Douglas County Water Politics

Contents

Protect Our	Water.org - News Coverage Aggregation 2019-2022. About: RWR/Douglas County Project, San Luis Valley	
Based In	terests, Local Politics	2
The Colorad	o Water Plan - Colorado.gov	5
2019-06-26	Denver developer, former governor make \$118M play for San Luis Valley water	7
2020-01-22.	Pressure to export San Luis Valley farm water builds. Come witness the story firsthand with Fresh Water	
News an	d PBS' This American Land	L3
2020-10-21.	Aurora inks \$43.7 million in water deals on South Platte River	L4
2021-12-10.	Two big — and controversial — Colorado water projects want to tap into DougCo stimulus slosh-funds	L5
2022-01-29.	RWR Plan to end San Luis Valley water to Douglas County hits opposition amidst donations to local	
politiciar	is and conflicts of interest	L7
	The San Luis Valley is once again the target of a water export proposal which threatens our communities an	
way of lif	e2	25
2022-02-23	Letter: San Luis Valley water export proposal will harm wildlife and land	26
2022-02-23	Douglas County Commissioners to head to San Luis Valley for water export meetings	27
2022-03-30	Fast-growing Douglas County communities need more water. Is a controversial San Luis Valley export plan	
	er?2	
2023-04-19.	Let's talk about the biggest cause of the West's water crisis	30
2022-05-02	Statement from San Luis Valley Water Conservancy District on RWR water export proposal	35
2022-05-25	Douglas County says no to developers' San Luis Valley water export proposal	10
2023-07-07	Developers behind San Luis Valley water export proposal contribute thousands to Douglas County water	
district ra	aces	12
2023-08-07	San Luis Valley water developer among several vying for seat on Douglas County Water Commission 4	14
	Farming in Dry Places: Investors Continue to Speculate on Colorado Water	
2023-10-09.	San Luis Valley officials create regional board to vet water export projects	19
2023-10-13.	Backer of San Luis Valley water plan says he'd address conflicts of interest if placed on Douglas County	
water bo	ard5	51
2023-11-10.	${\tt Backer\ of\ San\ Luis\ Valley\ water\ plan,\ state\ water\ buff\ chosen\ for\ board\ on\ Douglas\ County's\ water\ future\ 5}$	53
	$Doug Co\ Commissioners\ finalize\ a\ resolution\ allowing\ the\ Douglas\ County\ Water\ Commission\ to\ begin\ workship to\ the property of $	
to develo	p the Douglas County Water plan 5	55
2024-01-26	Douglas County's water advisers will have their own advisers	56
2024-02-07	Cost to water crops could nearly quadruple as San Luis Valley fends off climate change, fights with Texas an	d
New Mex	ico5	59
2024-04-17.	Major Arkansas Valley water district votes to oppose \$80.4M Aurora farm water purchase	31
2024-05-02	Aurora Water eyes its biggest storage bucket yet6	32
2024-05-24	A water war is brewing between the U.S. and Mexico. Here's why 6	34
2024-05-25	Mexico City's water 'Day Zero' may come even for the wealthiest residents6	36
2024-04-25	Candidates for Douglas County commissioner talk water and growth in forum	70

Protect Our Water.org - News Coverage Aggregation 2019-2022. About: RWR/Douglas County Project, San Luis Valley Based Interests, Local Politics

https://www.protectsanluisvalleywater.com/news

(JSNE Note, 5/27/2024: This chronological aggregation of articles was pulled from the Protect Our Water.org website. POW.org is a San Luis Valley-based citizen activist group opposed to the same and export of water from the San Luis Valley. Several of these articles are provided in this JSNE document,)

Story Map of the People, Economy & Way of Life in the Valley

• View American Rivers' Story Map - Explore the Valley's deep and enduring roots to the water of the Rio Grande.

eNewsletters

- May 2022 Douglas County Tells RWR No on ARPA Funding
- May 2022 Douglas County RWR Funding Decision Looming Send a Letter!
- March 2022 Douglas County Commissioners Retract Promise of March 26 Public Meeting
- February 2022 Share Your Views with Douglas County
- January 2022 RWR Asks Douglas County to Help Fund San Luis Valley Water Export Proposal

News Releases

- May 24, 2022
- October 5, 2020

Water Attorney Memos - Redacted

- RWR Supplemental Due Diligence Memo Redactions as of 5/12/2022
- RWR 2022-03-23 Due Diligence Memo Redactions as of 5/12/2022

Media Coverage

2022

- Over and Over, Douglas County Commissioners were told to reject RWR plan, by cvlopez, The Alamosa Citizen
- Polls show deep opposition to RWR water export plan, Mark Obmascik, The Alamosa Citizen
- Douglas County Commissioners Statement Regarding RWR Proposal.
- Orient Land Trust: Mark Jacobi, Randy Brown, The Alamosa Citizen
- Corset Ranch, Randy Brown, The Alamosa Citizen
- How thirsty is Douglas County? Elliott Wenzler, Douglas County News Press
- RWR attorney leaves project Dismisses opponents' concerns as "group think," Priscilla Waggoner, Alamosa
 Valley Courier
- Guest Column Water proposal is too risky, Eric J. Harmon, Castle Rock News Press
- Attorney leaves RWR project, lawmakers weigh in, Marianne Goodland, Colorado Politics
- Douglas County cancels San Luis Valley live town hall after protest warning, Elliott Wenzler, Douglas County News-Press
- RWR Proposal-please reject, By Eric J Harmon, PE, Hydrologist, Douglas County News-Press
- Statement from the Community Foundation of the San Luis Valley, By Mike Roque, Executive Director Community Foundation of the San Luis Valley, Alamosa Citizen
- Governor opposes RWR water export plan, US Senators Bennet & Hickenlooper concur, invoking Wirth Amendment, By Lisa Cyriacks, The Crestone Eagle
- San Luis Valley-to-Douglas County water pipeline proposed. Critics call it a "buy and dry" scheme, By Conrad Swanson, The Denver Post

- The San Luis Valley has no water to spare, Lauren Boebert, Colorado Politics
- Hickenlooper, Bennet join fight against plan to divert San Luis Valley Water, Tara Flanagan, Ark Valley Voice
- Bennet, Hickenlooper oppose proposal to export water out of San Luis Valley, David Zalubowski, 7News
 Denver
- Colorado's Bennet, Hickenlooper notify feds, oppose Renewable Water Resources project, Marianne Goodland, Colorado Politics
- What's at Stake for Douglas County with RWR's Water Export Proposal, Denver Post YourHub, ProtectSLVWater
- Bill providing millions in relief to Republican, Rio Grande river basins clears first hurdle, Water Education Colorado, Larry Morandi
- RWR water project faces opposition from Polis, legislators, Colorado Politics, Marianne Goodland
- Simpson bill passes out of committee with unanimous vote, Valley Courier, Priscilla Waggoner
- SLV farmers respond to RWR's claims of economic benefits, Valley Courier, Priscilla Waggoner
- Proposed water project poses problems, The Denver Gazette, Alexander Funk and Kevin Terry
- Valley residents weigh in on proposed water export, Alamosa Citizen
- Owens defends RWR proposal; Valley water managers brief Douglas County, Alamosa Citizen
- <u>Douglas County has a water option aside from San Luis Valley, The Gazette, Marianne Goodland</u>
- Proposal to Tap 25 New Wells Hits Opposition, Denver Gazette, Marianne Goodland
- Confluence of law and water in Douglas County, Valley Courier, Priscilla Waggoner
- Statement from Alamosa City Councilor Michael Carson, Alamosa Citizen
- Valley gears up for another water fight, Alamosa Citizen
- Thirst for Battle | Douglas County water project hits hiccups, Colorado Gazette, Marianne Goodland
- RWR paints rosy picture of Valley's water situation, Alamosa Citizen, Chris Lopez
- Douglas County to discuss SLV water export, Valley Courier, Court Reporter Priscilla Waggoner
- State Engineer: RWR made "inaccurate portrayal" in its proposal, Alamosa Citizen, Chris Lopez
- Protecting the Lifeblood of the Valley, the Valley Courier, Valley Courier, Phil Weiser and Cleave Simpson
- Douglas County can choose to help or hurt rural Colorado's communities, Sarah Parmar with Colorado Open Lands
- Water proposal a bad idea for region, Douglas County, *Douglas County News-Press, Commissioner Lora Thomas*

2021

• Two big — and controversial — Colorado water projects want to tap into DougCo stimulus slosh-funds. With the county asking for ideas on how to spend \$68 million from the American Rescue Plan, every dam, pipeline and diversion rushes in.

CO Sun

- RWR seeks nearly third of Douglas County ARP funds for SLV water proposal, Valley Courier
- Douglas County should take high road on water, Highlands Ranch Herald
- RWR hopes to sell SLV water to Douglas County, Alamosa Citizen
- Douglas County considering Renewable Water Resources plan to export San Luis Valley water, Alamosa
 Citizen
- Let's keep water where it is in Colorado's San Luis Valley, Trout Unlimited
- Valley water use in a delicate balance, Alamosa Citizen
- Small farms battle speculators over centuries-old water rights in drought-stricken Colorado, National Geographic
- Valley farmers bristle at water export proposal, KOAA

- In the San Luis Valley, a community fights for its land, water and way of life, CO Sun
- SLV water projects receive funding, Alamosa Citizen
- Upper Rio Grande Basin: A battle over water exports, Alamosa Citizen

2020

- Pressure to export San Luis Valley farm water builds. Come witness the story firsthand with Fresh Water News and PBS' This American Land, PBS
- Saguache County accepts RGWCD funding to update land use regulations for water project, Crestone Eagle
- Valley Water district clear the air, Valley Courier

2019

- RGWCD opposes export proposal, Valley Courier
- As Metro Denver grows, another caller wants to tap the vast aquifer under the San Luis Valley, Colorado Sun
- Developers seeking water for booming Front Range look to the San Luis Valley, where farmers already face well shut-offs, The Denver Post
- A water 'win-win' in Colorado? Not so fast, High Country News
- Denver developer, former governor make \$118M play for San Luis Valley Water, Fresh Water News
- Colorado lawmakers consider tougher rules to stop water profiteering. The Gazette
- Next moves in Water Export Proposal?, Valley Courier
- A new tug of water over Colorado water, The Gazette
- Developers make play for San Luis Valley water, Ag Journal
- Op-Ed They are at it again Trying to steal SLV water, Valley Courier
- Valley continues to face water challenges, Mineral County Miner



The Colorado Water Plan - Colorado.gov

https://cwcb.colorado.gov/colorado-water-plan

The Colorado Water Plan provides a framework for helping Colorado meet its water challenges through collaborative action around water development and water conservation. The Water Plan is a grassroots effort, and relies on the Colorado water community to identify and implement basin-specific and/or statewide water projects that provide multiple benefits to the state's diverse water users. The Colorado Water Conservation Board (CWCB) creates and manages the Water Plan framework, and supports the state's water community with funding and technical resources to implement programs and projects.

Learn More About the 2023 Colorado Water Plan

The 2023 Colorado Water Plan was adopted by the Colorado Water Conservation Board in January 2023 and serves as a framework for statewide collaboration around water planning. The Colorado Water Plan guides future decision-making and supports local actions to address water challenges with a collaborative, balanced, and solution-oriented approach that builds resilience. The Colorado Water Plan includes actions in four main focus areas that work together for a stronger state: Vibrant Communities, Robust Agriculture, Thriving Watersheds, and Resilient Planning. Read a text-only version of the graphic.



VIBRANT COMMUNITIES

counties, municipalities, utilities, cities, towns, businesses, large industries, large and small urban and rural communities, etc.



THRIVING WATERSHEDS

environment and recreation, river health, watershed health, forest health, wildfire mitigation, wildlife and aquatic species protection, etc.



ROBUST AGRICULTURE

established crops and farms, local food, orchards, ranching, ditch companies, acequias, urban agriculture, livestock, dairy, etc.



RESILIENT PLANNING

climate adaptation, planning for climate extremes, embracing EDI (equity, diversity, inclusivity), education, outreach and engagement, supportive government, etc.

The Plan uses <u>state-of-the-art data and tools</u> to analyze the state's water issues looking out to the year 2050. It identifies a range of tools like funding, equity, land use planning, storage, efficiency, education, and forest health to address identified risks and challenges. From there, the plan offers a range of collaborative partner actions that stakeholders can advance through grant funding & local projects, as well as specific actions the Colorado Water Conservation Board and other agency partners will commit to in order to advance the plan.

Water Plan Process & Background

The Water Plan is produced through a 3-step process that takes several years and requires substantial engagement with stakeholders.

Phase 1- Analysis and Technical Update

An array of foundational data sets that describe our current and future water supplies and needs are compiled. This was finalized in 2019.

Phase 2- Basin Implementation Plans

Eight smaller, tailored water plans for each major river basin in Colorado are reviewed and updated. These were completed in January 2022.

Phase 3 - Comprehensive Update to the Water Plan

The Water Plan is updated roughly every ten years. The visions and actions within the plan are reviewed and updated and new information is included from the Analysis and Technical Update, and the Basin Implementation Plans.

The first Colorado Water Plan was released in 2015 to serve as the state's framework for solutions to the state's water challenges (download original 2015 Water Plan). The first plan helped establish widespread support for multibeneficial water projects and was foundational in establishing the Water Plan Grants Program. The 2023 Water Plan is the first update to the state plan and builds off the original plan's successes and collaboration.

Water Plan Grant Program

Colorado Water Plan grants support a range of multi-beneficial projects for water storage, water conservation, the water-land use nexus, agricultural efficiency, water education and awareness, watershed health, and outdoor recreation. Read about grant opportunities from the Colorado Water Plan Grant Program, another way for eligible organizations to get involved with securing Colorado's water future.

Focus Areas

The Colorado Water Conservation Board's responsibilities range from protecting Colorado streams and lakes to advancing water conservation, flood mitigation, watershed protection, stream restoration, drought planning, water supply planning, water project financing, and more. The CWCB also works to protect the state's water apportionments in collaboration with other western states and federal agencies.

Funding

The Colorado Water Conservation Board (CWCB) offers numerous loans and grants to water providers and other entities statewide for a variety of water-related projects, studies, planning documents, awareness campaigns and other activities.

For a complete overview, see the Loan & Grant Programs Overview Flyer.

Public Information

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Podcast

Newsletters

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Document Search



2019-06-26. Denver developer, former governor make \$118M play for San Luis Valley water

by Jerd Smith | Jun 26, 2019

Henry, Colo.: As the sun sets at the Colorado Farm Brewery, a light breeze plays over a deep green rye field that borders the patio. As they do most Thursday nights, nearly two dozen people have wandered into this scenic, rural bar 250 miles southwest of Denver to relax and visit with neighbors.

The brewery is part of a 300-acre farm which grows grains and hops, and which also operates a malting company. Wayne Cody, the farm's 61-year-old patriarch, has just come in from hours of work, roasting malt, examining fields, and preparing to plant buckwheat the next day.

As he visits with customers, it's clear that most people in this bar tonight know that something almost unholy is in the works here in the San Luis Valley.

Α

well-



The proposal to bring water from the San Luis Valley to the metro area would require a pipeline of more than 200 miles. Credit: Chas Chamberlin

connected metro Denver water developer, backed by former Colorado Governor Bill Owens, Front Range real estate interests, and absentee ranchers who themselves control huge amounts of water here, is proposing to export millions of gallons of water out of this drought-stricken, scrappy place for delivery to fast-growing Douglas County.

