confluence with the Taylor River, the three reservoirs known as Blue Mesa, Morrow Point, and Crystal, and hereinafter collectively referred to as the Aspinall Unit; and,

(e) WHEREAS, the Economic Justification Report for the Wayne N. Aspinall Unit, dated February 5, 1959, anticipated and provided for the future upstream depletion of ^{by water from the Gunnison or equal amount of Aspinall Unit.} 40,000 acre-feet of water above Blue Mesa Dam, 50,000 acre-feet above Morrow Point Dam, and 60,000 acre-feet above Crystal Dam; and,

(f) WHEREAS, the parties hereto entered into Contract No. 6-07-01-00027, ^{has in after referred to as 1975 Agreement} dated August 28, 1975, relating to the ~~manner~~ of operation of Taylor Park Dam and Reservoir; and providing for storage exchange between Taylor Park Reservoir and the Aspinall Unit to optimize fishery conditions and recreation uses; and,

(g) WHEREAS, the purposes of the said 1975 agreement include the furtherance of conservation and better utilization and management of available water supplies; coordinated releases of water from Taylor Park Reservoir and the regulation of releases at the Aspinall Unit in order to benefit the Gunnison District, the Association, and the Colorado District; the enhancement of recreation and fishery purposes of the Colorado River Storage Project, of which the Aspinall Unit is a part; and the provision for coordinated releases to allow for the beneficial

use of water by the Gunnison District which would result in a maximum of 40,000 acre-feet of depletions above Blue Mesa Dam as described in the 1959 Economic Justification Report; and,

(h) WHEREAS, the 1975 agreement provides that the Gunnison District may apply for a water right on all surplus flows in the Taylor River above Taylor Park Reservoir and that all water so appropriated shall be used by the Gunnison District in the Upper Gunnison area. The agreement further provides that Taylor Park Reservoir will be operated ~~in such a manner~~ as to assist the Gunnison District in using such water provided that all other purposes recited in the said agreement and the original purposes of Taylor Park Reservoir are ^{not impaired} accommodated; and,

(i) WHEREAS, ^(as stipulated in the agreement dated April 16, 1990, among the parties hereto) the Gunnison District has assigned the Taylor Park refill storage right granted in Case No. 86-CW-203 to the United States, hereinafter referred to as the "refill right", which will result in ~~additional surplus~~ waters being stored for beneficial use in Taylor Park Reservoir, for the purpose of furthering the goals and objectives of the 1975 agreement, with no capital expenditures ~~by the Association or the United States;~~ and,

RRR
(circled)
Source of language
basis of agreement
RRR
also increased transfer
to maintain history's stated part!

⁽ⁱ⁾ WHEREAS, the parties hereto desire to enter into a water management agreement whereby storage and releases from Taylor Park Reservoir and the Wayne N. Aspinall ~~Storage~~ Unit are managed in a manner to provide for the beneficial use of water stored under the refill right.

cessing
controlled -
pass through

NOW, THEREFORE, it is mutually agreed as follows:

DEFINITIONS

1. Where used in this agreement, the term:

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rise
a. "Federal Reclamation Laws" means the Act of June 17, 1902 (32 Stat. 388), and all acts amendatory thereof or supplementary thereto. *how to define*

b. "Secretary" or "Contracting Officer" means the Secretary of the Interior, United States of America, or his duly authorized representative.

c. "Association" means the Uncompahgre Valley Water Users Association.

d. "Gunnison District" means the Upper Gunnison River Water Conservancy District.

e. "Colorado District" means the Colorado River Water Conservation District.

f. "Districts" means the Gunnison District and the Colorado District.

g. "Taylor Park Gage" means United States Geological Survey (USGS) river gage number 09109000, Taylor River below Taylor Park Reservoir, Colorado, located 1000 feet downstream from Taylor Park Reservoir Dam.

h. "Irrigation water" means water used or intended to be used primarily in the production and raising of agricultural crops and/or the raising of livestock.

does this include golf courses

TERM OF AGREEMENT

2. a. This agreement shall be effective on execution hereof, and shall remain in effect for a period of ²⁵ years. *Commissioner of Rec says 25 years May 19, 1993 Galton*

b. The agreement may be renewed for an additional ²⁵ year period following expiration of this agreement and upon written request to Reclamation by all the other signatory parties within two years prior to the expiration of this agreement on terms and conditions satisfactory to the Secretary at that time.

c. This agreement ~~shall not be construed as amendatory~~ ^{is not} to the said 1975 agreement or the April 16, 1990 agreement but ^{is} supplemental thereto. The use of Taylor Park Reservoir by the Gunnison District for recreational, fishery, and ~~supplemental~~ irrigation purposes must (at all times) be consistent with each and all provisions of the 1975 agreement and the April 16, 1990 agreement, and shall not interfere with the operation of Taylor Park Reservoir for the benefit of both the Uncompahgre Project and/or the ~~Wayne N.~~ Aspinall Unit.

d. Any one party may terminate this agreement at any time. Termination as above provided shall be accomplished by written notice by any signatory party as provided in Article 10.a. herein, at least 90 days prior to the date of such termination.

e. Upon failure of the Gunnison District to perform its obligations under this agreement, the United States will notify the Gunnison District in writing of intent to terminate this agreement. The Notice of Termination shall specify each failure of the district, and shall further provide that the Gunnison District may, within a 90-day period from the date of said notice, present a detailed program to correct such problems and/or deficiencies, and the United States shall review and reasonably accept such corrections and thereby waive the termination notice.

