

United States Department of the Interior

BUREAU OF RECLAMATION

Great Plains Region Eastern Colorado Area Office 11056 West County Road 18E Loveland, CO 80537-9711

EC-1310 2.2.4.23 (WTR-4.03) JUL 27 3018

TO:

Distribution List

SUBJECT:

Temporary Excess Capacity Contracts in Pueblo Reservoir for 2019,

Fryingpan-Arkansas (Fry-Ark) Project, Colorado

Dear Temporary Excess Capacity Contractor:

Enclosed is a 2019 application questionnaire for storing non-project water and/or Fry-Ark Project return flows in Pueblo Reservoir under a temporary excess capacity contract. Please return your completed questionnaire no later than 5:00 pm, Friday, September 14, 2018. Send the questionnaire to Will Ross, Eastern Colorado Area Office, Bureau of Reclamation, 11056 West County Road 18E, Loveland, CO 80537, or electronically to wross@usbr.gov

It is important to provide as much detail as possible concerning specific water rights to be stored, and the timing of anticipated storage and releases. Information provided will be used for the federally required National Environmental Policy Act (NEPA) review and compliance.

The rates charged for a temporary excess capacity contract exceeds the rates offered in a long-term contract. If you have a long-term need, please consider requesting a long-term contract, which will save you money and provide long-term certainty.

In order to more effectively serve the interests of entities seeking temporary excess capacity contracts for 2019, Reclamation will adhere to the following procedures:

- Questionnaires received after September 14, 2018, may not have storage available on January 1;
 applications will be processed as time permits.
- Each contract request may only be amended once. A \$250 administrative charge will be imposed for the amendment. If additional NEPA compliance is required, additional charges may be imposed based on the amount of added staff time.
- The cost of excess capacity storage is the same no matter the length of the requested contract. For example, a 3-month contract costs the same as a 12-month contract.
- There is no difference in the rate charged for irrigation storage versus municipal and industrial storage. The 2019 rates are:

	2019 Temporary Excess Capacity Contract Rates
All uses inside SECWCD	\$44.04/AF
All uses outside SECWCD	\$112.89/AF (being \$55.55/AF for excess capacity service and \$57.34/AF for Operation, Maintenance & Replacement costs)

- The minimum charge for a contract will be equivalent to a storage account of 50 AF.
- During the 2019 contract year, no amendment or new requests involving additional NEPA will be considered after September 1, 2019.
- Since this is a temporary contract, no executed resolution or other document authorizing approval
 of the contract will be needed.
- Contracts executed for 2019 terminate on December 31, 2019, unless an earlier termination date is agreed upon.
- If you have a 2018 excess capacity contract and a new 2019 contract is not in place by December 31, 2018, any existing contract water may be forfeited.
- Excess capacity service will be provided so long as it does not adversely affect the Fry-Ark Project. Please see the Spill Priorities and Potential Constraints on Use of Pueblo Reservoir enclosure discussing potential constraints.

As described in our May 4, 2017, letter, the projected OM&R costs for Pueblo Reservoir increased significantly beginning in 2018, and will continue to rise until the Pueblo Joint Contract Project is complete. The projected costs will be revised annually based on actual work performed each year.

For entities outside of SECWCD, the 2019 – 2022 projected OM&R costs are shown below. These only affect outside-of-SECWCD entities. Entities within SECWCD are not charged OM&R in the temporary contracts, as they indirectly pay OM&R costs through SECWCD.

2019 Projected	2020 Projected	2021 Projected	2022 Projected
\$57.34	\$52.02	\$67.92	\$13.34

Your cooperation is appreciated and we look forward to working with you. If you would like an electronic questionnaire or have question, please contact Will Ross at 970-962-4352.