- Sean Tonner, who once served as deputy chief of staff for Owens, is leading the group, which has proposed spending \$118 million to acquire water from the farmers here. That sum includes a \$50 million community fund to help bolster the poverty-stricken region.
- Tonner's company, known as Renewable Water Resources, is at least the fourth in a stream of developers who've beaten a path to this remote region in the past 50 years, intent on harvesting its water. All, up until now, have been decisively turned back.
- In February, at a water conference in Alamosa, just up the road from Henry, a man suggesting that Tonner's proposal had merit was booed.
- Former U.S. Senator Ken Salazar's family has farmed here for generations. Salazar also spoke at the conference and reassured the 200-plus people in the packed auditorium that no water would ever flow out of the valley into the metro area.
- "Over my dead body," he said to cheers and applause.

In a minute

- For Wayne Cody, it isn't nearly that clear cut. He and his sons, an energetic, muscular lot, are pouring everything they have, including beer, into saving their family farm.
- Cody's grandparents bought the farm in the 1930s, and the family has grown alfalfa profitably, then raised dairy cows, again profitably, for some 80 years. But as farm costs rose, and dairy prices dropped, they turned to a new industry, brewing, with Coors and others as customers.
- In 2008, they started the Colorado Malting Company and last year they opened the Colorado Farm Brewery on County Road 12 South. Its custom beer snifters urge guests to "Drink Like A Farmer."
- Until a corporate malting company entered the valley two years ago, the Cody clan was selling 1 million pounds of malt a year, but they haven't been able to compete well with the big operation, and so this year they have contracts to sell just 600,000 pounds of malt, Wayne Cody said.
- Last month, the family laid off a full-time and part-time employee. Still they're pushing ahead, hoping to make inroads into California's malt market.
- In the interim, the notion of selling some of their water each year to generate additional cash has a certain appeal. "I would hate to see the water leave the valley," Cody said, "but would I sell some? In a minute."

Unequivocally no

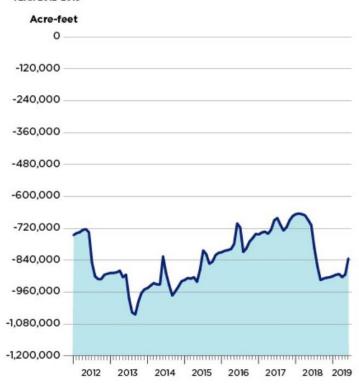
- Eight miles north, in Alamosa, Cleave Simpson runs the Rio Grande Water Conservation District, an agency created by state law in 1967 to manage the Rio Grande River. It serves roughly 1,000 farm entities in the valley. Simpson and others are deeply worried about the export plan because the valley's water supplies are already under severe stress.
- The region's sprawling farm economy is supported by the Rio Grande River and a giant underground aquifer, a sort of bathtub that is refilled by snowmelt and runoff.
- But the aquifer has been over-pumped and hasn't been able to refill itself for decades, thanks largely to the giant thirst of the valley's thriving potato industry. It is the second-largest potato growing region in the United States.
- A stubborn 19-year drought, that broke at least temporarily this year, and a warming climate that is causing declines in western rivers are compounding the problem.
- So depleted is the aquifer that the state has ordered the valley to bring water levels back up to where they were prior to 2000, or face a massive shut down of farm wells in 2030.
- It wasn't always like this. When farmers began drilling powerful irrigation wells into the aquifer in the 1950s, subsurface water was thought to be so plentiful that they could irrigate their fields almost endlessly. But as modern hydrology caught up with pumping technology, it became clear that there was a close connection between the

aquifer and flows in the river, and that the pumping was harming the aquifer, the river, and other farmers' water rights in the river.

Soon, the Rio Grande Basin was under legal fire. Eventually the courts determined that the farmers of the San Luis Valley were overusing their fair share.

Still, bringing the aquifer back into balance is no small task. To get it done, valley farmers are voluntarily taxing themselves, and using those revenues to pay other farmers to reduce their pumping and fallow fields. But last year's drought stripped the Rio Grande River of much of its water, and forced the farmers to pump heavily to protect their crops, wiping out much of the water their voluntary conservation program had placed underground in the prior seven years.

CHANGE IN UNCONFINED AQUIFER STORAGE



Source: Rio Grande River Water Conservation District, Credit: Chas Chamberlin

Now, even in a good water year like this one, the valley must pay back the water it has overused in the past so that the Rio Grande can be made whole as it flows south to irrigate fields in New Mexico and Texas and refill reservoirs for the citizens and farmers of those states.

"This basin is just highly over-appropriated"

It is a bitter reality in the San Luis Valley, one that makes the notion of outsiders taking even more water out of the depleted region particularly painful to many of its farmers and water officials.

"This basin is just highly over-appropriated," Simpson said. "There are way more decrees for water rights than can be delivered in any one year. We have water rights that haven't been able to draw from the river in 20 years. Likewise the groundwater system is also over-appropriated."

Tonner and his team made a presentation to the district's board in January, asking that the district support its export proposal and help manage the \$68 million water purchasing effort.

That's big money down here. But the district's board said no. Unequivocally no.

Simpson and other water leaders here believe that most farmers will oppose any Front Range deal to export San Luis Valley water, no matter the dollar figures involved.

Town by town

Tonner is not discouraged.

Since last October, he's been traveling the mountain passes and dusty two-lane highways that link the San Luis Valley to the Front Range, bringing his 11-slide PowerPoint presentation to the tiny towns of the valley, from Saguache to Moffat to Crestone.



Sean Tonner, a principal with Denver-based Renewable Water Resources, is leading a group of investors who want to export water from the drought-stricken San Luis Valley. June 25, 2019. Credit: Jerd Smith

His plan: To buy 22,000 acre-feet of water, a purchase that would dry up roughly 10,000 acres of farm fields and provide enough water for some 44,000 urban homes annually.

He also proposes paying more farmers to fallow enough land to forego the use of another 30,000 acre-feet of water, allowing it to remain in the vast, complex underground water system. According to RWR's math, even after their 22,000 acre-foot export, ensuring that 30,000 acre-feet is no longer pumped means an 8,000 acre-foot net gain for the system.

Renewable Water Resources

Tonner's Renewable Water Resources is only the latest company to attempt this controversial task. Three others have tried since the 1980s. Tonner was involved with an earlier effort that stalled out due to a ranch owner's death.

Tonner and his backers came back and bought that ranch and are now moving forward with RWR.

RWR says it has raised \$28 million from private investors to help fund the deal, but documents on file with the U.S. Securities and Exchange commission indicate that \$750,000 has been raised. Tonner said those figures are out of date and that the rest of the money will come once the company has signed a deal with an "end user" in Douglas County.

- He says no agreement has been signed yet, but that the end user would need to sell enough bonds to pay the farmers, RWR, and the cost of the massive well fields, pipeline and delivery system that will be needed to bring the water up Highway 285 and across to the Front Range. How much money is that? Tonner estimates construction costs of more than \$600 million, depending on the final route of the proposed pipeline.
- Tonner said he has signed sale agreements from roughly 40 farmers and that more than 100 farmers have approached him about selling their water. Tonner declined to identify them, citing the tensions in the valley and the potential for public backlash. Wayne Cody is not among them.
- But Jerry Berry, a local ranch manager in the town of Moffat who has an ownership interest in RWR, did agree to talk about the proposal.
- "This is an 8,000 acre-foot net gain. How does that not benefit the aquifer? You have to be open minded enough to see where the true benefits are. \$50 million in a trust fund that they can use for economic growth is more than that water would ever produce agriculturally," Berry said.
- Berry, who is on the local school board, said he believes RWR is looking for a deal that benefits all parties. "I've done business with these guys. They are reputable. If it's not a win-win for everybody they won't do it." Other developers, says Berry, have gone straight to water court without seeking community input.

And they've all been defeated there.

- Having fought off water-hungry invaders before, the San Luis Valley, aided by such powerful politicians as Salazar and former U.S. Senator Tim Wirth, among others, and such powerful environmental groups as The Nature Conservancy, has established a long list of protections that will make any kind of a water export proposal difficult to execute.
- Backers would have to prove that the exports don't harm other users on the Rio Grande River and that they would not harm the aquifer itself. The plan would also have to demonstrate that it would not diminish the groundwater that maintains the Great Sand Dunes National Park and other conserved areas.
- Still farmers are entitled to sell their water rights under Colorado law, even if their neighbors disagree.

Insatiable thirst

- In his quest to protect the farmers in his district, Simpson too has been traveling the state and in February briefed Colorado's Interbasin Compact Committee, a group created in 2005 under Colorado state law to facilitate cooperation between river basins.
- Jeris Danielson, a former Colorado water regulator who sits on the IBCC, said the RWR proposal exemplifies a long-standing problem in Colorado how to protect the state's individual river basins, while ensuring the seemingly endless thirst of the Front Range, whose South Platte and Arkansas basins are also stretched beyond capacity can be satisfied.
- "The problem is the six-county sucking chest wound called the metro area," said Danielson, who represents the Arkansas River Basin on the IBCC. "That's where all of the people are moving. So how do we solve this problem?"
- Transbasin diversions (TBDs), which move water from one river basin to another, are not new in Colorado. More than two dozen pipelines have been harvesting West Slope water and delivering it to the drier Front Range for nearly 150 years, often leaving some of the state's most scenic, fragile mountain areas and wetlands forever altered.
- However, they have become so controversial, and expensive, that no new ones have been built since the 1980s. And Governor Jared Polis, when he was campaigning last summer, said he would do everything in his power to stop any newly proposed TBD.
- But that doesn't address Colorado's urban thirst. The Front Range needs roughly 300,000 acre-feet of water by 2050 to stave off shortages, according to the Colorado Water Plan. In Douglas County, the number is smaller but the problem is more urgent. Douglas County, along with parts of El Paso and Elbert counties, relies on an aquifer that, unlike the one in the San Luis Valley, cannot renew itself. And aquifer levels are dropping. Cities such as Castle

Rock rely on the aquifer for roughly 70 percent of their water, and though they have acquired some surface water rights and they operate a water recycling plant, they still need more fresh water to ensure they don't drain their own underground supplies.

Will new surface water come from the San Luis Valley? That's not clear yet.

- "RWR has presented to us," said Castle Rock Director of Utilities Mark Marlowe. "But it's not part of our long-term plan at this point."
- Tonner said RWR has talked with several major water districts in Douglas County, including Castle Rock and Parker and, very early on, Colorado Springs. But he says he's not ready to identify the lead water district in the deal thus far.
- Marlowe says it isn't Castle Rock, but that the city might be interested in the plan if the price was right and if there was local support for the proposal in the San Luis Valley.
- Colorado Springs said it has not met with RWR and it will not participate under any circumstances, planning instead to pull more water from places such as the Colorado River, where it already has some supplies.

\$50 million worth of indifference

- Jason Anderson is a Saguache County Commissioner. If this export plan becomes a reality, the well field and pipeline for the project would be built within his district. Saguache is one of the poorest counties in Colorado, with a median household income of \$34,765, according to the U.S. Census Bureau.
- Across the Continental Divide, in Douglas County, that figure is \$111,000. The chasm between rich and poor isn't lost on anyone in the San Luis Valley.
- "It seems like every five years or so, the Front Range tries to figure out how to tap our water," Anderson said. "I'm trying to keep an open mind because some of the folks in the proposal are from Saguache County. On the other hand, I haven't had many folks speak to me in a positive manner about the plan."
- So far, Anderson said, the proffered \$50 million community development fund, which might be used to support food banks and new industry, hasn't swayed public opinion, despite the region's poverty.
- "That \$50 million doesn't seem to be playing much of a role in anyone's decision down here," he said.

RWR says it is willing to pay double the market price

- But a look at <u>Front Range water prices</u> makes clear why there is so much pressure to find more and sell it on the Front Range. RWR says it is willing to pay double the market price for an acre-foot of San Luis Valley farm water. That's roughly \$2,000-plus 3,000.
- That same acre-foot of water piped east across the mountains *would easily sell for ten times that*. And in some communities, \$30,000 an acre-foot is a blue-light special.
- RWR's Tonner says his backers are now examining whether they can create an additional financial incentive for farmers that could include a sort of annual royalty payment in addition to the economic development fund.
- "Look," said Tonner, "I've had some people say we should pay them \$1 billion for their water. That's not going to happen. But we are trying to put some bones on a proposal that would include an annual royalty payment."
- Tonner said he would go public with his plan in six months and begin making presentations to the public water roundtables in the San Luis and in metro Denver.

Once it starts

- Among locals, though, there is a much bigger concern than the cash behind the deal. The worry is that if another pipeline is built to the metro area, it will be only the first in a series of urban water exports that sooner or later will permanently strip the region of its agricultural economy and its proud farm culture.
- "There is a reality that when you take the water that is being used in the San Luis Valley and open up a 22,000 acre-foot spigot I can guarantee in 20 years it opens up to 220,000 acre-feet," Salazar said in February at the Alamosa water conference. Salazar did not respond to requests for comment for this article.

Tonner says his backers have agreed that they will insert into any eventual water court decree an absolute limit of 22,000 acre-feet on their export plan. But that would not necessarily limit others from using the same pipe to export more water, said David Robbins, an attorney who represents the Rio Grande Water Conservation District.

"I don't care what RWR says, no one is going to build a pipeline out of the valley and simply take 22,000 acre-feet. That is absurd. You would have to be so insanely naïve as to believe in the tooth fairy. Once it starts, it never stops," Robbins said.

Saving a farm – "Selling some of the water is the most profitable thing I could do."

Out in Henry, the Cody family has grown accustomed to hard work and risk. In recent weeks, they've unveiled a new lager and brought in beer steins to sell. It's not clear that any of this will sustain the farm.

But if selling a small portion of their water and deriving an annual royalty payment from it could help, Wayne Cody might consider such a proposal.

"Everything we've done here is to save this farm," he said. "Selling some of the water is the most profitable thing I could do."

Clarification: An earlier version of this article failed to make clear that 22,000 acre -eet of water is enough to serve roughly 44,000 urban homes annually.



2020-01-22. Pressure to export San Luis Valley farm water builds. Come witness the story firsthand with Fresh Water News and PBS' This American Land.

by Jerd Smith | Jan 22, 2020

In a new partnership, PBS' <u>This American Land</u> and Fresh Water News travel to the historic San Luis Valley, where water supplies are under pressure as Front Range developers promote a controversial export plan.

This isn't the first time developers have made a play for the valley's farm water. But this attempt comes at a time when farmers in the region are racing to cut water use to preserve the shrinking aquifer beneath their fields.

<u>Many of these growers</u> have been farming here for more than 100 years and want to be left alone to solve their water crisis, protect their heritage, and carve a path to sustainability.

Developers believe an export plan with a pipeline to the Front Range could bring much-needed cash and economic vitality to the region, but few farmers are buying into the proposal. Come with us to meet the people behind the controversy.