RELEASE, EXCHANGE, AND MEASUREMENT OF WATER

3. a. Water ^{pass through} ~~stored~~ under the refill right solely for fishery and recreational purposes shall be ^{utilized to meet} ~~released in furtherance~~ of the objectives of the 1975 agreement, subject to Reclamation's final approval of the release schedule. Refill water released solely for fishery and recreation purposes, from the outlet works of Taylor Park Dam to ~~Blue Mesa Reservoir~~, shall be protected

Handwritten notes:
- circled 'a' and 'd' in the original text
- "I have changed and add termination" near paragraph d
- "will check" near paragraph e
- "need to recognize liability in the agreement" near the bottom left

Handwritten notes:
- "By Rec want not to have this applied beyond 1995 - 4/16/90" near paragraph c
- "I do not do" near paragraph d
- "Make apply to all parties" near paragraph e

under Colo Law

or from

against diversion, by the Colorado State Engineers Office, by ~~intervening appropriators~~. Refill water ~~stored and released~~ ^{*accounted for the refill right*} solely for fishery and recreational purposes shall be considered to have fulfilled its decreed purposes when it reaches Blue Mesa Reservoir, and shall then be available for further beneficial use within the appropriation system of the State of Colorado.

*Make it clear that Principles
1) no depletion for fish and rec.
2) only account depletion credit on suborder
3) no monetary charge for fish and rec other*

b. The refill water released by the Association from the outlet works of Taylor Park Dam for use by the Gunnison District for ~~increased and supplemental~~ irrigation purposes will be measured at the Taylor Park Gage and administered by the Colorado State Engineers Office as a contract release of storage to the Gunnison District. The Gunnison District shall suffer all distribution and administration losses from the point of such measurement to the place of use.

c. A record of all water stored and released ^{*attributable to*} under the refill right will be maintained by Reclamation and such records will be available during regular business hours for inspection by ~~the Association, the Gunnison District, the Colorado District, and the Colorado State Engineers Office.~~ *(Records part of accounting system)*

use accounts

d. On November 1 of each year any water in storage in Taylor Park Reservoir shall be accounted against the Associations first fill storage right and the Gunnison District shall thereafter have no right, power or authority with respect to all or any part of said water.

except as provided under 1973 Ag 1950 Ag

e. In the event Reclamation and/or the Association shall determine that the water storage level in Taylor Park Reservoir must be reduced for repair purposes, or any other emergency, notwithstanding that all or part of the water stored therein may have been stored under the refill right, Reclamation and/or the Association shall require said release at a time and rate to be determined solely by Reclamation and/or the Association. Any such releases shall be

first charged against any water in storage under the refill right.

RATE AND METHOD OF PAYMENT

4. a. The Gunnison District agrees to pay to the United States annually an adjustable accounting and management charge for the use of Taylor Park Reservoir to store water under the United States' refill right for increased and supplemental irrigation purposes for the benefit of the Gunnison District. Such charge shall be \$___ per acre-foot times the maximum number of acre-feet stored in Taylor Park Reservoir for these purposes during the preceding November 1 through October 31 period. Such amount shall not exceed ___ acre feet annually. The first payment shall be made on January 15, ____. Subsequent payments shall be made annually by January 15 for the previous contract year. Such payments shall be in addition to operation and maintenance payments due the Association by the Gunnison District and the Colorado District as part of the 1990 agreement.

QUANTITY OF WATER AND RELEASE SCHEDULE

5. a. The parties agree that Reclamation, the Association, and the Gunnison District will attempt to manage the operation of Taylor Park Reservoir to store and release a minimum amount each year of ___ acre feet of refill water to be used by the Gunnison District for ~~increased and supplemental~~ irrigation and ~~incidental~~ recreation and ~~and~~ fishery purposes. ~~This~~ *concurrent uses* water will be accounted for as part of the anticipated upstream depletion of 40,000 acre-feet *by Gunnison & spent in the project* above Blue Mesa Dam as described in the 1959 Economic Justification Report.

Memo to [unclear]

b. A water release schedule for the upcoming period will be developed pursuant to Article 11. This schedule will be based upon the total quantity of water available for the period

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from November 1 through October 31 of each year. If the parties cannot mutually agree to a water release schedule for the upcoming period, Reclamation's decision regarding releases shall prevail until a satisfactory water release schedule is developed, or the dispute can be resolved.