Sincerely,

Anthony C. Curtis Chief, Resources Division

Enclosures - Distribution List, NEPA Questionnaire, Spill Attachment

cc: James Broderick
Executive Director
Southeastern Colorado Water Conservancy District
31717 United Avenue
Pueblo, CO 81001 (w/o enclosure)

Scott Lorenz Arkansas Ground Water Users Association P.O. Box 11446 Pueblo, CO 81001

Michael S. Hill The Bessemer Irrigating Ditch Company 503 N. Main Street, Ste. 216 Pueblo, CO 81003

Utilities - FMS
State of Colorado Department of Corrections
1250 Academy Park Loop
Colorado Springs, CO 80910

Matthew Proctor, President Colorado Water Protective and Development Association 1220 E. 3rd Street La Junta, CO 81050

Brenda Fillmore Lower Arkansas Valley Water Conservancy District 801 Swink Avenue Rocky Ford, CO 81067

Jack Johnston Pueblo West Metropolitan District P.O. Box 7005 Pueblo, CO 81007

Tracey Garcia, District Manager Round Mountain Water and Sanitation District PO Box 86 Westcliff, CO 81252

Dara MacDonald, City Administrator City of Salida 448 East First Street, Suite 112 Salida, CO 81201

David K. Simpson, Manager St. Charles Mesa Water District 1397 Aspen Road Pueblo, CO 81006

Ralph Ravenscroft

Stratmoor Hills Water District 1811 B Street Colorado Springs, CO 80906

Ralph L. Scanga, Jr.
Upper Arkansas Valley Water Conservancy District
339 East Highway 50, Suite 101
Salida, CO 81201

David Kitch, President United Feeders, Inc. 20552 County Road DD Rocky Ford, CO 81067

Mayor Buck Hakes City of Victor P.O. Box 86 Victor, CO 80860

Steve Wilson, District Manager Widefield Water & Sanitation District 37 Widefield Blvd Colorado Springs, CO 80911

Roy E. Heald, General Manager Security Water District 231 Security Blvd Colorado Springs, CO 80911

John Lyons, City Manager City of Rocky Ford 203 S. Main Street Rocky Ford, CO 81067

Roy E. Smith U.S. Bureau of Land Management 2850 Youngfield Street Lakewood, CO 80215

Dan Hyatt Town of Fowler 317 S. Main Street Fowler, CO 81039

Bahman Hatami Colorado Parks and Wildlife 6060 Broadway Denver, CO 80216

Kip Petersen, Manager Donala Water & Sanitation District 15850 Holbein Street Colorado Springs, CO 80921

Curtis Mitchell
City of Fountain
116 South Main Street
Fountain, CO 80817

Jared Gardner P.O. Box 352 Rocky Ford, CO 81067

Abby Ortega Colorado Springs Utilities P.O. Box 1103, MC 930 Colorado Springs, CO 80947-0930

Catlin Augmentation Association, Inc. P.O. Box 352
Rocky Ford, CO 81067

Ivan A. Walter Ivan's Engineering, Inc. 6030 So. Cherrywood Circle Centennial, CO 80121

Wayne Whittaker Catlin Canal Company 917 Elm Avenue Rocky Ford, CO 81067

Gary Thompson W.W. Wheeler & Associates, Inc. 3700 S. Inca Street Englewood, CO 80110

Glenn Hirakata Arkansas River Farms Group 22161 Road CC Rocky Ford, CO 81067

Ron Gasser, Manager Penrose Water District 340 Grant Street Penrose, CO 81240

Mary Presecan Leonard Rice Engineers, Inc. 1221 Auraria Parkway Denver, CO 80204

Karen Dietrich City of Ordway 315 Main Street Ordway, CO 81063

Gary L. Steen, P.E. Fountain Mutual Irrigation Company P.O. Box 75292 Colorado Springs, CO 80970-5292

INFORMATION REQUIRED FOR EASTERN COLORADO AREA OFFICE TO PROCESS ANNUAL FRY-ARK EXCESS CAPACITY CONTRACTS & TO COMPLETE NATIONAL ENVIRONMENTAL POLICY ACT (NEPA) COMPLIANCE ACTIVITIES 2019