2020-10-21. Aurora inks \$43.7 million in water deals on South Platte River

By Jerd Smith October 21, 2020

- Thirsty Front Range Colorado cities continue to drive the market for South Platte River farm water, with Aurora announcing two major deals to acquire farms and their associated water rights for \$43.7 million.
- One deal involves the \$16.7 million purchase of a small ditch company near Merino, as well as 1,200 acres of land. The second purchase, for \$27 million, involves water rights near Evans formerly owned by the Broe Companies, according to Aurora Water spokesman Greg Baker.
- "The South Platte is where the water rights are right now," Baker said. "As farmers are looking at their future, as they get out of farming, if their kids don't want it or another farmer doesn't want it, this is their asset to sell."
- Together, Aurora estimates the deals will provide about 2,652 acre-feet of water to the city, water equal to the amount needed to serve some 5,300 homes.
- Earlier this year in another major deal, <u>Parker</u>, along with the Sterling-based Lower South Platte Water Conservancy District, announced it would claim a major new water right in the South Platte near the Nebraska border.
- The Aurora purchases, <u>first reported by the Sterling Journal Advocate</u>, are raising concern among Northern Colorado water suppliers and agriculture interests, who fear the sales will limit the region's own ability to grow and could perpetuate a practice known as "buy and dry," where farm land is purchased and its water diverted for other uses.
- Such water transfers off of farms have harmed other rural farm communities in Colorado that rely on agriculture for jobs and tax revenue.
- Aurora's water purchases "do cause me concern," said Brad Wind, general manager of Berthoud-based Northern Water, which serves such communities as Greeley, Fort Collins and Broomfield, as well as hundreds of farmers. Like the West Slope, Northern Colorado communities want the water to stay local, although legally it can be bought, sold and moved.
- Aurora officials said they haven't decided what shape the water projects ultimately will take. But they hope to avoid buy-and-dry scenarios, relying instead on long-term leases and water sharing agreements with growers in the area.
- "Buying water rights in the South Platte does not mean that we're going for a buy and dry," said Dawn Jewell, a water resource planner for Aurora. "We need additional supplies for our build out."
- Aurora uses about 50,000 acre feet of water annually now, and could need more than twice that much to handle its growth through 2070.
- "There are many unknowns right now but this gives us a prime opportunity to look at other options, such as ATMs,"

 Jewell said.
- ATMs, or alternative transfer methods, typically involve water sharing and leasing between cities and farms and are being studied across the state as a potential tool for minimizing buy-and-dry water deals.
- The South Platte River Basin, which spans from west of South Park north and east through Denver to the state line, is home to Colorado's largest irrigated agriculture economy with roughly 1.3 million acres of irrigated farm lands.
- It is also home to the state's largest cities, whose populations are set to swell by 2050.
- As a result of that growth the state estimates the South Platte's irrigated farm lands could shrink dramatically as fast-growing, water-short cities such as Aurora, continue to search for new supplies.
- The <u>Colorado Water Plan</u> estimates that the South Platte Basin will lose more than 100,000 acres of irrigated land due to urban growth in the next 30 years.

- Urban water providers in the region will need to find at least 183,000 acre-feet of water in the next 30 years to ensure shortages don't develop even after significant conservation occurs, according to state forecasts. That is equal to the amount of water needed to serve more than 360,000 new homes.
- Some small communities along the Front Range already know exactly how much they can grow with their existing water supplies. Barbara Biggs, chair of the Metro Basin Roundtable and general manager of the Roxborough Water and Sanitation District, said her district has enough water to supply its service area, but has already told landowners on the town's borders that it has enough water to supply only another 124 homes.
- "Once those are built, we're done," Biggs said. Her district's water comes from a long-term water lease with Aurora that dates back to the 1970s. Biggs said that while her district eventually will use all of its water, stopping growth, such restrictions are much harder for big cities to adopt, in part because they cause housing prices to rise.
- The recent South Platte water purchases come as a major collaborative water project in the basin was gaining momentum.
- Now that project, known as the South Platte Regional Opportunities Water Group, or SPROWG, is in pause mode, according to several participants. It was conceived to help numerous cities reuse water and to move water back and forth more easily between farms on the Eastern Plains and the urban areas farther south and west.
- As competition for water in the South Platte heats up, talks are underway to see if smaller versions of SPROWG that could be brought on line more quickly are feasible and could provide opportunities for Front Range cities to collaborate, according to Joe Frank, manager of the Sterling-based Lower South Platte district.
- "We are definitely concerned about [the Aurora purchases]," said Frank, whose district is collaborating with the Parker Water and Sanitation District on a major South Platte River project whose participants have said won't involve buy and dry, but will rely instead on using alternative transfer methods.
- "We're not putting fault on anyone," Frank said. "You can't fault the farmers. Their water has value, and I'm not pointing fingers at Aurora. Their hands are tied. The problem is that there are not very many other options on the table."



2021-12-10. Two big — and controversial — Colorado water projects want to tap into DougCo stimulus slosh-funds

With the county asking for ideas on how to spend \$68 million from the American Rescue Plan, every dam, pipeline and diversion rushes in.

By Michael Booth December 10, 2021

- Big Colorado water diversion projects itching to get going on long-sought dam and pipeline dreams are rushing to get first in line for thirsty Douglas County's \$68.2 million in federal stimulus money.
- Drinking water dams and pipelines have joined smaller-scale local water treatment and sewage projects, for totaling \$247 million of the \$280 million in overall stimulus requests in Douglas County so far, a county spokeswoman said. The other categories making up the remainder of the \$280 million in proposals include broadband, economic recovery and mental health delivery.
- Some of the biggest requests for Douglas County's share of American Rescue Plan Act spending come from drinking water developers looking to jumpstart projects that can take decades to complete.

- An \$828 million, two-reservoir, 125-miles-of-pipeline project led by Parker's water department wants \$20 to 30 million of Douglas County's stimulus to jumpstart the engineering and environmental work. The project would pull junior water rights off the South Platte River near Sterling in high runoff years, fill the new reservoirs, and pipe drinking water down to high-growth cities such as Parker, Castle Rock and others.
- The big water diversion projects are certain to stir up political and environmental controversy for seeking funds committed by a Democratic Biden administration to support ideas some conservation groups find ecologically unsound.
- A second big request on Douglas County's plate is a \$20 million bid from Renewable Water Resources, which has raised near-unanimous opposition to its proposal to buy up San Luis Valley groundwater, pipe it over the Front Range, and sell it to drinking water providers in Douglas County and other growing communities.
- "Rivers are sacrifice zones for Colorado's unsustainable growth-obsessed economy and culture," said Gary Wockner, who has fought other big diversions like the Northern Integrated Supply Project and the expansion of Gross Reservoir on behalf of Save the Poudre and Save the Colorado.
- "The Colorado Water Plan codified the concept of trying to drain every drop of legally allowed water out of every river before it reaches the state line," Wockner said. "The South Platte is already a low-flowing polluted mess," he added, and the latest diversion proposal "would only make it worse."
- Douglas County held the first of a planned series of live and streamed town halls discussing the American Rescue Plan requests Thursday night, with staff providing information on each of the \$280 million in proposals so far. More town halls are planned for early 2022, county spokeswoman Wendy Manitta Holmes said. County commissioners have months of deliberations to go before they allocate the \$68.2 million.
- The ambitious, multi-county water projects could be in for disappointment. County officials are not sure yet what restrictions the U.S. Treasury could put on stimulus spending, Holmes said. County staff has asked the Treasury department to provide more guidance on, for example, whether DougCo's share of the stimulus could be spent in other counties for sprawling projects like the water diversions.
- Other, simpler water projects making up the bulk of the \$247 million in category requests include water treatment, reservoir and pipeline capacity, and sewage disposal, <u>from Highlands Ranch to Sedalia</u>. Seeking citizen input on the biggest priorities is exactly the reason for the extended town halls, Holmes said.
- "These decisions have not been made," she said. "That's why this public process is occurring."
- Leaders of the water diversion projects say an award from Douglas County would help Front Range community leaders begin to solve their burgeoning growth problems. Many Douglas County communities rely on tapping the depleting Denver Basin aquifer for drinking water supplies that are not renewable, and most have sought renewable sources from mountain rivers filled by melting snowpack.
- Parker's proposal, a joint project with the Lower South Platte Water Conservancy District and Castle Rock's water department, notes that population growth in Parker alone will balloon the city from 60,000 residents to 160,000 in coming years. The South Platte diversions would fill two new reservoirs to be built in farm and ranch country straddling Interstate 76, one called Iliff and the other, in a Phase 2, called Fremont Butte.
- Parker has bought up agricultural land and water rights around the South Platte, and also filed for recent junior water rights for river flows that run in high-water years. Despite drought on the Western Slope, relatively high runoff in the South Platte basin meant that if the reservoirs existed, the junior rights could have substantially filled them this summer, said Parker Water and Sanitation District Manager Ron Redd.
- Agreements with the Lower South Platte district would supply agricultural water back to local farmers in dry years, Redd added, saying the project is not the much-maligned "buy and dry" of farmland.
- Revenue from the water could even be used to pay back Douglas County for the stimulus money, if federal rules allow it, and create a revolving fund for future water-related projects, Redd said. An initial infusion from Douglas County

would be used to buy up property for the reservoirs, complete engineering, and continue environmental studies. Preliminary reports from consultants say the project might not need Army Corps of Engineers permits that can take years to procure, because they would not destroy wetlands and would place reservoirs in stream basins that are often dry, the Parker proposal says.

- As for competition from the San Luis Valley pipeline, Redd said, "We're not real fans of the project." There are too many political hurdles to the proposal, and the valley is already suffering from water depletion, Redd said.
- It will take more than that level of shade-throwing to deter Renewable Water Resources, which has been looking to sign paying customers for its proposed pipeline out of the valley and into expanding Front Range communities. An agreement using stimulus money would give Douglas County access to needed water at less than half the rate of \$40,000 to \$50,000 per acre-foot being asked of many municipal water buyers, said RWR spokesman Sean Duffy.
- "There's that opportunity to invest very low for a very high quality water product," Duffy said. "And those numbers are not going to stay put forever." Drawing on the San Luis Valley supply, which RWR claims would not diminish groundwater there, "largely solves the need at a significant below-market rate," he said.
- Former Gov. Bill Owens is part of the RWR partnership. Some Douglas County officials, Duffy said, have been receptive to a proposal that's "been designed very, very intentionally by people who've been in Colorado for a long time and understand water, and why people get worked up about it, and rightfully so."



2022-01-29. RWR Plan to send San Luis Valley water to Douglas County hits opposition amidst donations to local politicians and conflicts of interest

By MARIANNE GOODLAND Jan 29, 2022 Updated Mar 6, 2023

Farmers, ranchers and water managers in the San Luis Valley are gearing up for the fourth legal fight in as many decades to keep their water in its aquifer, and, this time, away from thirsty Douglas County.

In recent weeks, they've gained a powerful ally: Attorney General Phil Weiser, who is threatening to go to court, if that becomes necessary.

The <u>project by Renewable Water Resources</u>, a water developer, proposes to tap 25 new groundwater wells in a "confined" aquifer in the valley. That would bring 22,000 acre feet of water to the South Platte River and eventually to a yet-to-be unidentified water provider in Douglas County.

The Renewable Water Resources proposal, which has been underway since 2017, claims a billion acre-feet of water exists in the larger of two San Luis Valley aquifers, a figure disputed by San Luis Valley water experts. One acre-foot is equivalent to 326,000 gallons, or enough water to cover an acre of land, about the size of a football field one foot deep. A <u>confined aquifer</u> is an aquifer that is saturated with water. When drilled, water rises to the top. An unconfined aquifer is what is more commonly referred to as a water table — it rises and falls based on barometric pressure.

Renewable Water Resources' project wants to tap the confined aquifer, which is larger both by geographic footprint and by water volume. The company argued the project is needed to ensure water reliability for Douglas County, and maintained that the plan is sustainable — both for residents of the county and the valley.

- Under the proposal, the wells would be situated on land either owned or controlled by RWR, which currently owns approximately 9,800 acres and has options to acquire approximately 8,000 additional acres.
- The 22,000 acre-feet of water represents 2.5% of the aquifer's annual recharge, defined as water pumped back into the aquifer through precipitation, and a volume that RWR claims would not affect diminish the base.
- The proposal noted that Colorado's water law mandates that, in order to develop water, it must be "retired at the same rate," a doctrine informally known as the "one-for-one" law in the water community. That means every drop of water removed must be replaced by the same amount.
- As it turns out, Division 3 Water Court in in Alamosa, where RWR plans to submit its proposal, is the only water court that uses that law.
- "Recognizing there is a shallow section of the aquifer, the RWR project aims to accomplish 'one-for-one plus," the proposal says, adding the Colorado Water Court also requires the provision known as "no harm, no injury" to the environment, people and property.
- RWR claims its proposal will meet Water Court criteria and that it is prepared to enter it in Division 3.
- Under the plan, Douglas County would kick in \$20 million from American Rescue Plan federal money, which is already raising questions about whether that's a legitimate use of the federal relief funds, and whether years of legal battles would run out the clock for using those dollars, which, under federal guidelines, must be spent by December 2024.

On Jan. 18, Douglas County commissioners heard very different perspectives on whether the water is actually there.

- Bruce Lytle of Lytle Water Resources, who is working with RWR, told commissioners the aquifer has the water needed for the project. That's in stark contrast to what they heard from State Deputy Engineer Mike Sullivan, who told the commissioners the aquifer's water is over-appropriated, meaning there's nothing left for Douglas County.
- On top of that, according to the <u>Alamosa Citizen</u>, the Rio Grande Water Conservation District was told recently the aquifer reached its lowest point since 2013 and is not sufficiently recharging. That recharge is key to to RWR's proposal.
- The Rio Grande River Basin, and the San Luis Valley, have for years been fighting the battle against drought, largely caused by declining rainfall and warmer temperatures, which makes the snowpack melt sooner. Water Education Colorado reported in 2020 that growers of the valley's signature crop potatoes are trying to wean themselves off groundwater in order to restore stream flows in the Rio Grande, which is tied to a compact between Colorado, New Mexico and Texas.
- It's a fight replicated across many communities in the American Southwest, which is grappling with drying rivers and dwindling water supplies amidst a decades-long drought that has forced states to aggressively adopt conservation measures.

Whether the proposal goes forward with Douglas County money hinges on the county's commissioners, and they're not all on the same page.

- Douglas County Commissioner George Teal wrote in a <u>Douglas County News-Press</u> op-ed on Jan. 4 that he finds the RWR proposal "intriguing," and he appeared willing to listen to RWR's pitch.
- "I am interested in a robust, fact-based conversation about our water future, to include innovation, conservation, and out-of-the-box thinking," he wrote. "I will listen to any idea that offers a path forward while protecting our Western way of life and fulfilling our commitment to our families and community, while also supporting our job-creating economy."
- In 2020 and 2021, Teal took in thousands of dollars in campaign contributions from five of the eight RWR principals.

 Notably, on Aug. 13, his TRACER account showed nine new contributions totaling \$16,000, and five came from RWR principals: Hugh Bernardi, the manager of RWR, gave the maximum \$2,500. So did John Kim and Sean Tonner.

 Tonner's wife, Laura, donated \$1,000, James Yates gave \$500 and Bryan Wright contributed \$1,000.