GENERAL OBLIGATION - BENEFITS CONDITIONED ON PAYMENT

6. a. The payment obligation of the Gunnison District to the United States as provided in this agreement is a general obligation of the Gunnison District notwithstanding the manner in which the obligation may be distributed among the Gunnison District's water users and notwithstanding the default of individual water users in their obligations to the Gunnison District.

b. The payment of charges becoming due hereunder is a condition precedent to receiving benefits under this agreement. The United States and the Association shall not make water available for the Gunnison District during any period in which the Gunnison District may be in arrears in the payments due the United States hereunder and/or the Association under the April 16, 1990 agreement.

SHORTAGE OF WATER

7. On account of drought, sedimentation within the reservoir, failure of facilities, restraint by court or public authority, or other causes, there may occur at times a shortage during any year in the quantity of water available from the refill of Taylor Park Reservoir to the Gunnison District pursuant to this agreement, and in such an event there shall not be any liability against the United States or the Association or any of their officers, agents, or employees for any damage direct or indirect, arising therefrom.

CLAIM OF DAMAGE

8. The Gunnison District shall hold the United States and the Association harmless on account of damage or claim of damage of any nature whatsoever, including property damage, personal injury, or death arising out of or connected with the control, carriage, handling, use, disposal, or distribution of such refill water by the Gunnison District.

APPLICABLE RECLAMATION LAW

9. All water delivered pursuant to this agreement is subject to and controlled by the Colorado River Compact, dated November 24, 1922; the Boulder Canyon Project Act approved December 21, 1928; the Boulder Canyon Project Adjustment Act of July 19, 1940; the Upper Colorado River Basin Compact dated October 11, 1948; the Mexican Water Treaty of February 3, 1944; the Colorado River Storage Project Act of April 11, 1956; and the Colorado River Basin Project Act of September 30, 1968; and any other applicable Federal Reclamation laws.

NOTICES

10. a. Any notice, demand, or request authorized or required by this agreement shall be deemed to have been given on behalf of any part when mailed, postage prepaid, or delivered to the following participants:

- (1) Regional Director
Upper Colorado Region
Bureau of Reclamation
P.O. Box 11568
125 South State Street
Salt Lake City, Utah 84147
- (2) President, Uncompahgre Valley
Water Users Association
P.O. Box 69
Montrose, Colorado 81401
- (3) President, Upper Gunnison River
Water Conservancy District
275 South Spruce Street
Gunnison, Colorado 81230
- (4) President, Colorado River Water
Conservation District
P.O. Box 1120
Glenwood Springs, Colorado 81602

b. The designation of the addressee or the address may be changed by notice given in the same manner as provided in this article for other notices.

MEETINGS

11. The Association, Gunnison District, Colorado District, and Reclamation agree to participate in one (1) meeting each year on _____. At this meeting the parties will adopt a water release schedule for the upcoming period of 1 year as required in Article 5.b.

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Additional meetings will be held at the request of any signatory party to coordinate the terms of this agreement.

STANDARD CONTRACT ARTICLES

12. The standard contract articles applicable to this agreement are listed below. The full text of these standard articles is attached as Exhibit A and is hereby made a part of this contract.

- A. Officials Not to Benefit
- B. Assignment Limited - Successor's and Assigns Obligated
- C. Quality of Water
- D. Water and Air Pollution
- E. Equal Opportunity
- F. Title XI, Civil Rights Act of 1964

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IN WITNESS WHEREOF, the parties hereto have caused this agreement to be duly executed as of the day and year first above written.

THE BUREAU OF RECLAMATION

By _____
Regional Director
Upper Colorado Region

ATTEST:

**THE UNCOMPAHGRE VALLEY WATER
USERS ASSOCIATION**

Secretary

By _____
President

ATTEST:

**THE UPPER GUNNISON RIVER WATER
CONSERVANCY DISTRICT**

Secretary

By _____
President

**WE CONCUR:
ATTEST:**

**THE COLORADO RIVER WATER
CONSERVATION DISTRICT**

Secretary

By _____
President

EXHIBIT A

OFFICIALS NOT TO BENEFIT

A. No Member of or Delegate to Congress, Resident Commissioner or official of the Contractor shall benefit from this contract other than as a water user or landowner in the same manner as other water users or landowners.

ASSIGNMENT LIMITED - SUCCESSORS AND ASSIGNS OBLIGATED

B. The provisions of this contract shall apply to and bind the successors and assigns of the parties hereto, but no assignment or transfer of this contract or any right or interest therein shall be valid until approved in writing by the Contracting Officer.

QUALITY OF WATER

C. The operation and maintenance of project facilities shall be performed in such a manner as is practicable to maintain the quality of raw water made available through such facilities at the highest level reasonably attainable, as determined by the Contracting Officer. The United States does not warrant the quality of water and is under no obligation to construct or furnish water treatment facilities to maintain or better the quality of water.

WATER AND AIR POLLUTION CONTROL

D. The Contractor, in carrying out this contract, shall comply with all applicable water and air pollution laws and regulations of the United States and the State of Colorado, and shall obtain all required permits or licenses from the appropriate Federal, State, or local authorities.