Please Write or Print Clearly

1.	Entity or Individual Requesting Storage Service:			
	Name of Contract Signatory:			
	Title of Contract Signatory:			
	Address:			
	Telephone Number:			
	Email Address:			
2.	Contact Person, if Different from Above:			
	Name:			
	Address:			
	Telephone Number:			
	Email Address:			
3.	Storage Contract Request			
	a. Volume of Contract Request, in acre-feet (AF). (Minimum amount is 50 AF):			
	b. In the event you need to increase storage, what is the Maximum Expected Volume for 2019 (in AF)? (This number is needed for the NEPA analysis.) In order to receive the increased storage, a contract amendment will be required.			
	c. Is this contract for irrigation, municipal/industrial or other water? If other please explain			

d.	Is the contracting entity within the boundary of the Southeastern Colorado Water Conservancy District (SECWCD)? If yes, continue to 3e.
	If no, are the affected lands that will benefit from the proposed contract within the boundary of SECWCD?
e.	Will the water storage promote growth of the contractor's established service area? If yes, please attach a map of extended service area, and current service area. If no, please attach a map of current service area.
f.	Each contract may be amended only one time. A \$250 charge will be imposed on any requested amendment. If additional NEPA and/or other resource compliance is required, additional charges, as appropriate, will be imposed to cover the cost of the compliance.
W	ater Rights/Movement/Conveyance
a.	Please list your <u>water rights</u> including dates, type of right, and origin of adjudicated water for water that will be stored in Fryingpan-Arkansas Project (FAP) facilities.
b.	Please provide a map and description of diversion facilities that will be used to: 1) Transport water from existing source to FAP facilities, and 2) Take delivery of stored water.
c.	Describe how facilities will be used in order to transport and/or deliver water. Please include any new facilities that would need to be constructed to allow transport and/or delivery of water.
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4.

5. Water Storage & Release:

- a. Do you anticipate any carry-over from the 2017 annual contract? If so, what amount (in AF)?
- b. Using the diversion limitations decreed in your water right, please fill in the chart below to show the maximum diversion (inflow) into storage you anticipate in 2019 (AF/month). In the "Water Source" text block please input which water right the inflow is associated with:

		Stora	ge Inflows (AF/n	nonth)	
	Water Source:	Water Source:	Water Source:	Water Source:	Total
January					
February	******				
March					
April					
May					
June					4 1
July					
August					
September					
October					
November					
December					
				Total	

c. Using limitations decreed in your water right, please fill in the chart below to show the maximum release (outflow) from storage you anticipate in 2019 (AF/month). Please input which water right the outflow is associated with and where the water will be released.

		Storag	e Outflows (AF/r	nonth)	
	Water Source:	Water Source:	Water Source:	Water Source:	Total
	Released to:	Released to:	Released to:	Released to:	
January					
February				4 2	
March				1)/	
April					
May					1
June					
July				1712	
August					
September					
October					
November					
December					
301111	10	*		Total	

If a storage contract will not facilitate a change in the use of the water and additional facilities WILL NOT need to be constructed in order to transport or deliver water, you may proceed to Question 7.

If a storage contract will facilitate a change in the use of the water and/or additional facilities WILL NEED to be constructed in order to transport or deliver water, please answer Question 6a-h and Question 7.

6. Compliance with NEPA and other resource laws:

- a. Please list other Federal, state, regional or local permits/approvals that may be required before the change in use discussed in 3(c) or construction discussed in 4(c) can be implemented. For each required permit please provide: a) The type of the permit, and b) The name and phone number of a person to contact for information on the permit/approval:
- b. Have NEPA/Endangered Species Act compliance documents or other associated surveys been prepared or will they be prepared by another Federal agency for the site-specific uses? If so, please identify the agency and provide copies of the document(s). Also, indicate the individual to be contacted in these matters, if different from the person in item 2 above. *If you are unsure if this is necessary, please indicate so and Reclamation's environmental staff will follow up.
- c. Cultural Resources: Will the proposed change in use discussed in 3(c) or construction of facilities proposed in 4(c) affect properties listed in or eligible for listing in the National Register of Historic Places? Please explain the evaluation completed.
- d. Threatened & Endangered Species: Will the proposed change in use discussed in 3(c) or construction of facilities proposed in 4(c) affect a species listed, designated critical habitat or proposed to be listed as endangered or threatened? Please explain the evaluation completed.
- e. Wetlands: Will the proposed change in use discussed in 3(c) or construction of facilities proposed in 4(c) affect any wetlands? If so, has a 404 permit been issued for the proposed action? Please explain the evaluation completed.
- f. Water Quality: Will there be a waste water return flow discharge into waters of the United States? If so, has a 402 permit (National Pollutant Discharge Elimination System) been issued for the proposed action? Please explain the evaluation completed.
- g. Other Resources: Will the proposed change in use discussed in 3(c) or construction of facilities proposed in 4(c) affect unique geographical features such as wild or scenic rivers, refuges, flood plains, prime and unique farmlands, and paleontological and/or other resources? Please explain the evaluation completed.

