Guest Editorial

BUILDING THE RURAL/ URBAN PARTNERSHIP

by Frank Jaeger
District Manager, Parker Water and Sanitation District

For the foreseeable future, reallocation of water from agriculture to municipal use will be a core element of strategies to accommodate municipal growth.

Water and Growth in Colorado 2001
There is near-universal agreement that agriculture is a storehouse of Colorado’s water resources. During the next decade, Front Range water providers are going to make deals with farmers to tap into them.

Some Front Range urban communities need more renewable water for drought protection (made clear by the historic drought of 2002), others are outgrowing their water supplies, and some, like the south metro area, are dependent upon non-renewable groundwater that becomes less reliable and more expensive each year. The commonality is that all are looking toward agricultural water as a part of their solution.

The unanswered question is: Will Colorado be able to structure new water purchases and transfers in a manner that protects the viability of rural communities and avoids pro-

Continued on page 4

For the foreseeable future, reallocation of water from agriculture to municipal use will be a core element of strategies to accommodate municipal growth.

The movement of water has been viewed as creating winners and losers. Even in our major river basins, there are complicated issues between different geographic regions within basins. These too have grown over time to create the perception of winners and losers. I am convinced that this need not be the case.

There is absolutely no question that compromise is in order and will be necessary to accommodate the many competing water uses in Colorado - but it does not mean that we are dealing with a zero sum proposition.

This is the backdrop behind the collaborative process outlined in HB 1177. The legislative process itself was a model for the Interbasin Compact. The bill went through many changes, and many different individuals put their expertise and knowledge to task in helping us create a better product. Representative Josh Penry (R-Grand Junction) and Senator Jim Isgar (D-Hesperus), as House and Senate sponsors, showed us that we are able to address

Continued on page 2

48th ANNUAL CWC CONVENTION
JANUARY 26 & 27, 2006
DENVER INTERNATIONAL AIRPORT HOTEL
& JOHN Q. HAMMONS CONVENTION CENTER
Continued from page 1

difficult and controversial issues while maintaining an eye toward the future. Their leadership guiding HB 1177 through legislative was exceptional.

The Interbasin Compact initiative is based upon the premise that Coloradans must work together to address the water needs within our entire state. It is also based upon the premise that we are willing to work together to do so. I am convinced that we will work together to meet these challenges.

House Bill 1177, also commonly known as the “Interbasin Compact,” created nine basin roundtables covering the following geographic areas in Colorado: the South Platte; the Metro (roughly the Denver metro area), the Arkansas; the Rio Grande; the Gunnison; the Colorado; the Yampa-White; the Dolores, San Miguel and San Juan; and the North Platte. These roundtables will be the primary bodies for on-going discussions related to needs within each basin and the basins’ interaction with each other.

House Bill 1177 contemplates initial appointments being made by county commissions, jointly by municipalities within a county, by conservation districts, and by conservancy districts. After consultation with the director of Compact Negotiations, these roundtable members will then appoint ten stakeholder representatives from environmental, agricultural, recreation, local domestic water provider, and industrial interests, as well as five members who own water rights. All of these members must reside in the boundaries of the roundtable. These members will then select three people who will represent interests outside of the boundaries of the basin roundtable. It will be critical that the general public be fully represented.

While the number of roundtable members will differ between the roundtables, the primary purpose will not differ. This purpose is the development and discussion of water issues within the basin and the state, and potential solutions to these issues. Each roundtable will reflect the uniqueness of the basin it represents.

To facilitate conversations between basins, and to address a global, statewide view, the legislation also creates a statewide Interbasin Compact Committee. This 27-member committee will be built out of the basin roundtables and will bring the issues of each roundtable to the statewide discussion.

Each roundtable will select two members from the basin (one of whom must reside within the boundaries of the basin roundtable) to represent the roundtable on the Interbasin Compact Committee. The Governor will appoint six members who possess an expertise in environmental, recreational, local governmental, industrial, and agricultural matters. The Governor’s appointments must also be from geographically diverse parts of the state. The chair of the House Agriculture Committee and the chair of the Senate Agriculture Committee will have one appointment each.

The Director of Compact Negotiations will chair the Interbasin Compact Committee and will work to ensure that this process is moving forward at an appropriate pace toward decision-making.