EQUAL OPPORTUNITY

E. During the performance of this contract, the Contractor agrees as follows:

1. The Contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin. The Contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, or national origin. Such action shall include, but not be limited to, the following: Employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeships. The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the Contracting Officer setting forth the provisions of this nondiscrimination clause.

2. The Contractor will, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, state that all qualified applicants will receive consideration for employment without discrimination because of race, color, religion, sex, or national origin.

3. The Contractor will send to each labor union or representative of workers, with which it has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the Contracting Officer, advising the said labor union or workers' representative

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of the Contractor's commitments under Section 202 of the Executive Order 11246 of September 24, 1965, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

4. The Contractor will comply with all provisions of Executive Order No. 11246 of September 24, 1965, as amended, and of the rules, regulations, and relevant orders of the Secretary of Labor.

5. The Contractor will furnish all information and reports required by said amended Executive Order and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to its books, records, and accounts by the Contracting Officer and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

6. In the event of the Contractor's noncompliance with the nondiscrimination clauses of this contract with any of the such rules, regulations, or orders, this contract may be canceled, terminated, or suspended, in whole or in part, and the Contractor may be declared ineligible for further Government contracts in accordance with procedures authorized in said amended Executive Order, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

7. The Contractor will include the provisions of paragraphs (1) through (7) in every subcontract or purchase order unless exempted by the rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204 of said amended Executive Order, so that such provisions will be binding upon each subcontractor or vendor. The Contractor will take such action with respect to any subcontract or purchase order as may be directed by the Secretary of Labor as a means of enforcing such provisions, including sanctions for noncompliance: Provided, however, That in the event the Contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction, the Contractor may request the United States to enter into such litigation to protect the interests of the United States.

COMPLIANCE WITH CIVIL RIGHTS LAWS AND REGULATIONS

F. 1. The Contractor shall comply with Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d), Section 504 of the Rehabilitation Act of 1975 (P.L. 93-112, as amended), the Age Discrimination Act of 1975 (42 U.S.C. 6101, et seq.) and any other applicable civil rights laws, as well as with their respective implementing regulations and guidelines imposed by the U.S. department of the Interior and/or Bureau of Reclamation.

2. These statutes require that no person in the United States shall, on the grounds of race, color, national origin, handicap, or age, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity receiving financial assistance from the Bureau of Reclamation. By executing this contract, the Contractor agrees to immediately take any measures necessary to implement this obligation, including permitting officials of the United States to inspect premises, programs, and documents.

3. The Contractor makes this agreement in consideration of and for the purpose of obtaining any and all Federal grants, loans, contracts, property discounts or other Federal financial assistance extended after the date hereof to the Contractor by the Bureau of Reclamation,

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including installment payments after such date on account of arrangements for Federal financial assistance which were approved before such date. The Contractor recognizes and agrees that such Federal assistance will be extended in reliance on the representations and agreements made in this article, and that the United States reserves the right to seek judicial enforcement thereof.

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**UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF RECLAMATION
UNCOMPAHGRE PROJECT, COLORADO
WATER MANAGEMENT AGREEMENT**

**AMONG
THE BUREAU OF RECLAMATION,
THE UNCOMPAHGRE VALLEY WATER USERS ASSOCIATION,
UPPER GUNNISON RIVER WATER CONSERVANCY DISTRICT,
AND THE COLORADO RIVER WATER CONSERVATION DISTRICT**

THIS AGREEMENT, made this ____ day of _____, 199__, among the BUREAU OF RECLAMATION, hereinafter referred to as the United States or as Reclamation, under the provisions of the Act of June 17, 1902 (32 Stat. 388), and Acts amendatory thereof and supplementary thereto, particularly the Acts of April 11, 1956 (70 Stat. 105), March 10, 1934 (48 Stat. 401) as amended, and Section 7 of the Act of July 9, 1965 (79 Stat. 216), the UNCOMPAHGRE VALLEY WATER USERS ASSOCIATION, hereinafter referred to as the Association, a corporation organized and existing under the laws of the State of Colorado, having its principal place of business at Montrose, Colorado, the UPPER GUNNISON RIVER WATER CONSERVANCY DISTRICT, hereinafter referred to as the Gunnison District, a conservancy district organized under the laws of the State of Colorado, having its principal place of business at Gunnison, Colorado, and the COLORADO RIVER WATER CONSERVATION DISTRICT, hereinafter referred to as the Colorado District, a quasi-municipal entity organized under the laws of the State of Colorado, having its principal office at Glenwood Springs, Colorado;

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PREAMBLE

WITNESSETH, That the following statements are made in explanation:

(a) **WHEREAS, the United States constructed the Uncompahgre Project, including the Taylor Park Dam and Reservoir on the Taylor River, a tributary to the Gunnison River, and pursuant to that certain contract dated December 13, 1948, symbol Ilr-1530, between the United States and the Association, the Association is obligated to repay the reimbursable costs of the project, and to operate and maintain the project in accordance with the terms and conditions of said contract; and,**