- He also received contributions from the owners of Sterling Ranch, a housing development west of Colorado Highway 85 that Teal said could be one of several potential end-users.
- Teal said he and Tonner have been been friends since 2004, and he called Tonner on Aug. 13, the same day he received contributions from the RWR principals.
- He was trying to retire campaign debt, and RWR's principals came through, as did several other big-dollar donors, he said. Those contributions will also help him as he plans to run for reelection in 2024, when he faces a rematch with a Democratic opponent who, he said, receives a lot of out-of-state contributions.
- Sean Duffy, a spokesman for RWR, confirmed the contributions but downplayed their significance.
- "There was no significance to the date just when the donations were received," he said. "For what it's worth, many of the RWR team, including the principals particularly, are Douglas County residents and most have been actively involved in county politics for 15 years or more, including Tonner hosting a 2020 event for [Commissioner] Lora Thomas at his home. So, political involvement isn't a new endeavor."
- Thomas, whose district includes Sterling Ranch, is adamantly opposed, citing a host of reasons, including her ethical objections.
- In a Jan. 11 op-ed in the <u>Douglas County News-Press</u>, Thomas wrote that the \$68 million in federal money awarded to Douglas County, if spent appropriately, can improve lives and change the face of the county.
- "If misspent, we will squander a once-in-a-lifetime opportunity," she said, adding the proposal fails to identify how the water will get to the county.
- She also noted the county already has received requests for water projects totaling \$300 million.
- "There is no available water to export to Douglas County or anywhere else," Thomas said, citing current conditions in the valley. "All valley water is earmarked. Any new uses must shortchange irrigated agriculture to make that water available. The claim in RWR's proposal that there is unused water in the valley are flatly contradicted by numerous court rulings and the very need for the state engineer to issue rules strictly governing water use."
- Taking water from the valley would dry up tens of thousands of acres of productive agriculture, she said.
- She also claimed ARPA guidelines "preclude buying water rights and obtaining water for future population needs. Moreover, I believe it is morally and ethically wrong to take water from the valley under the circumstances."
- Thomas is now being targeted by robocalls, emails and a survey that asks Douglas County residents if they support her position. RWR denied it is responsible for those communications.
- So, the project's fate might come down to Commissioner Abe Laydon, who said in a Jan. 3 commissioner work session that he has an open mind about the project. But Laydon, a Latino whose family goes back five generations in the valley, reportedly expressed hesitation about doing anything that would hurt the San Luis Valley.
- The county is expected to make its final decision on the project by the end of March.

Where is the water going?

- Duffy said last month that RWR has not yet determined a water provider who would buy the San Luis Valley-sourced water for customers. He said this month it's "premature" to identify an end user.
- Colorado Politics asked most of the 47 water districts, including the dozen largest ones, whether they intend to participate in the project, either as the end user, or, in the case of Denver, allow the reservoirs the county manages to hold that water.
- The answer was "no" from all but one potential end-user. Denver Water, which manages the reservoirs, also shot down the idea.
- Jim Lochhead, manager of Denver Water, told Colorado Politics in an email that "Denver Water has not been contacted by Renewable Water Resources concerning any purchase of water or use of our facilities for the delivery of water.

 Moreover, Denver Water has no interest in purchasing or using water imported to the South Platte River Basin as

- proposed by RWR, nor any interest in any arrangement to use our reservoirs to facilitate the storage or delivery of this water to anyone else."
- Denver Water manages three of the four reservoirs identified in the RWR proposal as potential storage sites: Antero and Elevenmile, both in Park County, and Strontia Springs in Douglas and Jefferson counties. The fourth reservoir identified in the RWR proposal, Chatfield, is managed by the U.S. Army Corps of Engineers, but it isn't likely a storage destination, either, as it is solely used for the purpose of storing water belonging to Denver Water.
- Sterling Ranch is a 20-year housing project south of Titan Road and west of Colorado Highway 85. It began construction in 2016, with a proposed buildout for 33,000 residents and about 12,000 homes. So far, about 1,000 homes have been built.
- That Dominion and Sterling Ranch could be the end users both entities vigorously deny any interest in San Luis Valley water and maintain their supply is sufficient to meet needs is bolstered by RWR's proposal, which says the project "will maximize use of existing infrastructures, ultimately supporting the county's goals of enhancing solutions along the I-85 corridor."
- That's a reference to Colorado Highway 85, which comes into the county from the north and then merges with I-25 at Castle Rock.
- On Jan. 17, Zillow.com showed 58 new-construction homes currently available for sale at Sterling Ranch.
- Dominion, in an unsigned Jan. 3 email said it "had not been formally approached by RWR as a partner" on the San Luis Valley Water project.
- "Our current water supply portfolio is sufficient to meet existing demands of our retail customers," the water provider said
- In a Jan. 25 letter to Colorado Politics, Dominion said the projects it is advancing "do not include purchasing water from the San Luis Valley nor participating in the RWR proposal." The water provider also said its existing water supply portfolio is "sufficient to meet and assure water is available at full build-out of Sterling Ranch as well as the existing residences included within the Chatfield Valley Framework."
- The water provider added: "Dominion will meet the needs of our customers by using our existing water supply portfolio to the fullest extent achieving our commitment to provide 70% renewable water supplies to our customers. We will do this in a responsible and thoughtful manner by leveraging the demand management techniques and water efficiency standards that have proven to reduce water usage by our existing customers. We will continue to champion collaborative solutions for Northwest Douglas County by continuing to provide our customers with a locally controlled, resilient water supply that is environmentally responsible and economically feasible."
- The president of Sterling Ranch is Brock Smethills, whose father, Harold, was president when the project started. Collectively, the Smethills, including Harold's wife, Diane, have poured more than \$12,000 into Teal's campaign account, mostly in 2020 and 2021. They've also been generous with Thomas, with \$7,700 in contributions, although none came since 2020.
- Both Brock and Harold Smethills are directors on the Dominion Water & Sanitation District board.
- The Sterling Ranch website section on <u>water sustainability</u> contains this quote from Harold Smethills: "Water is such an important necessity of human life ... There is plenty of water in the state, though it's in the wrong places and we have to move it."
- Teal said it could be Sterling Ranch, Castle Rock or Parker Water. Regarding Castle Rock, Teal explained that the town provides water to customers outside of its boundaries, part of an I-85 partnership between Castle Rock and Dominion.
- The Smethills, in a Jan. 24 letter to Colorado Politics, disputed the story, saying any depiction of Sterling Ranch as a recipient of water from the RWR project or that it is short on water is factually inaccurate.

- In particular, the Smethills said, "Sterling Ranch has no plans to be served by the San Luis water. That water is not required or needed [for] the buildout of Sterling Ranch."
- "When our family planned Sterling Ranch we committed to create a reliable renewable conjunctive use water system and that has been accomplished," the Smethills said. "Tens of millions of dollars was invested to create that system and it is now serving Sterling Ranch and has all the water it needs to provide water at build out. It is now building the infrastructure as it is needed."
- Castle Rock Water spokeswoman Mary Jo Woodrick said in an email that "at this time, we do not intend to acquire water from RWR's San Luis Valley project."
- Woodrick added: "Our financial resources are already committed to a number of big projects that are part of our long term renewable water plan, a plan that has been in progress since at least 2013."
- She said that includes completing the construction of a new reservoir; tapping into the Aurora WISE project, which supplies water to a number of Douglas County water districts; and, constructing a new pipeline to the county's Rueter-Hess reservoir, which is on the county's east side.
- The town's <u>strategic plan</u>, <u>which was updated in 2019</u>, however, also calls for the purchase of 700 acre-feet of water through "renewable water rights."

Teal said he found it "amusing" that Castle Rock said it had no plans to participate.

"I'm sure that's the answer right now," he said. "Is Douglas County secure in its water today? Yes. I don't know if anybody is laying awake today, wondering if the taps will turn on ... Our water is secure, today. [But] it's like filling up your car with gas and driving around, thinking you'll never have to fill it up again."

The American Rescue Plan Act

The American Rescue Plan allocated tens of millions of dollars to county and state governments, and Douglas County's share is \$68 million. Interim guidelines from the Treasury Department allow for investments in water, sewer, and broadband infrastructure.

But does that include paying a private company to build a pipeline? Douglas Commissioner Thomas says no.

- The <u>National League of Cities</u> published guidance on the types of water projects that would fit under ARPA. Citing an interim final rule from the Treasury, eligible uses include "a broad range of projects that improve access to clean drinking water, improve wastewater and stormwater infrastructure systems."
- The interim final rule, the national group said, is intended to align "types of eligible projects with the wide range of projects that can be supported by the U.S. Environmental Protection Agency's <u>Clean Water State Revolving Fund</u> and <u>Drinking Water State Revolving Fund</u>." The latter can be used for building or upgrading facilities and transmission, distribution, and storage systems; supporting the consolidation or establishment of drinking water systems; and, replacing lead service lines.
- A review of the Drinking Water State Revolving Fund <u>guidebook</u>, however, declares ineligible for funding "for-profit non-community water systems."

Much is to be decided.

- Teal said the county is seeking an opinion on the legality of using ARPA funds. He noted the guidance does not appear to allow for the acquisition of new water rights, which is at the heart of the RWR project. But there could be some wiggle room for consideration of well infrastructure, for example, he said.
- Another issue is ownership, he explained. That question pertains to just how much Douglas County would have to invest in the project, and whether \$20 million would be a large enough stake to allow for using ARPA dollars.
- Should it be determined that the county cannot use ARPA money, and the county is unwilling or unable to use its own funds, another one option is to forego the county's share of the cost, Teal said. That's assuming RWR agrees to it, ponies up all of the money, but is willing to share ownership rights to Douglas County, which Teal called something akin to profit-sharing.

The state engineer

- Among RWR's claims in its proposal is that State Engineer Kevin Rein "recently urged Denver Metro water providers, including those located in Douglas County, to seek renewable sources of water other than the Denver Aquifer."
- "This new guidance," RWR said, "will limit the use of the Denver Aquifer and essentially maintain the aquifer as a 'preserve.' In other words, the aquifer will serve as a back-up option for when Douglas County needs water at times of extreme drought but NOT the main source. For Douglas County, this ruling is an imminent and practical challenge and catalyst for necessary change."
- That comes as news to Rein. He told Colorado Politics there have been no new rulings that apply to what RWR describes.
- "We are a regulatory agency but we have made no ruling relevant to what the report describes," Rein said in an email.
- The advice to limit the use of the Denver aquifer, he pointed out, came out in 1996, although a memo in 2020 provided guidance to the staff of the engineer's office that is "a recitation" of the 1996 memo.
- "I can't explain why the report refers to it as new guidance," Rein said. "Nothing that the state engineer has done has made the challenge any more 'imminent."

Show me the money

- The project's total cost is estimated at \$600 million. RWR has, so far, raised just \$5.7 million of the total \$28.5 million through sales of unregistered securities, according to filings with the Security and Exchange Commission. That's based on filings from 2019 that have not been updated since then.
- Tonner told <u>Water Education Colorado</u> in 2019 that the rest of the money will come once the company has signed a deal with an end user in Douglas County.
- Tonner said the end user would need to sell enough bonds to pay the farmers, RWR, and the cost of the massive well fields, pipeline and delivery system that will be needed to bring the water up Highway 285 and across to the Front Range.
- RWR has promised valley residents \$50 million for economic development, which the company claims is far more than farmers and ranchers would ever get from agriculture. That "community fund" would assist local communities with schools, broadband or food banks, senior services or job training, the company said, adding a separate pool of money, about \$68 million, would pay farme rs and ranchers who agree to sell their water rights, known in agriculture circles as "buy and dry."

The attorney general

- However, RWR claims in its proposal that it is acquiring water rights through willing buyers, and that once someone learns about the project's benefits for the valley, support grows to 42%. The proposal didn't say where the floor for that support started.
- This month, Attorney General Phil Weiser joined in the chorus of opposition to the project, and, along, with state Sen. Cleave Simpson, R-Alamosa, who manages the Rio Grande Water Conservation District, <u>penned an op-ed for the Alamosa Valley Courier</u>.
- "There is a right way, and a wrong way, to manage our water," the two wrote in the op-ed, which was published Jan. 7.

 "Piping water from the San Luis Valley to the Front Range is the wrong way."
- They wrote that the RWR plan buys up water rights intended for irrigation, and comes at a time when the valley is "desperately working to manage a depleted aquifer and protect this community's future."
- A <u>2019 Water Education Colorado article</u> said the aquifer is so depleted "that the state has ordered the valley to bring water levels back up to where they were prior to 2000, or face a massive shut down of farm wells in 2030." Simpson, in that same article, said the basin is over-appropriated.

- "There are way more decrees for water rights than can be delivered in any one year. We have water rights that haven't been able to draw from the river in 20 years. Likewise the groundwater system is also over-appropriated," said the fourth-generation San Luis Valley rancher and farmer.
- In addition, Weiser and Simpson wrote, the proposal will not comply with rules from the State Engineer or the state Supreme Court. The RWR proposal seeks to change the rules, which would undermine Colorado's compliance with the Rio Grande compact, they said.
- "No solution to solve these needs should be done at the expense of our agricultural communities," they wrote.
- Weiser, in an interview last week with Colorado Politics, is prepared to put his money, or rather the state's, where his mouth is, and that includes going to court, if necessary.
- Weiser explained his office is statutorily mandated to represent a number of agencies relevant to the water issue, including the state engineer. But he has a second hat, as the people's lawyer, which means he is in a position to be an advocate, adding that, from that perspective, "we need to protect the water of the San Luis Valley."
- He hasn't landed on any particular legal strategy yet, but noted that previous attorneys general have been willing to be active litigants or amici (friend of the court) in cases where the public interest is at stake.
- "I won't be merely reacting on behalf" of whatever agencies his office works with, Weiser said. "I'm going to take a lead role in how we in Colorado can stop this from happening because the idea of removing water from the valley at a time of a depleted aquifer is something I can't understand."
- One critical issue, however, is that water is a private property right and anyone can sell their water rights independent of the land itself. Weiser said his office will work on how to honor water as a property right, as well as recognize the broader public consequences of potential decisions that, to him, can have harmful effects on other water users.
- "My advice to everybody in the Colorado water community is if we can find ways to work together and reach mutually agreeable sound solutions, we're all going to be better off," Weiser said. "Once you start an injury into long-term testing your rights and litigation, it is a lengthy, expensive and uncertain proposition."
- According to the Water Education story, backers of the RWR project would have to prove it wouldn't harm other water users or the aquifer, and demonstrate it would not affect the groundwater that maintains the Great Sand Dunes National Park.
- Simpson told Colorado Politics last month that the Rio Grande Water Conservation District has been stockpiling funds from previous settlements, in preparation for the day when they're back in court.

Previous attempts

RWR isn't the first entity to try and ferry water out of San Luis Valley.

- On the last day of 1987, American Water Development Inc. filed a proposal in Division 3 Water Court to pump 200,000 acre-feet of water per year out of the valley, with Denver as a potential end user. AWDI based its proposal on a claim that the water isn't non-tributary meaning it isn't groundwater connected to a surface stream. The court, believing otherwise, shot the proposal down in 1991.
- That led to another attempt a few years later that involved Yale University; Gary Boyce, a rancher near Crestone, and Farallon Capital, which at the time was owned by California billionaire Tom Steyer, who unsuccessfully ran for president in 2020. Boyce, according to the Nature Conservancy, bought the land from AWDI and turned it into Baca Ranch, with ideas of his own on water exports.
- According to a 2013 <u>Washington Free Beacon</u> story, "Farallon's Vaca Partners, a joint venture between Yale and the hedge fund, bought Boyce's Baca Ranch for about \$16 million in the mid-1990s," with plans to sell the water to Denver. The proponents tried to put two ballot measures on the state ballot in 1998 that would clear the way for their plan, but the public rejected those measures with 96% and 97% voting against.

After the failure of the ballot measures, in 1999, Farallon sold the 97,000-acre ranch to Congress in a deal brokered by The Nature Conservancy for \$32 million. That acquisition quadrupled the size of the Great Sand Dunes, which became a national park in 2004.