I am honored that the Governor has appointed me as the director. He and I have worked closely to build this concept into the reality it is today. I look forward to the full support as we begin bringing people together to develop a brighter water future.

The Statewide Water Supply Initiative has provided us with a wealth of information. This data will be used to help the roundtables identify needs within basins and to create a scientific standard from which we will accomplish our work. The Colorado Water Conservation Board will play an integral role in the success of this effort. Each member of CWCB serves as an official liaison between the members’ home basin roundtable and CWCB. The continued SWSI program will add new information in the coming years. As this new detail is developed, it will be provided to the roundtables to help ensure that we are making rational decisions based upon the best available information, without being duplicative.

The Interbasin Compact process will no doubt be cumbersome at first. We are asking many different and varied interests to come to the table together. Just the number of participants is daunting – but the large numbers are necessary if we are to bring all parties and interests together.

My hope is that appointing authorities will select citizens knowledgeable in water matters with a strong interest in working toward collaboration and who share a long-term vision. The process must be driven by the people and not dominated by governmental entities. This is the goal and I am certain that many share our interest in building this process.

My hopes for the success of the Interbasin Compact process are that we are walking a trail on which we have not been before. Many have asked what I see as the result of this process. My answer is simple. I do not know where this process might take us, but I am absolutely certain that our work today will benefit Colorado for generations to come.

The Interbasin Compact process, as we are walking a trail on which we have not been before. Many have asked what I see as the result of this process. My answer is simple. I do not know where this process might take us, but I am absolutely certain that our work today will benefit Colorado for generations to come.

Thank You.

The Colorado Water Congress is updating tiles to address to macrayey@cowatercongress.org.

Send us your name, organization, and e-mail address if you would like to receive your CWC publications by e-mail. Send your name, organization, and e-mail address to macrayey@cowatercongress.org.

Then, you can copy your e-mail address directly to our database. Thank You.

The Colorado Water Congress is updating tiles to address to macrayey@cowatercongress.org.

Send us your name, organization, and e-mail address if you would like to receive your CWC publications by e-mail. Send your name, organization, and e-mail address to macrayey@cowatercongress.org.

Then, you can copy your e-mail address directly to our database. Thank You.

The Colorado Water Congress is updating tiles to address to macrayey@cowatercongress.org.

Send us your name, organization, and e-mail address if you would like to receive your CWC publications by e-mail. Send your name, organization, and e-mail address to macrayey@cowatercongress.org.

Then, you can copy your e-mail address directly to our database. Thank You.
Wayne N. Aspinall Water Leader of the Year Award Recipients

(Left to right)
Hank Brown - 1996
L. Richard Bratton - 2002
Ray Kogovsek - 2003
Fred V. Kroeger - 1986
Ralph Curtis - 2004
Gale Norton - 2005
Richard D. “Dick” MacRavey - 1999
Fred E. Anderson - 1994
John R. Fetcher - 1992
W.D. Farr - 1985
Larry Simpson - 2001
John Porter - 2000

The Ancient & Honorable Order of the Water Buffalo

BE IT ORDAINED

There is among us a certain cadre of specialists who have distanced themselves from the usual and embraced the task of honoring precious liquids, especially Colorado water:

These special individuals have been named in news articles, blasted in political mouths, praised by clients or customers, and hecked by adversaries. They deserve honor from their peers.

Be they lawyers, engineers, geologists, politicians, or some combination thereof, their license is not important, while the achievements of these individuals are quintessential.

For lack of a way to demote these persons, they shall henceforth be dubbed Water Buffaloes, and by reason of this appellation entitled to honor and deference from the members of the Water Law Section of the Colorado Bar Association, now and forevermore.

Further accolades and prerogatives may be invented, from time to time, and the Order of the Water Buffalo thereby endowed, including but not limited to emblems, gestures, and words, designated to further honor these celebrities. For now, however, this paper, plus the announcement of ordination into the peerage assembled, proves and establishes.

RICHARD MacRAVEY

an esteemed member of the Ancient & Honorable Order of the Water Buffaloes, now and hereafter.