7. 00	mulact Specific Questions.
a,	How much water (in AF) requested for storage will originate from the Colorado River Basin, upstream of the confluence with the Gunnison River or other West Slope basin? If any, has the contractor signed a recovery agreement with the Fish and Wildlife Service pursuant to the 1999 Final Programmatic Biological Opinion for Bureau of Reclamation's Operations and Depletions, Other Depletions, and Funding and Implementation of Recovery Program Action in the Upper Colorado River above the Confluence with the Gunnison? Please include a copy of the signed recovery agreement with this questionnaire.
b.	Describe how your system operates in the absence of a temporary excess capacity contract. Please be <u>very specific</u> regarding the timing, volume, and methods of capturing/delivering each water right without a temporary excess capacity contract in 2019.
8. Ot	ther Comments/Explanations:
This quest	tionnaire was completed by (please print):

7 Contract Specific Questions

Signature

Please submit your completed questionnaire along with your request to Will Ross at the Bureau of Reclamation, 11056 West County Road 18E, Loveland, CO 80537, or electronically to wross@usbr.gov. Your timely cooperation is appreciated and will significantly facilitate our processing your request. If you desire an electronic copy of this form or have questions concerning the questionnaire or questions about the NEPA process in general, please contact Will Ross at 970-962-4352.

Date

Spill Priorities and Potential Constraints on Use of Pueblo Reservoir

Subject to hydrologic conditions, storage account use, and Fry-Ark Project operations, excess capacity storage at Pueblo Reservoir may not be fully available at certain times of the year. For example, during the winter/spring time period Reclamation plans to move sufficient Project water from its upper reservoirs to Pueblo Reservoir to make space available for 2019 Project imports (Project yield averages 56,000 acre-feet). Should it be necessary to evacuate stored excess capacity water in order to satisfy Fry-Ark Project needs, water would be evacuated pursuant to Article 13 of Contract No. 5-07-70-W0086, Reclamation's contract with SECWCD.

Article 13 of Contract No. 5-07-70-W0086

Reservoir Spills

- 13. (a) Whenever water is evacuated from Pueblo, Twin Lakes, and Turquoise Reservoirs to meet the necessities of Project flood control, power generation purposes, storage of transmountain Project water, storage of native Project water, and Project operational requirements; except as provided in Subarticle 13.(b) below, the water evacuated shall be charged in the following order:
 - 1. Against water stored under contracts for if-and-when available storage space for entities which will use the water outside the District boundaries.
 - 2. Against water stored under contracts for if-and-when available storage space for entities which will use the water within the District boundaries. This evacuation will be charged prorata against water stored under all such like contracts at the time of the evacuation.
 - 3. Against any winter storage water in excess of 70,000 acre-feet.
 - 4. Against water stored under contracts with municipal entities within the boundaries of the District, which water is neither Project water nor return flow from Project water and which water is limited to 163,100 acre-feet less any Project water purchased and stored by municipal users. This evacuation will be charged pro rata against the water stored under all such like contracts at the time of evacuation.
 - 5. Against winter storage water not in excess of 70,000 acre-feet.
 - 6. Against Project water accumulated from the Arkansas River and its tributaries.
- (b) Notwithstanding the order of evacuation of water listed in Subarticle 13.(a) above, evacuation of water from storage pursuant to existing firm storage contracts, the Highline storage contract and future storage contracts that may be entered into with the Board of Waterworks of Pueblo, Colorado and Twin Lakes Reservoir and Canal Company to satisfy prior commitments will be made pursuant to the terms of such storage contracts.