Other solutions

- There is at least one other alternative to the Douglas County's efforts to secure more water, which comes from the Platte Valley Water Partnership. It's a collaboration between the Lower South Platte Water Conservancy District, based in Sterling, and the Parker Water and Sanitation District.
- The partnership's website says Parker's current water resources are sufficient to meet current demands, but "with a population that's projected to double and with the Denver Basin groundwater supplies diminishing over time, Parker's ultimate goal is to diversify its water resources portfolio to be comprised of at least 75% renewable water." (Renewable water is water that can be used, with the remainder returned to its source and then reused over and over again, to extinction.)
- The plan is to build more storage along the South Platte to capture some of the water heading out of the state and into Nebraska that exceeds the requirements of the compact between Colorado and Nebraska.
- According to an <u>op-ed by Sarah Parmer</u>, director of conservation for Colorado Open Lands, the partnership "would utilize high water events on the South Platte River and divert that excess water into reservoirs that can then be used by both cities and farmers and ranchers," with an additional agreement to avoid "buy and dry" on agricultural land.
- "The citizens of Douglas County can choose to invest in a water future that cripples a rural community, or they can join Parker in leading the Front Range in a new direction one that reflects the spirit of the Water Plan, Parmer wrote.

 "The best investment for Douglas County and for Colorado is in a cooperative water-sharing partnership that respects the economy, culture, and wildlife of two basins while getting Douglas County the water it needs to support its growth," Parmer wrote.



2022-02-01. The San Luis Valley is once again the target of a water export proposal which threatens our communities and way of life.

https://www.protectsanluisvalleywater.com/stop-rwr

News Articles: https://www.protectsanluisvalleywater.com/news

Despite their marketing assertions, RWR's plan to export water from the San Luis Valley was not devised by locals nor will it benefit the entire Valley. Nor is there a billion gallon "ocean" under the Valley floor just waiting to be tapped.

RWR proposes buying local agricultural water, pumping out 22,000 acre-feet of water and transporting it through a pipeline over Poncha Pass. It would be the first pipeline in the Valley built to remove water. RWR executives, former

Governor Bill Owens and his former deputy chief of staff Sean Tonner, are behind the plan. The Centennial, Colorado-based company owns Rancho Rosado, just north of the Baca National Wildlife Refuge. The stated need for the water is to support population growth and development on the Front Range. There are no publicly known buyers for the water at this time.

The Rio Grande Water Conservation District (RGWCD), San Luis Valley Water Conservancy District, Conejos Water Conservancy District, the Rio Grande Basin Roundtable as well as the City of Alamosa, Town of Del Norte, City of Monte Vista, Town of Saguache, environmental groups, local businesses and many farmers and ranchers oppose RWR's proposal. They stand against it as the new

RWR's plan will remove water from the Valley and permanently dry up at least 10,000 acres of farmland. Pumping and exporting water would exacerbate groundwater level declines, especially with the ever-present and ongoing threat of severe drought. RWR's promise to supplement water in the aquifer in exchange for project support would ultimately still dry up more farmland since the removal of every two acre-feet of water dries up one irrigated acre of land.

While it may sound like a lot of money, the one-time \$50 million community payment RWR has promised will not go very far or benefit very many of the communities in the Valley. Future generations would also be negatively impacted by the sale of agricultural water, as will the succession plans of many farmers/ranchers to keep operations within the family. The long-term economic consequences of drying up agriculture far outweighs any short-term benefit from such a payment.

RWR's project will work to undermine local efforts to balance water supply and use. Many Valley farmers currently participate in a voluntary program of Subdistricts that work together to replenish and sustain the shallow groundwater, allowing them to guide their own destiny and solve problems locally. The area has experienced severe drought for 20+ years. To address this, a program was started when local water users and state officials recognized that groundwater use in certain parts of the basin is unsustainable. Local leaders passed legislation that allows communities within the Valley to create their own plans for balancing water use and supply.



2022-02-23. Letter: San Luis Valley water export proposal will harm wildlife and land

Alex Funk, February 23, 2022

Douglas County Commissioners should not move forward with Renewable Water Resources' (RWR) request to utilize American Rescue Plan Act (ARPA) stimulus funds to export water from the northern San Luis Valley (SLV). The RWR proposal would significantly impact the economy, environment, and culture of the San Luis Valley, a unique region home to Great Sand Dunes National Park and Preserve and three national wildlife refuges, which collectively attract more than 600,000 visitors annually to the SLV. The SLV cities, farmers, and residents universally oppose the RWR proposal. The project would result in the "buy and dry" of agriculture, which has led to the devastation of other rural communities in Colorado.

As conservation organizations, we represent thousands of hunters and anglers in Colorado. Healthy wildlife habitats are necessary to sustain wildlife populations, and wetlands, riparian corridors, and mesic areas are critical in our arid state. The proposed RWR project would impact fish and wildlife habitats on multiple fronts. Groundwater and surface water resources in the SLV are connected, with aquifers sustaining streamflow, which supports habitat for cold-water fisheries. Therefore, removing water from the aquifers could negatively affect aquatic ecosystems important to the region. For example, the proposed wellfields of 22 to 25 groundwater pumping wells for the RWR project would neighbor the Baca National Wildlife Refuge, potentially impacting the wetland and aquatic ecosystems that support breeding and feeding grounds of migratory birds and waterfowl. Baca is also home to the state's most viable population of Rio Grande Chub, a state species of concern. Other potentially affected species include the Rio Grande Cutthroat Trout and Gunnison Sage Grouse. The RWR proposal would also require the dryup of 20,000 irrigated acres in the valley. Impacts to irrigated agriculture in the SLV resulting from the RWR project would also negatively affect fish and wildlife since most of the SLV's wetlands occur on private property and are sustained through irrigation and water delivery.

The RWR plan runs contrary to the Colorado Water Plan. The plan, which guides state water planning and policy, establishes a conceptual framework for guiding negotiations around new transbasin diversion projects, including developing adequate measures to reduce socio-economic and environmental impacts on the basin of origin, which the RWR fails to accomplish meaningfully. The Colorado Water Plan also strongly condemns the practice of "buy and dry," which has led to significant socio-economic and environmental impacts in rural communities and instead supports alternative approaches such as investments in conservation and smart land-use planning.

More cost-effective strategies exist, including investments in water conservation and water recycling/reuse. And there is no surplus water in the SLV to export. The SLV aquifers are over-appropriated and climatic trends point to less available water. Therefore, the RWR proposal presents a likely expensive, unpopular, and risky approach to meeting the growing water needs of Douglas County.

Our organizations recognize that Douglas County is growing and reliant on an unsustainable groundwater resource. We encourage Douglas County to use the federal funds to make needed investments to address water supply needs in a way that prioritizes local water supplies, promotes conservation, and creates jobs for the community rather than siphoning these funds to a speculative and costly water export proposal that will have significant impacts on rural Coloradans and the unique environment of the San Luis Valley.

• Theodore Roosevelt Conservation Partnership

- Trout Unlimited
- National Wild Turkey Federation
- Colorado Backcountry Hunters and Anglers
- Colorado Wildlife Federation



2022-02-23. Douglas County Commissioners to head to San Luis Valley for water export meetings

Douglas County Commissioners will travel to Colorado's San Luis Valley next month to hear first-hand what residents there think of a controversial proposal to export farm water to the fast-growing Front Range.

by Jerd Smith | Feb 23, 2022

Douglas County Commissioners will travel to Colorado's San Luis Valley next month to hear first-hand what residents there think of a controversial proposal to export farm water to the fast-growing Front Range.

Late last year, Renewable Water Resources (RWR), a Denver development group that includes former Colorado Gov. Bill Owens, asked Douglas County to use \$20 million of the federal covid-relief funds the county has received as a down payment on the proposal, which has an estimated initial price tag of more than \$600 million. Since then the company has reduced its request to \$10 million.

Douglas County Commission spokesperson Wendy Holmes said the commissioners plan to gather as much information from the public as possible before making a decision on whether to help finance the deal.

"This is a very transparent process," she said. The San Luis Valley meetings are scheduled for March 26 in Monte Vista, with details on times and locations still being finalized.

Colorado's growing population is putting pressure on fast-growing communities to find additional water.

The Front Range needs more than 500,000 acre-feet of new annual water supply by 2050 to stave off shortages, according to the Colorado Water Plan. That's enough water for about 1 million new homes.

In Douglas County, the number is smaller but the problem is more urgent. Douglas County communities, along with parts of El Paso and Elbert counties, relies on an aquifer that, unlike the one in the San Luis Valley, is not a renewable resource. And levels in that aquifer, known as the Denver Aquifer, are dropping.

Cities such as Castle Rock currently rely on the Denver Aquifer for roughly 70% of their water, and although Castle Rock has acquired some surface water rights and operates a water recycling plant, they still need more fresh water to ensure they don't drain their underground supplies.

Several projects are in the works to help address looming shortages. RWR has not yet identified who the ultimate customers for the San Luis Valley project would be.

RWR is only the latest in a handful of companies that have tried to export water out of the iconic San Luis Valley, which is home to the second largest potato-growing economy in the nation, but which also has one of the highest poverty rates in the state. All have been defeated.

Like other parts of Colorado and the American West, the ag-based community along the Rio Grande River has been hit hard by drought. It is under a state order to reduce water use from the aquifers underlying the valley in order to protect senior water users and ensure Colorado can continue to deliver water to Texas and New Mexico, as it is legally required to do under the Rio Grande Compact.

RWR has already purchased thousands of acres of farm land in the <u>valley</u> with water rights associated with it. Under RWR's proposal, 22,000 acre-feet of water would be transported via pipeline to the Front Range. RWR has said repeatedly that its proposal would be an economic boost to the valley because it would take some of that acquired farm land out production, leaving 8,000 acre-feet of unused water in the valley that could go toward helping restore the aquifers and relieve strain on the Rio Grande. It has also pledged to provide a \$50 million community fund, to help create new economic development programs in the valley.

Critics of the proposal, including the Rio Grande Water Conservation District in Alamosa, argue that no water should be taken from the valley because it will need every drop to support the local agricultural economy.

Environmental groups have also come out in opposition, as have numerous elected leaders including Democrats Gov. Jared Polis, Attorney General Phil Weiser, U.S. Sen. John Hickenlooper and U.S. Sen. Michael Bennet, as well as Republican Congresswoman Lauren Boebert, who represents the valley.

RWR spokeswoman Monica McCafferty said the company wasn't surprised by the emergence of such powerful political opposition.

"It's easy to oppose things," McCafferty said. "It's harder to be for something. We want the leaders in our state to keep an open mind and to base their opinions on facts."

Mike Carson, an Alamosa City Council member and head of Protect Our Water, a local group that opposes the export plan, said he doesn't believe the RWR proposal will benefit the San Luis Valley.

"I don't see that that would happen," he said.

In January, RWR reduced its initial \$20 million request to \$10 million, <u>according to a letter</u> sent to Douglas County officials, citing uncertainty over interpretations of the new federal spending rules and suggesting that an "unrestricted" set of the federal American Rescue Plan Act funds be used instead.

How much money RWR has raised itself for the project isn't clear. McCafferty said she did not know.

The most recent documents at the U.S. Securities Commission, filed in December of 2019, indicate that the company at that time had raised \$5.7 million of a stated goal of \$28.5 million.

Douglas County spokeswoman Holmes said the county has received dozens of water project proposals worth a total of \$280 million and that the county only has \$68.2 million in federal ARPA funds.

Holmes said the county has much more analysis to do before it will make a decision on whether to help finance the export proposal.

"We plan to do lots and lots of due diligence," she said.



2022-03-30. Fast-growing Douglas County communities need more water. Is a controversial San Luis Valley export plan the answer?

by Jerd Smith | Mar 30, 2022 |

Castle Rock's building boom has barely slowed over the past 20 years and its appetite for growth and need for water hasn't slowed much either.

The city, which ranks No. 1 in the state for water conservation, will still need to at least double its water supplies in the next 40 years to cope with that growth. It uses roughly 9,800 acre-feet of water now and may need as much as 24,000 acre-feet when it reaches buildout.

- With an eye on that growth and the ongoing need for more water, Douglas County commissioners are debating whether to spend \$10 million in federal American Rescue Plan Act funding to help finance a controversial San Luis Valley farm water export proposal.
- Thirteen Douglas County and South Metro regional water suppliers say they have no need or desire for that farm water, according to Lisa Darling, executive director of the South Metro Water Supply Authority. [Editor's note: Lisa Darling is president of the board of Water Education Colorado, which is a sponsor of Fresh Water News]
- "It is not part of our plan and it is not something we are interested in," said Mark Marlowe, director of Castle Rock Water. "We have invested hundreds of millions of dollars in our long-term plan and we are pursuing the projects that are in that plan. The San Luis Valley is not in the plan."
- Renewable Water Resources, a development firm backed by former Colorado Gov. Bill Owens and Sean Tonner, has spent years acquiring agricultural water rights in the San Luis Valley. It hopes to sell that water to users in the south metro area, delivering it via a new pipeline. In December, RWR asked the Douglas County commissioners for \$10 million to help finance the \$400 million plus project.
- Tonner did not respond to a request for comment for this article, but he has said previously that the water demands in south metro Denver will be so intense in the coming decades, that the San Luis Valley export proposal makes sense.
- Opposition to the export plan stems in part from concern in the drought-strapped San Luis Valley about losing even a small amount of its water to the Front Range. But RWR has said the impact to local water supplies could be mitigated, and that the proposed pipeline could help fund new economic development initiatives in the valley.
- Stakes for new water in Douglas County and the south metro area are high. In addition to demand fueled by growth, the region's reliance on shrinking, non-renewable aquifers is putting additional pressure on the drive to develop new water sources.
- Marlowe and other water utility directors in the region have been working for 20 years to wean themselves from the deep aquifers that once provided clean water, cheaply, to any developer who could drill a well. But once growth took off, and Douglas County communities super-charged their pumping, the aquifers began declining. Because these underground reservoirs are so deep, and because of the rock formations that lie over them, they don't recharge from rain and snowfall, as some aquifers do.
- At one point in the early 2000s the aquifers were declining at roughly 30 feet a year. Cities responded by drilling more, deeper wells and using costly electricity to pull water up from the deep rock formations.
- Since then, thanks to a comprehensive effort to build recycled water plants and develop renewable supplies in nearby creeks and rivers, they've been able to take pressure off the aquifers, which are now declining at roughly 5 feet per year, according to the South Metro Water Supply Authority.
- The goal among Douglas County communities is to wean themselves from the aquifers, using them only in times of severe drought.
- Ron Redd is director of Parker Water and Sanitation District, which serves Parker and several other communities as well as some unincorporated parts of Douglas County.
- Like Castle Rock, Parker needs to nearly double its water supplies in the coming decades. It now uses about 10,000 acre-feet annually and will likely need 20,000 acre-feet at buildout to keep up with growth.
- Parker is developing a large-scale pipeline project that will bring renewable South Platte River water from the northeastern corner of the state and pipe it down to the south metro area. Castle Rock is also a partner in that project along with the Lower South Platte Water Conservancy District in Sterling.
- Redd said the San Luis Valley export plan isn't needed because of water projects, such as the South Platte Water Partnership, that are already in the works.

"For me to walk away from a project in which we already have water, and hope a third party can deliver the water, just doesn't make sense." Redd said.