PSALM OF THE WATER BUFFALO

You are Colorado Water Buffaloes, You shall not want
You sue for green pastures, You create more still waters, Beneficial use is your goal
You follow down the paths of Reclamation for its name’s sake
Yea, though we walk through the valley of the shadow of drought, you fear no evil
For the legislature is with you, Our wells and our ditches they comfort you
You prepare tables of diversion records in the presence of our enemies
You anoint the State Engineer, Few dams runneth over
Surely weather and litigants will vex us all the days of our lives
And you will dwell in the halls of the Court forever

Recent inductees into The Ancient & Honorable Order of the Water Buffalo are (left to right) – Honorable Thomas Ossola, Sara Duncan, Wendy Weiss, Felicity Hannay and Richard D. “Dick” MacRavey.
traced, expensive political and legal rights? There are signs it could be possible if water providers, agricultural representatives, and state and local political leaders begin to identify the issues and develop solutions.

California’s Imperial Valley
A recent example of urban and rural water sharing took place in the Imperial Irrigation District in California, one of the largest, most powerful water districts in the country. In March, the District announced its 2005-2006 On-farm Fallowing Program. The program offered to pay farmers to fallow some of their irrigated land and transfer the unused water to meet the requirements of a water settlement with San Diego. The program also stabilized the condition of environmental vulnerability in the Salton Sea. In 2004, 12,167 acres were involved in the voluntary program, which generated more than 67,000 acre-feet of water for transfer. Farmers and other water suppliers received $3.1 million in payments. The program will produce 62,000 acre-feet of water this year and 79,000 acre-feet in 2006 to meet the needs of the water transfer.

It took three years of discussion and negotiation between the Imperial Irrigation District and the San Diego County Water Authority, and help from the California legislature, before details of the transaction and transfer ultimately were arranged. The program envisions transferring up to 200,000 acre-feet of water, sufficient to serve 1.6 million residents on the California coast. The deal has many of the key characteristics that have been discussed as essential to a successful rural/urban water transfer:

- Amount of land fallowed should be limited
- The program should be voluntary
- Farmers should be paid per acre to maintain income
- Water practices and infrastructure should be improved

In addition, funds for economic development and job creation and environmental and recreational enhancements and mitigation should be available.

Parker Water and Logan County
Rotational fallowing of land is a historic farm practice; its new twist is to allow water transfers to enhance farm income, protect the rural economy and provide water for thirsty urban residents and businesses.

Of course, Colorado’s water providers have been using some fallowing techniques in farm and ratch water purchases for years, but they have been ad hoc. If the use of the technique is to become widespread, a more defined program will be needed.

Productive rural/urban partnerships that avoid acrimony are possible. Parker Water has worked with agricultural interests and Logan County officials the last four years to purchase farms and agricultural water in order to satisfy depletion requirements stipulated for Rueter-Hess Reservoir.

Along with dedicating considerable time to communicating with the community, Parker Water has voluntarily paid the county to keep farmland from being purchased.

Parker Water also has been a good neighbor through donations to cooperatives and the neighboring school’s vocational agricultural program, and through reducing a historic farmhouse, called the Stone House, on the property.

Most importantly, Parker Water has kept farms with production by having local lessees operate them, and has spent considerable funds improving the efficiency and infrastructure of the farms’ water systems. If water is needed for depletions due to Rueter-Hess Reservoir, a fallowing strategy will be pursued to minimize the impact on jobs and the economy.

SWSI Report and the South Platte River Basin
The Colorado Water Conservation Board’s just-released State Water Supply Initiative (SWSI) identifies rotational fallowing as one of the strategies that should be pursued for agricultural transfers.

The report clearly documents the population pressure on current water supplies. For example, the 65 percent growth in population in the South Platte Basin during the next 25 years produces a need for 409,700 more acre-feet of water by 2030 — a 25 percent increase. An analysis of supply and currently proposed water projects shows a gap between supply and demand. Under the most optimistic scenario of projects being completed by 2030, the gap in the South Platte Basin is 22 percent of the identified demand, or 90,000 acre-feet.