(b) **WHEREAS, the United States is the owner of an adjudicated water right for the storage of 111,260 acre feet of water in Taylor Park Reservoir which water right was decreed by the District Court of Gunnison County, Water District No. 59, with a priority date of August 3, 1904; and,**

(c) **WHEREAS, the Gunnison District was granted a decree by the District Court of Gunnison County, Water Division 4, in Case No. 86-CW-203 for the refill of Taylor Park Reservoir in the amount of 106,230 acre feet with an appropriation date of August 28, 1975, to be used for recreational purposes, including fishery and wildlife, while the water is impounded in the reservoir, and released at times and in quantities calculated to enhance the fishery and recreational uses of the Taylor and Gunnison Rivers above Blue Mesa Reservoir. Of the total refill right of 106,230 acre feet, the Court declared 44,700 acre-feet be adjudicated absolute under this Decree, and the remaining 61,530 acre-feet be decreed conditional for the same aforesaid uses and purposes. In addition, the court ruled that 19,200 acre-feet of the absolute**

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decreed amount for fishery and recreation purposes may also be used for increased and supplemental irrigation within the Gunnison District; and,

(d) WHEREAS, the United States has constructed, as part of the Colorado River Storage Project (Act of April 11, 1956, 70 Stat. 105), the Wayne N. Aspinall Storage Unit (formerly the Curecanti Unit) consisting of a three-reservoir complex on the Gunnison River below the confluence with the Taylor River, the three reservoirs known as Blue Mesa, Morrow Point, and Crystal, and hereinafter collectively referred to as the Aspinall Unit; and,

(e) WHEREAS, the Economic Justification Report for the Wayne N. Aspinall Unit, dated February 5, 1959, anticipated and provided for the future upstream depletion of 40,000 acre-feet of water above Blue Mesa Dam, 50,000 acre-feet above Morrow Point Dam, and 60,000 acre-feet above Crystal Dam; and,

(f) WHEREAS, the parties hereto entered into Contract No. 6-07-01-00027, dated August 28, 1975, relating to the manner of operation of Taylor Park Dam and Reservoir; and providing for storage exchange between Taylor Park Reservoir and the Aspinall Unit to optimize fishery conditions and recreation uses; and,

(g) WHEREAS, the purposes of the said 1975 agreement include the furtherance of conservation and better utilization and management of available water supplies; coordinated releases of water from Taylor Park Reservoir and the regulation of releases at the Aspinall Unit in order to benefit the Gunnison District, the Association, and the Colorado District; the enhancement of recreation and fishery purposes of the Colorado River Storage Project, of which the Aspinall Unit is a part; and the provision for coordinated releases to allow for the beneficial

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use of water by the Gunnison District which would result in a maximum of 40,000 acre-feet of depletions above Blue Mesa Dam as described in the 1959 Economic Justification Report; and,

(h) WHEREAS, the 1975 agreement provides that the Gunnison District may apply for a water right on all surplus flows in the Taylor River above Taylor Park Reservoir and that all water so appropriated shall be used by the Gunnison District in the Upper Gunnison area. The agreement further provides that Taylor Park Reservoir will be operated in such a manner as to assist the Gunnison District in using such water provided that all other purposes recited in the said agreement and the original purposes of Taylor Park Reservoir are accommodated; and,

(i) WHEREAS, as stipulated in the agreement dated April 16, 1990, among the parties hereto, the Gunnison District has assigned the Taylor Park refill storage right granted in Case No. 86-CW-203 to the United States, hereinafter referred to as the "refill right", which will result in additional surplus waters being stored for beneficial use in Taylor Park Reservoir, for the purpose of furthering the goals and objectives of the 1975 agreement, with no capital expenditures by the Association or the United States; and,

(j) WHEREAS, the parties hereto desire to enter into a water management agreement whereby storage and releases from Taylor Park Reservoir and the Wayne N. Aspinall Storage Unit are managed in a manner to provide for the beneficial use of water stored under the refill right.

NOW, THEREFORE, it is mutually agreed as follows:

DEFINITIONS

1. Where used in this agreement, the term:

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a. "Federal Reclamation Laws" means the Act of June 17, 1902 (32 Stat. 388), and all acts amendatory thereof or supplementary thereto.

b. "Secretary" or "Contracting Officer" means the Secretary of the Interior, United States of America, or his duly authorized representative.

c. "Association" means the Uncompahgre Valley Water Users Association.

d. "Gunnison District" means the Upper Gunnison River Water Conservancy District.

e. "Colorado District" means the Colorado River Water Conservation District.

f. "Districts" means the Gunnison District and the Colorado District.

g. "Taylor Park Gage" means United States Geological Survey (USGS) river gage number 09109000, Taylor River below Taylor Park Reservoir, Colorado, located 1000 feet downstream from Taylor Park Reservoir Dam.

h. "Irrigation water" means water used or intended to be used primarily in the production and raising of agricultural crops and/or the raising of livestock.