The costs of building two major pipelines would also likely be prohibitive for Douglas County residents, Redd said.

"We would have to choose one. We could not do both."

Steve Koster is Douglas County's assistant planning director and oversees new developments, which must demonstrate an adequate supply of water to enter the county's planning approval process.

Koster said small communities in unincorporated parts of the county reach out to his department routinely, looking for help in establishing sustainable water supplies.

He said the county provides grants for engineering and cost studies to small developments hoping to partner with an established water provider.

"All of them are working to diversify and strengthen their water systems so they are sustainable. Having a system that encourages those partnerships is what we're looking at," Koster said.

Whether an RWR pipeline will play a role in the water future of Douglas County and the south metro area isn't clear yet. Douglas County spokeswoman Wendy Holmes said commissioners are evaluating more than a dozen proposals from water districts, including RWR, and that the commission has not set a deadline for when it will decide who to fund.



2023-04-19. Let's talk about the biggest cause of the West's water crisis

The Colorado River is going dry ... to feed cows.

by Kenny Torrella Apr 19, 2023, 4:46 AM MDT

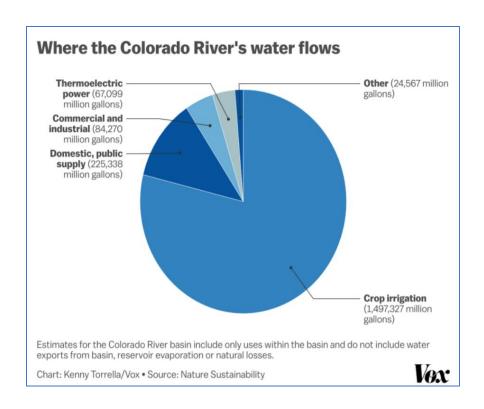
Last May, 30 miles east of the Las Vegas Strip, a barrel containing a <u>dead body</u> washed up on the shores of Lake Mead, the country's largest water reservoir. In the following months, more human remains surfaced, along with a World War II-era boat and dozens of other vessels.

While these discoveries might sound like the opening to a crime thriller, they're more than just morbid curiosities — they're flashing warning signs that the Colorado River, which supplies water and hydropower to 40 million Americans, is in crisis.

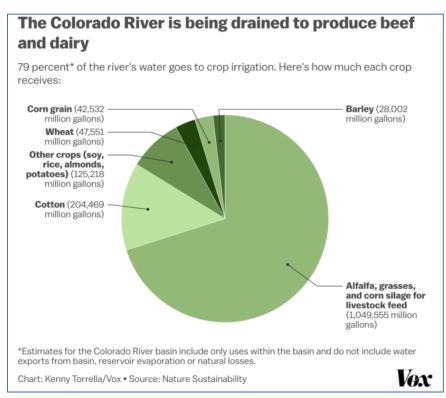
Along with Lake Powell 300 miles away, Lake Mead stores water for the lower states along the Colorado River: California, Arizona, and Nevada as well as Mexico and around 20 Indigenous reservations. But a climate change-induced "megadrought" has led to higher rates of water evaporation in recent decades and a drastic reduction in water supply, with Lake Mead currently at just 29 percent capacity. The streamflow on the northern part of the river, which supplies Colorado, New Mexico, Utah, Wyoming, and five Indigenous reservations, has fallen 20 percent over the last century.

Heavy snowfall in the Rocky Mountains this winter should give Lake Powell a <u>modest boost</u> as it melts, but not enough to assuage fears over the lakes reaching what's termed "dead pool" status, when water levels drop too low to flow through the dams. To avoid that fate, the federal government has <u>urged</u> states to cut their water use.

But despite news stories about drought-stricken Americans in the West taking <u>shorter showers</u> and <u>ditching lawns</u> to conserve their water supply, those efforts are unlikely to amount to much — residential water use accounts for just 13 percent of water drawn from the Colorado River. According to <u>research</u> published in *Nature Sustainability*, the vast majority of water is used by farmers to irrigate crops.



And when you zoom in to look at exactly which crops receive the bulk of the Colorado River's water, 70 percent goes to alfalfa, hay, corn silage, and other grasses that are used to fatten up cattle for beef and cows for dairy. Some of the other crops, like soy, corn grain, wheat, barley, and even cotton, may also be used for animal feed.



[&]quot;Meat production is the most environmentally stressful thing people do, and reducing it would make a huge impact on the planet," said Ben Ruddell, a professor of informatics and computing at Northern Arizona University and coauthor of the *Nature Sustainability* paper, over email to Vox. "We've known this for a long time."

The stress on the West's water supply due to alfalfa is especially acute in Utah: A staggering 68 percent of the state's available water is used to grow alfalfa for livestock feed, even though it's responsible for a tiny 0.2 percent of the state's income. Last year, the editorial board of the state's largest newspaper, the Salt Lake Tribune, declared that "it's time for Utah to buy out alfalfa farmers and let the water flow."

California takes more water from the Colorado River than any other state, and most of it goes to the <u>Imperial Valley</u> in the southern part of the state. It's one of the most productive agricultural regions in the US, producing two-thirds of America's vegetables during winter months. But the <u>majority</u> of the Imperial Valley's farmland is dedicated to alfalfa and various grasses for livestock.

In Arizona, <u>Phoenix's backup water supply</u> is being drained to grow alfalfa by Fondomonte, owned by Saudi Arabia's largest dairy company, which it ships <u>8,000 miles</u> back to the Middle East to feed its domestic herds. (Water-starved Saudi Arabia <u>banned</u> growing alfalfa and some other animal feed crops within its own borders in 2018.) Across the 17 Western states, at least <u>10 percent</u> of alfalfa is shipped to Asia and the Middle East where meat and dairy consumption is low compared to the US but <u>on the rise</u>.

A drought is the product of two interlocking factors: supply and demand. We can point to climate change for the drought that's drying up the water supply that is the Colorado River, but we have to reckon with the fact that the West's already limited water is primarily used to grow a low-value crop, alfalfa, while cities are left to spend heavily on water-saving infrastructure to keep the H2O running and ensure reserves. And ironically, all that alfalfa is used to produce beef and dairy — two food groups that themselves contribute significantly to climate change. In other words, we're using water supplies that have been shrunk in part by climate change to produce food that will in turn worsen climate change.

The West's water squeeze can be explained by poor planning in its past, but it raises a difficult question for its future:

As local and state governments are forced to adapt their water use to a changing climate, do we also need to start thinking about adapting our diets?



Why there are so many water-guzzling farms in the desert

When I asked John Matthews, executive director of the Alliance for Global Water Adaptation, why there are so many water-intensive farming operations in the desert ecosystem of the Southwestern US, he had a simple answer: If we could start from scratch, we would not have designed the system we have today.

"I don't think a farmer would design it this way," he said.

The West's water system has its roots in the 1862 federal <u>Homestead Act</u>, which gave Western settlers up to 160 acres of land for free if they agreed to improve it and stay on it for at least five years, and later offered even more land at a reduced price if they agreed to farm it. But because there was so little water and irrigation was shoddy, Congress passed the <u>Reclamation Act</u> in 1902 to "reclaim" arid land in the West for agriculture. The federal government sold

tracts of land to fund massive irrigation damming projects to divert rivers and streams to farms. Armed with cheap land and water backed by federal <u>price guarantees</u> — and aided by a warm climate that permitted an expanded growing season — Western settlers began to farm cotton and alfalfa.

- Choosing to put farms on arid land wasn't the only short-sighted mistake the region made. In 1922, negotiators representing the seven states that share the river's water <u>grossly overestimated</u> just how much water it could provide, which locked in over-apportionment and thus overuse.
- Of course, government officials at the time also couldn't foresee a historic, climate change-fueled drought, or the growth of sprawling metropolises like Phoenix and Las Vegas in the decades to come that would compete with agriculture for limited resources. (In 1920, Arizona's total population was just 334,000 people around 20 percent of Phoenix's current population while all of Nevada had only 77,000 people.)
- And most importantly and at the heart of the conflict today between California and its fellow Colorado River users is how water rights were obtained.
- In the Eastern US, water rights are determined using what's called the <u>riparian doctrine</u> everyone who lives near a body of water has an equal right to use it, and is entitled to a "reasonable use" of it. The Western US, as is the case in so many other areas, does things differently.
- Water rights in the West were determined under state laws by what's called the <u>prior appropriation doctrine</u>, which gives senior water rights to whoever first uses the water, a right they retain so long as they continue to use it. And those rights were mostly snatched up by miners during the Gold Rush era of the mid-1800s and farmers in the following decades who came to the West after the Homestead and Reclamation Acts (and some of that <u>water</u> and <u>land</u> was taken from Indigenous tribes). Even in <u>times of shortage</u>, senior water rights holders many of them farmers get priority over latecomers, like those millions of Western urbanites.
- That created repeated conflict as the old Western <u>saying</u> goes, "Whiskey is for drinking, water is for fighting." Over 150 years after the Gold Rush, fights over the prior appropriation doctrine are as fierce as ever, playing out in communities and between states, like <u>Cochise County</u>, <u>Arizona</u>, residents battling a water-guzzling mega-dairy, or the six Colorado River states that have agreed to slash their use to make up for the shortfall while California refuses to commit to necessary reductions. It's now the Golden State versus everyone else.
- California public officials, like many California farmers, argue that they don't need to cut their water use so drastically because they hold <u>senior rights</u>. That's now up in the air. Earlier this month, the Department of the Interior published a <u>draft analysis</u> detailing three options it can take if states fail to reach an agreement: <u>do nothing, make cuts based on existing water rights, or cut water allotments evenly</u> among California, Arizona, and Nevada.
- "This is what we have inherited: a very rigid and complex system," said Nick Hagerty, an assistant professor of agricultural economics at Montana State University, back in February.
- Matthews was blunter: "It is a stupid system, but the problem is that people are really heavily invested in that system." However, it's hard to get those who've benefited from the system for so long to change. California's Imperial Valley, home to many alfalfa farms, gets about as much water from the Colorado River as the entire state of Arizona and farmers in the Valley pay just \$20 per acre foot (326,000 gallons). Meanwhile, farmers and residents in nearby San Diego County pay around \$1,000 or more per acre-foot.
- Many Imperial Valley farmers are reluctant to reduce their use, citing their senior water rights. One farmer who chairs an agricultural water committee for the valley's water district told Cal Matters that unless the federal government adequately compensates farmers, mandated cuts could be akin to property theft, and blamed water shortages on urban growth and excessive use from junior water rights holders.
- The Imperial Irrigation District now conserves around <u>15 percent</u> of its allocation, though much of that conservation is <u>funded by San Diego County</u>, which receives some water from the district.

Sudden changes to the water supply can <u>hit farmers hard</u>, and assistance has taken various forms in recent years — and experts like Matthews want to see them get the help they need to adapt to a different, drier economy. As the US Bureau of Reclamation has reduced the water supply for several states and Mexico, a patchwork of federal and state initiatives have moved forward to compensate farmers to reduce water use.

Late last year, the Biden administration <u>announced</u> it will use some of the \$4 billion in drought mitigation from the Inflation Reduction Act to pay farmers — as well as cities and Indigenous tribes — to cut their water use. Utah lawmakers recently proposed spending \$200 million on grants for farmers to invest in promising but costly <u>water-saving technologies</u>, while farmers in Southern California have been <u>paid</u> to skip planting some of their fields.

But Hagerty says a lot more could be done: "I think it's incredibly important there be more flexibility in the system." He wants to see farmers have more leeway to transfer, sell, or lease their water rights to cities. In California, farmers don't directly hold their water rights and instead are members of irrigation districts that collectively hold those rights. But <u>California law</u> often impedes the districts from leasing water, leading some farmers to use water even if it may not be critical to their operations because if they don't use it, they lose it.

One solution he's proposed is a <u>reverse auction</u>, in which water users make bids to the federal government on how much money they'd accept to forgo a particular amount of water use. But he says any reform will inevitably be incremental because there are so many competing interests at play.

"Policymakers have been hesitant to make any real major changes, and I think that's partly because this stuff is very politically fraught," Hagerty said. "There's a whole lot of different stakeholders to keep happy."

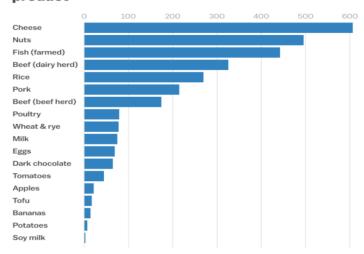
Adapting to climate change includes changing what we eat

A number of short-term solutions should be enough to help Colorado River states get through the next few years, but in the long term, policymakers and food producers — and us — around the world will need to rethink how we farm and eat in a changing climate. It won't be enough to simply change farming practices in the Western US, as Ruddell, a co-author of the *Nature Sustainability* paper, noted to me.

That means altering the demand side of the water supply-demand equation and shifting diets globally to foods that use less H2O, which ultimately means less meat and dairy, as well as fewer <u>water-intensive tree nuts</u> like almonds, pistachios, and cashews (nut milks, however, require <u>much less water</u> to produce than cow's milk).

Agriculture isn't just the largest user of water in the Southwestern US, it's the largest globally, consuming 70 percent of freshwater withdrawals. And what we need in the Southwest and beyond isn't just climate adaptation, but dietary adaptation.

Gallons of fresh water required per pound of food product



Just as policymakers made the Western US into the agricultural powerhouse it is today, despite its lack of something that is generally considered key to farming — water — they can also shape water policy and broader agricultural policy to ensure water security for the tens of millions of Americans west of the Mississippi River. But that will require policy changes that go beyond the dinner table.

The federal government, through <u>deregulation</u>, R&D investments, <u>subsidies</u>, and <u>food purchasing</u> (like for public schools and federal cafeterias), heavily favors animal agriculture. Given the meat and dairy lobby's <u>political influence</u> and farm states' overrepresentation in the Senate, drastic changes to our food supply in the near term, ones that would favor plant-based agriculture, are out of the realm of political possibility. But change is afoot: In March, the Biden administration <u>announced goals</u> to bolster R&D for plant-based meat and dairy and other animal-free food technologies. Down the road, climate change may force some state and federal government's hands to turn those goals into comprehensive agriculture policy. Already, American policymakers are <u>mulling</u> and <u>making</u> hard choices about water use, pitting crops for cows against water for people.

There's no disagreement that if the Colorado River can continue to supply Americans with running water, there will need to be cuts to agricultural use. We can learn from the mistakes made by Western planners in 1922 who overestimated how much water would flow from the Colorado River, and act now to shape food policy to adapt to a warming, drier climate.



2022-05-02. Statement from San Luis Valley Water Conservancy District on RWR water export proposal

THE San Luis Valley Water Conservancy District sent the following letter Monday to Douglas County Commissioners Abe Laydon, Lora Thomas and George Teal.

The letter recaps the months-long process Douglas County has undertaken in its consideration of investing federal COVID relief money in Renewable Water Resources. The letter also lays out what's at stake if Douglas County votes to pursue exporting water from the San Luis Valley.

"Is it fiscally responsible to invest taxpayer dollars in a project with such great opposition? The costs to all parties involved would be great. The project would be a financial burden to the stakeholders in the San Luis Valley and Douglas County. We are prepared to represent the SLVWCD's interests and join the greater community of the San Luis Valley in water court, if needed. But isn't it worth pausing to ask, is it a good use of taxpayer funds for governments to be entangled in water court for what could easily take a decade given the complexity of the dispute?"