To meet the gap, the report states: “History has shown that municipal and industrial providers will indeed find a way to meet their customers’ needs, and agricultural water is often times the least expensive and most readily available source for meeting those needs.” And, the South Platte Basin has one million acres of irrigated farmland, with more than 2.5 million acre-feet of water diverted. In addition, water use for agriculture exceeds population in all Colorado river basins except the South Platte, which makes it ground zero for water transfers and an ideal place to test rotational fallowing.

Rotational Fallowing and the Water Transfers
Rotational fallowing was defined in the SWSI report as: “An agreement with a number of agricultural users that provides for the scheduled fallowing of irrigated lands on a rotating basis so that the water not irrigating fallowed lands can be used for other uses.” The concept received considerable discussion in an SWSI roundtable as a method to capture permanent agricultural transfers without the potential negative impacts on local farm and ranch economies.

The concept consists of a transfer arrangement involving several agricultural parties and one or more urban water providers. Each farmer would agree not to irrigate all or a portion of his or her land for two consecutive years out of a specified number of years in the program, making the water available for urban use. For example, if ten farmers owning a total of 300 acres each were to follow 100 acres each, water from 1,000 acres would be made available for urban use while keeping all of the farmers operating less acreage but still producing crops. Revenue from the fallowed ground would assure the farmer of a consistent income augmenting his or her agricultural income. This program would allow a farmer to fallow alternating portions of his property in ensuing years assuring income into the future for the farmer and securing a water supply for urban interests without negatively affecting the agricultural community. The fallowing program will not dry up entire regions and will promote a healthy agricultural economy including all ancillary support groups such as seed, fertilizer, equipment and feed suppliers. Participation would be voluntary and, of course, payment for water transfers.

The program has the advantages of:

- Reliable supply for urban water providers
- Slable income for agricultural participants
- Can be operated with leases to avoid legal and other difficulties associated with permanent transfers
- Some water may be purchased outright by urban water providers, but it could also be placed in the following program
- Can extend the life of groundwater by applying a conjunctive use program, which would integrate surface and groundwater use. The water from fallowing would be used in average and wet years, allowing pumping of groundwater primarily in dry years.

A modest shift of water from agricultural use would have a dramatic impact on urban supplies. The general rule is that a 10 percent shift of water from agricultural use would augment urban supply by 50 percent. An examination of agricultural use by communities along the South Platte shows that a 10 percent reduction in irrigated land by fallowing would make 145,000 acre-feet of consumptive use water available (leaving 2.4 million acre-feet still in agriculture).

Next Steps
A dialogue between the major stakeholders on the issue of rural/urban water transfers should begin now. The SWSI report encourages discussions (as did the 1999 Metropolitan Water Supply Investigation) to identify issues and solutions and build consensus.

Moreover, the public will support a rural/urban water sharing program. When voters are asked if they support taking water from farmers for use by cities and businesses, a state-wide CNN/Associated Press poll shows that 61 percent say no. But 86 percent support using the water “by a city and town in a way that lets the farm use the water first and stay in business.”

There is no doubt that pressure is building to transfer agricultural water to the Front Range. Although the transfers being discussed would still leave more than 80 percent of the state’s water in agricultural use, they will have significant impact on local communities. But rotational fallowing, combined with other strategies, can place Colorado on the leading edge in building rural/urban water partnerships.

ASPINALL AWARD NOMINATIONS & WATER LAW SCHOLARSHIPS
If interested, the following forms for your completion and return to the Colorado Water Congress office are available:

1. Nomination form for the 2006 Wayne N. Aspinall Water Leader of the Year Award.
5. Larry D. Simpson, Ralph Atkins and John R. Fetcher (for either an engineering student or a non-partner of an engineering firm) Engineering Scholarship for 2005 - Colorado Water Law Seminar.

The Wayne N. Aspinall Award nomination form is due at the CWC offices by August 1, 2005. The scholarship nominations are due at the CWC offices by July 1, 2005. If you are interested in any of the above forms, please contact the Colorado Water Congress at their website www.coloradowater.org or at 1580 Logan St., Suite 400, Denver, CO 80203. E-mail address: mw謝@coloradowater.org, phone (303) 837-0812, Fax (303) 837-1607.

Colorado Water Rights
1580 Logan Street, Suite 400
Denver, CO 80203

PRRST STO
U.S. POSTAGE
PAID
Denver, Colorado
Permit No. 514

Continued from page 1