TERM OF AGREEMENT

2. a. This agreement shall be effective on execution hereof, and shall remain in effect for a period of ___ years.

b. The agreement may be renewed for an additional ___ year period following expiration of this agreement and upon written request to Reclamation by all the other signatory parties within two years prior to the expiration of this agreement on terms and conditions satisfactory to the Secretary at that time.

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c. This agreement shall not be construed as amendatory to the said 1975 agreement or the April 16, 1990 agreement but as supplemental thereto. The use of Taylor Park Reservoir by the Gunnison District for recreational, fishery, and supplemental irrigation purposes must at all times, be consistent with each and all provisions of the 1975 agreement and the April 16, 1990 agreement, and shall not interfere with the operation of Taylor Park Reservoir for the benefit of both the Uncompahgre Project and/or the Wayne N. Aspinall Unit.

d. Any one party may terminate this agreement at any time. Termination as above provided shall be accomplished by written notice by any signatory party as provided in Article 10.a. herein, at least 90 days prior to the date of such termination.

e. Upon failure of the Gunnison District to perform its obligations under this agreement, the United States will notify the Gunnison District in writing of intent to terminate this agreement. The Notice of Termination shall specify each failure of the district, and shall further provide that the Gunnison District may, within a 90-day period from the date of said notice, present a detailed program to correct such problems and/or deficiencies, and the United States shall review and reasonably accept such corrections and thereby waive the termination notice.

RELEASE, EXCHANGE, AND MEASUREMENT OF WATER

3. a. Water stored under the refill right solely for fishery and recreational purposes shall be released in furtherance of the objectives of the 1975 agreement, subject to Reclamation's final approval of the release schedule. Refill water released solely for fishery and recreation purposes, from the outlet works of Taylor Park Dam to Blue Mesa Reservoir, shall be protected

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against diversion, by the Colorado State Engineers Office, by intervening appropriators. Refill water stored and released solely for fishery and recreational purposes shall be considered to have fulfilled its decreed purposes when it reaches Blue Mesa Reservoir, and shall then be available for further beneficial use within the appropriation system of the State of Colorado.

b. The refill water released by the Association from the outlet works of Taylor Park Dam for use by the Gunnison District for increased and supplemental irrigation purposes will be measured at the Taylor Park Gage and administered by the Colorado State Engineers Office as a contract release of storage to the Gunnison District. The Gunnison District shall suffer all distribution and administration losses from the point of such measurement to the place of use.

c. A record of all water stored and released under the refill right will be maintained by Reclamation and such records will be available during regular business hours for inspection by the Association, the Gunnison District, the Colorado District, and the Colorado State Engineers Office.

d. On November 1 of each year any water in storage in Taylor Park Reservoir shall be accounted against the Associations first fill storage right and the Gunnison District shall thereafter have no right, power or authority with respect to all or any part of said water.

e. In the event Reclamation and/or the Association shall determine that the water storage level in Taylor Park Reservoir must be reduced for repair purposes, or any other emergency, notwithstanding that all or part of the water stored therein may have been stored under the refill right, Reclamation and/or the Association shall require said release at a time and rate to be determined solely by Reclamation and/or the Association. Any such releases shall be

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first charged against any water in storage under the refill right.

RATE AND METHOD OF PAYMENT

4. a. The Gunnison District agrees to pay to the United States annually an adjustable accounting and management charge for the use of Taylor Park Reservoir to store water under the United States' refill right for increased and supplemental irrigation purposes for the benefit of the Gunnison District. Such charge shall be \$____ per acre-foot times the maximum number of acre-feet stored in Taylor Park Reservoir for these purposes during the preceding November 1 through October 31 period. Such amount shall not exceed ____ acre feet annually. The first payment shall be made on January 15, _____. Subsequent payments shall be made annually by January 15 for the previous contract year. Such payments shall be in addition to operation and maintenance payments due the Association by the Gunnison District and the Colorado District as part of the 1990 agreement.

QUANTITY OF WATER AND RELEASE SCHEDULE

5. a. The parties agree that Reclamation, the Association, and the Gunnison District will attempt to manage the operation of Taylor Park Reservoir to store and release a minimum amount each year of ____ acre feet of refill water to be used by the Gunnison District for increased and supplemental irrigation and incidental recreation and and fishery purposes. This water will be accounted for as part of the anticipated upstream depletion of 40,000 acre-feet above Blue Mesa Dam as described in the 1959 Economic Justification Report.

b. A water release schedule for the upcoming period will be developed pursuant to Article 11. This schedule will be based upon the total quantity of water available for the period

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from November 1 through October 31 of each year. If the parties cannot mutually agree to a water release schedule for the upcoming period, Reclamation's decision regarding releases shall prevail until a satisfactory water release schedule is developed, or the dispute can be resolved.