Douglas County Commissioners Laydon, Thomas, and Teal,

In your role as Douglas County Commissioners, you have embarked on an information gathering exercise regarding the Renewable Water Resources (RWR) proposal to export water from the San Luis Valley to Douglas County. The San Luis Valley Water Conservancy District (SLVWCD) staff and Board have been participating in and closely monitoring the process. As your series of meetings regarding RWR's concept comes to a close, it is worth reviewing the information presented.

Water Availability

- A fundamental point of disagreement throughout the discussion of RWR's proposal is whether or not there is unused or available groundwater in the San Luis Valley. RWR's application for ARPA funding states there is unused water in the Valley. Further, representatives from RWR continue to repeat the "back of the envelope" estimate by United States Geological Service geologist, Philip Emery, that the San Luis Valley aquifers contain up to 2 billion acre-feet of water.
- In the meeting with Douglas County on January 18th, RWR's engineer Bruce Lytle, utilized an outdated water budget and information from a non-current version of the Rio Grande Decision Support System (RGDSS) model. Mr. Lytle used these materials in an attempt to demonstrate that the RWR well field would be located in an area of high rim recharge and there is more water coming into the system than going out. At the same meeting, Deputy State Engineer Mike Sullivan, pointed out Mr. Lytle's use of outdated information.
- On January 31st, Clinton Phillips, Engineer for the SLVWCD and Rio Grande Water Conservation District, provided a detailed water budget using the best available data, the current RGDSS model. The model shows an average deficit to the Rio Grande Basin's water balance of -41,000 AF/year over the 2011-2020 time period. Mr. Phillips also shared graphics from the most recent version of the RGDSS model and noted the area near RWR's proposed well field does not exhibit higher than normal recharge.
- At the January 31st meeting, SLVWCD Manager Heather Dutton emphasized that all the water in the Rio Grande Basin is appropriated and current uses are unsustainable as they outpace supply. The Findings of Fact, Conclusions of Law, Judgment, and Decree in case 2004CW24 states, "The confined and unconfined aquifers are also over appropriated, and the current rates of withdrawal from these aquifers exceed their long-term rates of recharge, the result of which is a groundwater overdraft or groundwater mining of the entire aquifer system." The ruling from 2004CW24 also clearly and decisively puts to rest any credibility of Mr. Emery's estimate in paragraph 197, which states: "this 'back of the envelope' calculation by Mr. Emery was just that, and does not represent at all what is currently known about the hydrogeography of the Valley...The San Luis Valley as a whole contains less than half the quantity of groundwater estimated by Mr. Emery, a part of which is of unusable quality and not economically recoverable."

The combined facts of law and data show there are not 2 billion acre-feet of water in the aquifers and confirm that there is no unused or available water in the San Luis Valley.

Groundwater Rules

- Scarcity necessitates rules. In the San Luis Valley, rules have been promulgated by the Colorado State Engineer for decades and Douglas County has entertained extensive presentations regarding the Rules in the basin, specifically the 2004 Confined Aquifer Rules and the 2015 Rules Governing Groundwater in the Rio Grande Basin.
- The Rules require well owners to mitigate the impacts their pumping causes to streams and rivers, and to take action to bring aquifers to sustainable levels. In his presentation to the Douglas County Commissioners, Mr. Phillips explained that the confined aquifer in the San Luis Creek Response Area, the hydrologic area where the RWR well field is proposed, is currently considered unsustainable. The five-year average of existing pumping occurring in this response area is 10,413 acre-feet per year. Mr. Phillips raised the concern that it might be impossible to consolidate 22,000 acre-feet of pumping, more than twice the current pumping, in the San Luis Creek Response Area while maintaining sustainable aquifer levels and mitigating stream impacts as required by the Groundwater Rules in the Rio Grande Basin.
- The opponents of RWR's proposal have made great efforts to explain the importance of the Rules and communicate concerns about RWR's ability to comply. These concerns are reinforced by RWR's unwillingness to provide details regarding their plan to mitigate the injuries caused by pumping RWR's proposed wells. RWR claims to have used the RGDSS model to evaluate their concept, but has not provided data. Therefore, Douglas County or any other

party evaluating the proposal cannot know the extent of the injury caused by RWR's project and it is impossible to claim there will be no impacts.

RWR representatives Sean Tonner and John Kim have repeatedly stated that RWR will comply with all Rules. However, that claim is contradicted at page 10 of RWR's proposal, which states: "Colorado water law requires that injurious depletions be augmented but the Rules in the basin go beyond that requirement, requiring a 1:1 augmentation regardless of the injury issue. In fact, augmentation in some cases can result in a requirement of greater than 1:1 augmentation based on the cumulative depletions to groundwater and surface water supplies. These artificial boundaries and constraints are part of the current basin Rules. Because of these constraints, modifications to these Rules are necessary prior to proceeding with a Water Court application."

Former RWR attorney, Kevin Kinnear sent a letter to Attorney General, Phil Weiser which was provided to the Douglas County Commissioners in the memo for the January 31st meeting noting that, "If the Project were to take place in any other area of Colorado, the standard for approving it would be simply non-injury to other water rights," he continues, "However, the Project is to take place in the SLV, and this creates a set of unique legal problems. In fact, these legal hurdles are 'unique and among the most complex in the state.' Two rules in particular are most problematic: (1) the requirement set forth in Rule 6.B.2 of the 2004 Confined Aquifer Rules, which requires the retirement of or change of an equivalent amount of withdrawals from the confined aquifer as well occur under the new withdrawals (i.e., '1-for-1 augmentation'); and (2) the requirement set forth in Rule 8.1.7 of the 2015 Groundwater Rules that limit all ground water withdrawals in each sub-district ('Response Area') to the historical average amount withdrawn during the period 1978-2000. Rule 6.B.2 is problematic for the Project, because it would require the retirement of (or change of) a significant portion of all well diversions in the entire SLV that are from the confined aquifer."

The Rules in place in the San Luis Valley exist to prevent injury and recover the aquifers to sustainable levels. RWR's disregard for and misrepresentation of the Rules has heightened the apprehension that RWR does not intend to comply with the Rules and will attempt to circumvent the Rules by seeking an exemption. This does not set well with the thousands of well owners that have undertaken the difficult task of replacing stream depletions and working to restore aquifer levels in compliance with the Rules.

Economic Considerations

RWR has painted a bleak and disparaging view of the San Luis Valley, and incorrectly characterized the economic resources and value of water in the Valley. RWR claims it will add a lifeline to the community by paying twice the market value of water and developing a \$50,000,000 community fund. Page 23 of RWR's proposal notes the dedication of \$68,000,000 to purchase water rights. On January 31st, Tonner said, "Originally, we were looking at one for one, we are at 1 for 1+. We're looking at between 32,000-34,000 acre- feet we'll retire for the opportunity to export 22,000." Therefore, the purchase price proposed by RWR is \$2,000 per acre-foot.

The market in the San Luis Valley is variable depending on the location of the water supply. The SLVWCD manages a robust regional augmentation plan and was involved in a December 2021 transaction where surface water rights diverted from the Rio Grande and decreed for irrigation appraised for \$4,100 per acre- foot. While Marisa Fricke, Subdistrict #1 Manager for the Rio Grande Water Conservation District, has noted that water rights included in Subdistrict #1's 2021 well permit purchase program averaged \$3,100 per acre-foot. The source of these wells was the unconfined aquifer.

There hasn't been a comparable water rights purchase or program involving confined aquifer wells, so it is hard to pin down a definitive market. However, it is reasonable to assume that RWR's proposed offer of \$2,000 per acre-foot is likely at or below market value, and certainly not twice the market value as Mr. Tonner has claimed. At the February 8th meeting RWR's guest John Mattingly, shared his opinion that RWR's proposed offer for water rights was below market value.

- While RWR's Community Fund gives the appearance of a generous incentive for the San Luis Valley, it woefully under values the long-term losses that will occur if land is dried up to allow water to be exported out of the Valley. At the February 7th meeting with Douglas County, Chad Cochran, rancher and loan officer with Farm Credit, noted that a conservative estimate of the reduction in the San Luis Valley's economy due to the lost agriculture production is \$53,000,000 each year.
- This estimate does not take into account the potential additional economic impacts to the neighboring hot springs, and State and Federally managed National Parks, National Forests, and wildlife refuges. A one-time pay-off of \$50,000,000 to the residents of the San Luis Valley is not a "win" for the community.
- Contrary to RWR's statements, the community of the San Luis Valley is vibrant, determined to maintain its agriculture heritage, and working to ensure a thriving future for our residents. The SLVWCD believes we are better off keeping family farms and ranches intact and continuing with the community solutions, such as groundwater management subdistricts and conservation easements, to reduce our water use in order to match water supply, while keeping land productive.

Costs

- The most surprising aspect of the RWR discussion has been the lack of attention to potential costs. RWR's proposal includes only four budget items: \$50,000,000 for the community fund, \$68,000,000 to purchase water rights, \$20,000,000 non-refundable initial payment from Douglas County, and fixed water purchase price for Douglas County of \$18,500 per acre-foot.
- In a letter dated January 27, 2022, John Kim acting on behalf of RWR adjusted the terms of the request to \$10,000,000 initial payment and \$19,500 per acre-foot fixed purchase price. RWR has not provided an itemized budget or even a lump sum estimate for total project costs.
- Further, RWR has downplayed the complexity of construction and permitting a project of this size and geographical reach. In a letter written by former RWR attorney Kevin Kinnear to Sean Tonner that was provided to Douglas County in the January 31st meeting memo, Kinnear asserted, "It is possible that certain permits, such as County 1041 permits and discharge permits for use of streams as conduits might be required (and environmental studies might be necessary as part of that process). However, those permits relating to the construction and use of a pipeline have standards and criteria that, so long as met, should lead to approval."
- RWR has not disclosed the extent to which permits may be required, the "standards and criteria" for each, and the process for application, review, and approval.
- The only project cost estimates provided to Douglas County have been James Eklund's back of the napkin estimate of \$2 billion and Kelly DiNatale's detailed project budget, which was presented to Douglas County Commissioners on February 28th. Mr. DiNatale is a Front Range Water Engineer who has worked in the San Luis Valley and extensively on Front Range water supply projects, including working in the City of Westminster's water resources department for over 20 years.
- In his presentation, Mr. DiNatale noted the challenges with permitting and getting through water court, and discussed the information no RWR representative has been willing to provide the costs to construct and operate the proposed project.
- Using information from comparable water projects, Mr. DiNatale estimated the combined cost to purchase water, obtain permits and a water rights decree, and build the project would be \$1,600,000,000 and the cost per acre-foot delivered to Douglas County would be \$82,600.
- Mr. DiNatale also concluded the operating costs would be \$45,200,000 per year. Therefore, assuming project construction is financed, the cost to the end user would be \$20 per 1,000 gallons.
- Through the operation of its augmentation plan, the SLVWCD constantly analyzes water projects, including both water rights purchases and construction. The first step in any project is to summarize the components, create a timeline,

and build a draft budget. It has been astounding to watch the conversations around RWR's proposal and request for a \$10 million contribution from Douglas County occur with the proponents only providing vague discussions of costs. However, the information provided by Mr. DiNatale shows the RWR proposal would be an expensive endeavor for all involved, especially the end user who would pay more than three times the current rate for water on the Front Range.

Social Considerations

- No water provider wants to partner with RWR to develop San Luis Valley water for use in Douglas County. On behalf of a majority of Douglas County water providers, Lisa Darling said the South Metro utilities have plans in place to supply water and RWR is not part of their plans.
- She went on to ask Douglas County to respect those plans and the hard work that has gone into them. There is still no end user for RWR's proposal. For three months, the Douglas County Commissioners have been asking questions of water experts. As your fact-finding endeavor concludes, it is time for you to ask yourself the following questions:
- Is it responsible governance to pursue a proposal with so many unknowns and a high risk of failure? RWR has failed to provide a budget, timeline, or engineering report for its proposal. These are standard components of any water supply project, as evidenced by the detailed information provided by many Douglas County Water Providers in their applications for ARPA funds. Because the proposal has not been fully studied, designed, or priced, it lacks the detail needed for a full evaluation.
- However, the estimated costs others have provided and the known hurdles such as water court, permitting, and construction make the proposal very risky. If this proposal is pursued and immediately commenced, it will likely take many decades to obtain a decree through water court and the needed local, county, state, and federal permits. Given the fact that the three current Douglas County Commissioners may choose to move on in the next 10-20 years, the responsibility for this risky, controversial project would be passed on to future boards.
- **Is it fiscally responsible to invest taxpayer dollars in a project with such high costs?** The estimates provided to Douglas County show the cost to supply water to Front Range residents would be well above other alternatives, which will be a burden on the end users, if the proposed project is ever built.
- **Is it fiscally responsible to invest taxpayer dollars in a project with such great opposition?** The costs to all parties involved would be great.
- The project would be a financial burden to the stakeholders in the San Luis Valley and Douglas County. We are prepared to represent the SLVWCD's interests and join the greater community of the San Luis Valley in water court, if needed. But isn't it worth pausing to ask, is it a good use of taxpayer funds for governments to be entangled in water court for what could easily take a decade given the complexity of the dispute?
- The constituents in the Valley would be better served if the water districts continue to use our resources to fund programs to better manage our limited water resources. Wouldn't Douglas County residents be better served by Douglas County spending its assets to stand alongside water utilities in the implementation of their carefully and responsibly planned projects, which do not include the RWR concept?
- It is not a positive outcome for Douglas County and the San Luis Valley water districts, counties and towns, environmental groups, farmers and ranchers, and others that have something to lose from RWR's project to spend millions in court battling over a proposal that has such a low chance of ever being built. This is a lose-lose for all of us.
- Is it ethical to move water from a water scarce region to satisfy rapid growth in another? Even if Douglas County determines the project can be constructed and operated, an important consideration is whether it should be. Experts have presented hours of information regarding the connectivity of the San Luis Valley's water resources.

he proponents of RWR refuse to provide their model runs showing they can complete their proposal without injuring hydraulically connected farms and ranches, wetlands and streams, water supplies for all the Valley's residents, and critical wildlife habitat. It is inconceivable that RWR would assert its proposal will do no harm.

RWR's proposal sets the stage for a lengthy public battle which has already be characterized as "David vs. Goliath." This prolonged clash would be damaging to everyone involved and set Colorado back.

RWR's project would allow Douglas County to prosper at the expense of the San Luis Valley. This is a worn-out and unnecessary way of doing business. Water providers across the Front Range and in Douglas County have worked diligently to change the way they obtain new supplies by developing projects that secure sustainable drinking water for their customers while supporting rural communities. Just as the water in the San Luis Valley is connected, so too are the communities in our state.

We urge you to reject RWR's request for \$10 million of public funds and encourage you to instead look toward and support projects that help ensure every Coloradoan has an opportunity to have a thriving future.

The infusion of infrastructure funding through federal and state sources provides a once in a lifetime opportunity to invest in legacy projects for communities across our state. We hope you will support projects that provide water for your community through responsible stewardship, innovative water sharing agreements, and partnerships with rural Colorado.

Sincerely,

Tyler Neely

President, San Luis Valley Water Conservancy District

President: Tyler Neely, Del Norte, CO; Vice-President: Darius Allen, Alamosa, CO; Secretary/Treasurer Marcie Schulz, Alamosa, CO; Directors: Richard Davie, Del Norte, CO; M. Dee Greeman, Alamosa, CO; Charles Griego, Alamosa, CO; Steve Keller, Monte Vista, CO; Randall Palmgren, Center, CO; Karla Shriver, Monte Vista, CO; Tuck Slane, Hooper, CO.