GENERAL OBLIGATION - BENEFITS CONDITIONED ON PAYMENT

6. a. The payment obligation of the Gunnison District to the United States as provided in this agreement is a general obligation of the Gunnison District notwithstanding the manner in which the obligation may be distributed among the Gunnison District's water users and not withstanding the default of individual water users in their obligations to the Gunnison District.

b. The payment of charges becoming due hereunder is a condition precedent to receiving benefits under this agreement. The United States and the Association shall not make water available for the Gunnison District during any period in which the Gunnison District may be in arrears in the payments due the United States hereunder and/or the Association under the April 16, 1990 agreement.

SHORTAGE OF WATER

7. On account of drought, sedimentation within the reservoir, failure of facilities, restraint by court or public authority, or other causes, there may occur at times a shortage during any year in the quantity of water available from the refill of Taylor Park Reservoir to the Gunnison District pursuant to this agreement, and in such an event there shall not be any liability against the United States or the Association or any of their officers, agents, or employees for any damage direct or indirect, arising therefrom.

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CLAIM OF DAMAGE

8. The Gunnison District shall hold the United States and the Association harmless on account of damage or claim of damage of any nature whatsoever, including property damage, personal injury, or death arising out of or connected with the control, carriage, handling, use, disposal, or distribution of such refill water by the Gunnison District.

APPLICABLE RECLAMATION LAW

9. All water delivered pursuant to this agreement is subject to and controlled by the Colorado River Compact, dated November 24, 1922; the Boulder Canyon Project Act approved December 21, 1928; the Boulder Canyon Project Adjustment Act of July 19, 1940; the Upper Colorado River Basin Compact dated October 11, 1948; the Mexican Water Treaty of February 3, 1944; the Colorado River Storage Project Act of April 11, 1956; and the Colorado River Basin Project Act of September 30, 1968; and any other applicable Federal Reclamation laws.

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NOTICES

10. a. Any notice, demand, or request authorized or required by this agreement shall be deemed to have been given on behalf of any part when mailed, postage prepaid, or delivered to the following participants:

- (1) Regional Director
Upper Colorado Region
Bureau of Reclamation
P.O. Box 11568
125 South State Street
Salt Lake City, Utah 84147
- (2) President, Uncompahgre Valley
Water Users Association
P.O. Box 69
Montrose, Colorado 81401
- (3) President, Upper Gunnison River
Water Conservancy District
275 South Spruce Street
Gunnison, Colorado 81230
- (4) President, Colorado River Water
Conservation District
P.O. Box 1120
Glenwood Springs, Colorado 81602

b. The designation of the addressee or the address may be changed by notice given in the same manner as provided in this article for other notices.

MEETINGS

11. The Association, Gunnison District, Colorado District, and Reclamation agree to participate in one (1) meeting each year on _____. At this meeting the parties will adopt a water release schedule for the upcoming period of 1 year as required in Article 5.b.

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Additional meetings will be held at the request of any signatory party to coordinate the terms of this agreement.

STANDARD CONTRACT ARTICLES

12. The standard contract articles applicable to this agreement are listed below. The full text of these standard articles is attached as Exhibit A and is hereby made a part of this contract.

- A. Officials Not to Benefit
- B. Assignment Limited - Successor's and Assigns Obligated
- C. Quality of Water
- D. Water and Air Pollution
- E. Equal Opportunity
- F. Title XI, Civil Rights Act of 1964

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IN WITNESS WHEREOF, the parties hereto have caused this agreement to be duly executed as of the day and year first above written.

THE BUREAU OF RECLAMATION

By _____
Regional Director
Upper Colorado Region

**THE UNCOMPAHGRE VALLEY WATER
USERS ASSOCIATION**

ATTEST:

Secretary

By _____
President

**THE UPPER GUNNISON RIVER WATER
CONSERVANCY DISTRICT**

ATTEST:

Secretary

By _____
President

**THE COLORADO RIVER WATER
CONSERVATION DISTRICT**

**WE CONCUR:
ATTEST:**

Secretary

By _____
President

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EXHIBIT A

OFFICIALS NOT TO BENEFIT

A. No Member of or Delegate to Congress, Resident Commissioner or official of the Contractor shall benefit from this contract other than as a water user or landowner in the same manner as other water users or landowners.

ASSIGNMENT LIMITED - SUCCESSORS AND ASSIGNS OBLIGATED

B. The provisions of this contract shall apply to and bind the successors and assigns of the parties hereto, but no assignment or transfer of this contract or any right or interest therein shall be valid until approved in writing by the Contracting Officer.

QUALITY OF WATER

C. The operation and maintenance of project facilities shall be performed in such a manner as is practicable to maintain the quality of raw water made available through such facilities at the highest level reasonably attainable, as determined by the Contracting Officer. The United States does not warrant the quality of water and is under no obligation to construct or furnish water treatment facilities to maintain or better the quality of water.

WATER AND AIR POLLUTION CONTROL

D. The Contractor, in carrying out this contract, shall comply with all applicable water and air pollution laws and regulations of the United States and the State of Colorado, and shall obtain all required permits or licenses from the appropriate Federal, State, or local authorities.

EQUAL OPPORTUNITY

E. During the performance of this contract, the Contractor agrees as follows:

1. The Contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin. The Contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, or national origin. Such action shall include, but not be limited to, the following: Employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeships. The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the Contracting Officer setting forth the provisions of this nondiscrimination clause.

2. The Contractor will, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, state that all qualified applicants will receive consideration for employment without discrimination because of race, color, religion, sex, or national origin.

3. The Contractor will send to each labor union or representative of workers, with which it has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the Contracting Officer, advising the said labor union or workers' representative

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of the Contractor's commitments under Section 202 of the Executive Order 11246 of September 24, 1965, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

4. The Contractor will comply with all provisions of Executive Order No. 11246 of September 24, 1965, as amended, and of the rules, regulations, and relevant orders of the Secretary of Labor.

5. The Contractor will furnish all information and reports required by said amended Executive Order and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to its books, records, and accounts by the Contracting Officer and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

6. In the event of the Contractor's noncompliance with the nondiscrimination clauses of this contract with any of the such rules, regulations, or orders, this contract may be canceled, terminated, or suspended, in whole or in part, and the Contractor may be declared ineligible for further Government contracts in accordance with procedures authorized in said amended Executive Order, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

7. The Contractor will include the provisions of paragraphs (1) through (7) in every subcontract or purchase order unless exempted by the rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204 of said amended Executive Order, so that such provisions will be binding upon each subcontractor or vendor. The Contractor will take such action with respect to any subcontract or purchase order as may be directed by the Secretary of Labor as a means of enforcing such provisions, including sanctions for noncompliance: Provided, however, That in the event the Contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction, the Contractor may request the United States to enter into such litigation to protect the interests of the United States.

COMPLIANCE WITH CIVIL RIGHTS LAWS AND REGULATIONS

F. 1. The Contractor shall comply with Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d), Section 504 of the Rehabilitation Act of 1975 (P.L. 93-112, as amended), the Age Discrimination Act of 1975 (42 U.S.C. 6101, et seq.) and any other applicable civil rights laws, as well as with their respective implementing regulations and guidelines imposed by the U.S. department of the Interior and/or Bureau of Reclamation.

2. These statutes require that no person in the United States shall, on the grounds of race, color, national origin, handicap, or age, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity receiving financial assistance from the Bureau of Reclamation. By executing this contract, the Contractor agrees to immediately take any measures necessary to implement this obligation, including permitting officials of the United States to inspect premises, programs, and documents.

3. The Contractor makes this agreement in consideration of and for the purpose of obtaining any and all Federal grants, loans, contracts, property discounts or other Federal financial assistance extended after the date hereof to the Contractor by the Bureau of Reclamation,

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including installment payments after such date on account of arrangements for Federal financial assistance which were approved before such date. The Contractor recognizes and agrees that such Federal assistance will be extended in reliance on the representations and agreements made in this article, and that the United States reserves the right to seek judicial enforcement thereof.

MEMORANDUM --- December 4, 1992

TO: Mr. William S. Trampe, Chairman; Tyler Martineau, Manager; Board Attorneys; and Fellow Board Members of the Upper Gunnison River Water Conservancy District

FROM: 

SUBJECT: Comments on the Assignment for 2nd Filling Water Rights.

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NEED TO DELAY FOR THOUGHT

Decisions about assigning and managing the 2nd Filling Right water will shape both our basin's water future and our District's finances. We should not be limited in thinking about these decisions or rushed in making them as if a "gun was or is to our heads". Though it might be possible to abrogate the commitment for assignment if it were made under seeming duress, perhaps everyone would be well served by taking more time for consideration of the situation. We should seek a mutual consent with the Bureau of Reclamation that everyone's interests would be better served by delaying the assignment of the 2nd Filling rights until after an opportunity for more thought.

The assignment and any management agreement for the water should be thought about as a package. One gives direction to the other. The Board should look at possibilities for what could be achieved with both. Experience with the Curecanti Unit shows that reaching a management agreement after making an assignment is very lengthy and difficult. Answers to specific questions about the assignment need full attention before proceeding. The Board should also consider how possible uses made of the 2nd Filling fit with the Department of Interior's 1988 and 1989 policy and principals governing voluntary water transactions affecting its facilities and operations.

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SITUATION

The 1975 Agreement guides interpretation of what follows from it. Its stated operational goal is stabilizing flows in the Taylor and Gunnison Rivers to provide flood control and irrigation uses, and to avoid as much as possible abrupt changes in flow adversely affecting the fisheries and recreation (p. 3; page references are to the 1975 Agreement unless otherwise noted). From this goal comes the agreement's stated objective of controlling water releases from Taylor Reservoir to optimize fishery and recreational benefits in and downstream of the reservoir. All this is currently being accomplished through implementation of the 1975 Agreement and additional compensation for management may not be necessary.

The 1975 Agreement also provides first that the District can acquire water in Blue Mesa for exchange to Taylor Park Reservoir (p. 6). If done, this would appear to require additional compensation. Second, the 1975 Agreement provides that the District can apply for all surplus flows in the Taylor River and use this water for all purposes expressed in the 1975 Agreement and those