2022-05-25. Douglas County says no to developers' San Luis Valley water export proposal

By Jerd Smith May 25, 2022

Douglas County officials said Tuesday they would not use their COVID-relief funding to help finance a controversial \$400 million-plus proposal to export farm water from the San Luis Valley to their fast-growing, water-short region.

Douglas County officials said Tuesday they would not use their COVID-relief funding to help finance a controversial \$400 million-plus proposal to export farm water from the San Luis Valley to their fast-growing, water-short region.

In a statement the commissioners said the federal rules would not allow the funds to be spent to help finance early work on the proposed project, and that it faced too many legal hurdles to justify the time and money the county would need to devote to it.

The county made public Tuesday two extensive legal memos, based on its outside attorneys' review of engineering, and legal and regulatory requirements the project would have to adhere to in order to proceed. The memos formed the basis for the county's rejection of the funding request.

- "The Board of Douglas County Commissioners has made the decision, based on objective legal recommendations from outside counsel, that American Rescue Plan Act (ARPA) funds are inapplicable to the RWR proposal and that RWR has significant additional hurdles to overcome in order to demonstrate not only a 'do no harm' approach, but also a 'win-win' for Douglas County and the San Luis Valley," the board said.
- The proposal comes from Renewable Water Resources (RWR), a well-connected Denver development firm that includes former Colorado Gov. Bill Owens.
- Among other things, the memos said that RWR's claim that there was enough water in the valley's aquifers to support the export plan, was incorrect, based on hydrologic models presented over the course of several public work sessions.
- The county's attorneys also said the proposal did not comply with the Colorado Water Plan, which outlines how the state will meet future water needs. That lack of compliance means that Douglas County would likely not win any potential state funding for the export proposal.
- County Commissioner Lora Thomas came out against the idea early, with Commissioner Abe Layden joining her this week in voting against the proposal. Commissioner George Teal voted for the proposal.
- "I am ecstatic that I got a second vote to stop it," Thomas said. "The hurdles are too steep for us to get over. I don't see a future for it."
- RWR declined an interview request regarding the decision, but in a statement it said it planned to continue working with the county to see if the legal concerns raised could be resolved.
- "Our team is eager to address the county's remaining questions as raised in the legal analysis. We are confident in our ability to mitigate any areas of concern," it said.
- Opposition to the proposal sprang up quickly last December after RWR submitted its \$10 million funding request to the commissioners.
- Critics, including the Rio Grande Water Conservation District in Alamosa, argued that no water should be taken from the San Luis Valley because it is already facing major water shortages due to the ongoing drought and over-pumping of its aquifers by growers. The valley faces a looming well-shutdown if it can't reduce its water use enough to bring its fragile water system back into balance.
- RWR said its plan to shut down agricultural wells could help the valley, but many disagreed.
- State Sen. Cleave Simpson, who also manages the Rio Grande Water Conservation District, said in a statement that he was pleased with Douglas County's decision. "This is good news for the San Luis Valley and it speaks to the hundreds and perhaps thousands of people who spoke out against this unviable proposal."
- Environmental groups also came out in opposition, as have numerous elected leaders including Democrats Gov. Jared Polis, Attorney General Phil Weiser, U.S. Sens. John Hickenlooper and Michael Bennet, as well as Republican U.S. Rep. Lauren Boebert, who represents the valley.
- Douglas County does not deliver water to its residents, but relies on more than a dozen individual communities and water districts to provide that service. And they are all facing the need to develop new water supplies.
- But two of the largest providers, Parker Water & Sanitation District and Castle Rock Water, have said they would not support the RWR proposal because they had already spent millions of dollars developing new, more sustainable, politically acceptable projects. Those projects include a South Platte River pipeline that is being developed in partnership with farmers in the northeastern corner of the state.
- What comes next for RWR's proposal isn't clear yet. RWR spokeswoman Monica McCafferty said the firm's attorneys were still reviewing the legal memos the county released Tuesday.
- RWR has said previously that it might ask lawmakers to change state water laws to remove some of the legal barriers to its proposal.



2023-07-07. Developers behind San Luis Valley water export proposal contribute thousands to Douglas County water district races

by Jerd Smith | Jun 7, 2023

Real estate developers interested in exporting water they own from the San Luis Valley to fast-growing, water-short Douglas County have contributed thousands of dollars to candidates for the Parker Water & Sanitation District Board, one of the largest water providers in the county.

Last month, Robert Kennah won a seat on the Parker water board and had received two donations from partners in Renewable Water Resources, a real estate development group whose principals include former Colorado Governor Bill Owens. The contributions were made by RWR principals John Kim and Hugh Bernardi, according to filings at the Colorado Secretary of State's office.

A second RWR-backed candidate, Kory Nelson, also received \$10,000 in donations from RWR, but did not win a seat on the Parker water board. Nelson is contesting the results of the election.

If Nelson had won, RWR would have ties to three members of the five-member board, according to Parker Water and Sanitation District Manager Ron Redd.

Parker board member Brooke Booth is related by marriage to RWR principal Sean Tonner, Redd said.

Big money

Neither Booth, Kennah nor RWR responded to a request for comment. Nelson could not be reached for comment. Such large contributions are unusual in low-profile water district board elections, where candidates often provide their own funding for their campaigns of a few hundred dollars, rather than thousands, according to Redd.

"That's a lot of money for a water board race," Redd said.

The donations come after Douglas County Commissioners last year declined to invest in RWR's controversial \$400 million San Luis Valley pipeline proposal using COVID-19 relief funding. Douglas County Commissioners Lora Thomas and Abe Laydon voted against the funding, while Commissioner George Teal supported the proposal.

Among other objections, the county said that RWR's claim that there was enough water in the San Luis Valley's aquifers to support the export plan, was incorrect, based on hydrologic models presented over the course of several public work sessions.

The county's attorneys also said the proposal did not comply with the Colorado Water Plan, which favors projects that don't dry up productive farmland and which have local support.

Opposition to the proposal in the San Luis Valley is widespread. The Rio Grande Water Conservation District in Alamosa argues that no water should be taken from the San Luis Valley because it is already facing major water shortages due to the ongoing drought and over-pumping of its aquifers by growers. The valley faces a looming well shutdown if it can't reduce its water use enough to bring its fragile water system back into balance.

Out of compliance

That lack of compliance means that Douglas County would likely not win any potential state funding for the export proposal.

Last year, <u>after the county rejected</u> the San Luis Valley proposal, RWR said it would continue to work with Douglas County to see if its objections could be overcome. It has also maintained that the agricultural water it owns in the

- San Luis Valley would be pulled from a portion of the valley's aquifer system that is renewable, minimizing any damage that might occur from the project, and that even though farmlands would be dried up when the water is exported, the valley's water situation would benefit from a reduction in agricultural water use.
- RWR's water rights, however, have not yet been converted to municipal use, as is required under Colorado law. That process could take years to complete and would likely be fiercely contested by farm interests in the San Luis Valley, as well as other opponents.
- Still RWR continues to deepen its ties to Douglas County water districts. RWR principal John Kim, one of the contributors to the Parker water board elections, won a seat last year on the Roxborough Water and Sanitation District Board, according to the district's website. Kim lives in that district. He declined a request for comment.
- Douglas County government does not deliver water to its residents, but relies on more than a dozen individual communities and water districts to provide that service.
 - Fast-growing towns and water districts early on simply drilled wells into aquifers, but the aquifers have been declining and water districts have been forced to implement aggressive water conservation programs, water reuse programs, and use of local surface supplies to meet their needs.

No support

- Two of the largest water providers in Douglas County, Parker Water and Sanitation District and Castle Rock Water, have said they would not support the RWR proposal because they had already spent millions of dollars developing new, more sustainable, politically acceptable projects. Those projects include a South Platte River pipeline that is being developed in partnership with farmers in the northeastern corner of the state.
- A host of politicians across the political spectrum came out against the RWR proposal as well, including Gov. Jared Polis and Rep. Lauren Boebert, who represents the San Luis Valley.
- Still, Douglas County's Teal, who has also received funding from RWR principals, said he believes the RWR water could have a role to play in helping ensure the county has enough water to grow over the next 50 years.
- "I don't know [if we have enough water,]" Teal said. "That is part of what makes me wonder if we do have enough. Water projects take time. There is no snapping your fingers and then delivering 10,000 acre-feet of water."
- But Douglas County Commissioner Lora Thomas, who has also accepted campaign contributions from RWR prinicpals, says the county's water providers are well prepared for the future and there is no need to spend money on a project that has little public support and which may never come to fruition.
- "We are secure without it," Thomas said. "But I think that RWR is doing everything it can to get Douglas County to buy into their scheme."

Long shot?

- Floyd Ciruli, a pollster and veteran observer of Colorado politics who has done extensive work in the past for Douglas County water providers, said the RWR initiative faces an uphill battle.
- "They have resistance at both ends," Ciruli said, referring to opposition in the San Luis Valley and in the metro area. "It's interesting that [RWR] is contributing to these boards. It's is a real long shot."
- Parker Water and Sanitation District says it plans to continue its development of the South Platte pipeline project in northeastern Colorado and to craft deals with farmers so that agricultural water won't be removed from farmlands, helping preserve the rural economy there. Most of Parker's water rights have already been approved for municipal use, according to Redd.
- "We're concerned because Parker water has no interest in the RWR project and we basically stated that a year ago when Douglas County was looking at their project. It has no clear path to being done. It's years if not decades before they could even get started," Redd said.
- "We have a clear path. We already have the water. I am not sure what the intent was to try and get people on our board.

 It is just concerning."



2023-08-07. San Luis Valley water developer among several vying for seat on Douglas County Water Commission

by Jerd Smith | Aug 9, 2023

- A developer behind a controversial San Luis Valley water export plan, who hopes to sell water from the valley to water-short Douglas County and potentially other South Metro Area water users, is vying for a seat on a new water commission the county has established to evaluate future water needs.
- Among those who are applying to the seven-member commission, according to Douglas County Commissioner George Teal, is Sean Tonner, a principal with Renewable Water Resources, also known as RWR, the company behind the \$400 million San Luis Valley export proposal. Tonner did not respond to a request for comment.
- An initial request from RWR last year, asking the county to use federal COVID-relief funding to pay \$10 million in upfront legal and engineering costs for the San Luis Valley project, was rejected on a two-to-one vote, with Teal voting to support the expenditure and commissioners Lora Thomas and Abe Laydon rejecting the deal after the county's staff and attorneys said the funds could not be used for that purpose and that the RWR proposal was too flawed to succeed.
- Since then, RWR has <u>continued to demonstrate deep interest</u> in the county's water future, with principal John Kim winning a seat on the Roxborough Water and Sanitation District Board last year, and other RWR principals donating more than \$20,000 to candidates seeking seats on the Parker Water and Sanitation District Board.
- Teal said the commission was created in response to a recent community survey in which 70% of residents said they thought the county should be involved in water issues. Right now, the county does not actually own or supply water, relying on several independent water districts to serve residents. The county's largest water suppliers are Centennial Water and Sanitation District, which serves Highlands Ranch, Parker Water and Sanitation District, and the Town of Castle Rock.
- Many of these districts are also members of the South Metro Water Supply Authority, which plans for and helps deliver recycled water and additional water storage and infrastructure to the area.
- According to South Metro's Master Plan, more water will be needed by the region over the next 50 years, with roughly 30,000 acre-feet of renewable water required to handle growth and reduce the region's dependence on aquifers, whose supplies are non-renewable.
- But Douglas County water districts and utilities have said they are already able to meet existing and future water needs through a combination of conservation, recycling and reusing their supplies, and participating in other water supply projects already underway, such as the Platte Valley Water Partnership.
- Mark Marlowe, director of Castle Rock Water, said Castle Rock has no need for and no interest in the San Luis Valley export proposal.
- "It's important to understand that at least most, if not all of the water providers, and Castle Rock Water in particular, have plans in place to meet the needs of our service area and the growth that we expect," Marlowe said. "The other water providers are also working together on long-term water planning for the area."
- The new water commission is causing alarm in some areas of Douglas County, who fear RWR is using its political muscle to win acceptance of the San Luis Valley export proposal.
- Early on high-profile politicians, such as Colorado Attorney General Phil Weiser and Gov. Jared Polis, came out against it.

And opposition in the San Luis Valley is also widespread. Counties in the valley have banded together to create a new authority that would have to review any export proposals.

And the Rio Grande Water Conservation District has said repeatedly that no water should be taken from the valley because it is already facing major water shortages due to the ongoing drought and over-pumping of its aquifers by growers. The valley faces a looming well shutdown if it can't reduce its water use enough to bring its fragile water system back into balance.

Last year, after Douglas County commissioners rejected the funding request, RWR said it would continue to work with the county to see if its objections could be overcome. It has also maintained that the agricultural water in the San Luis Valley — the water that it would export — would be pulled from a portion of the valley's aquifer system that is renewable, minimizing any damage that might occur from the project, and that even though farmlands would be dried up when the water is exported, the valley's water situation would benefit from a reduction in agricultural water use.

Parker Water and Sanitation District Manager Ron Redd said he's skeptical about RWR's plans and the new commission.

"If [the commission's role] is to direct or to get involved in our business and to tell us what we can do, I would be opposed to that. Governments are customers who the districts serve. When it becomes more political, the focus becomes more narrow. I think it muddies the water," Redd said.

Though the county has declined to make the list of water commission applicants public, Redd confirmed that two members of the Parker board, Merlin Klotz and Bill Wasserman, have also applied.

County Commissioner Lora Thomas voted against the commission's creation, and she is adamant that it is not needed.

"I think it is absolutely unnecessary. It's a waste of time, money and effort."

Teal said he hopes to have the commission up and running quickly. The deadline to apply for a seat is Aug. 11.



2023-09-13. Farming in Dry Places: Investors Continue to Speculate on Colorado Water

A group seeking to buy water from farm and ranch lands is turning its efforts to electing water board representatives—who could then make water deals with suburbs easier.

BY JENNIFER OLDHAM SEPTEMBER 13, 2023

Private investors seeking to sell groundwater from parched parts of Colorado to a Denver-area water utility are spending tens of thousands of dollars to elect candidates to the water boards that govern the constrained supplies.

The investors are behind Renewable Water Resources (RWR), a company that <u>failed</u> a year ago to obtain \$10 million in pandemic-relief funds from Douglas County, located south of Denver and one of the nation's wealthiest counties. RWR sought the funds to kickstart a <u>plan to drill</u> deep wells on a ranch it owns in the San Luis Valley farther south, home to the nation's second-largest potato crop. RWR is aiming to plumb an aquifer underneath to sell water to the

Denver area for a profit, despite significant public backlash from the valley's farmers and residents, who depend on it.

Now, RWR's principals have helped elect candidates, and, in one case, an RWR principal himself, to Douglas County water boards.

"We got on RWR's radar because we have been saving money for 10 years," said Ron Redd, manager of the Parker Water & Sanitation District in Douglas County, as he recently stood under the searing sun overlooking a 10-year-old reservoir. Redd has been working to fill the reservoir partly with water piped south from the high plains. "We have \$60 million sitting in the bank and that catches peoples' attention."



Ron Redd, manager of the Parker Water & Sanitation District in Douglas County, stands on a platform overlooking the Rueter-Hess Reservoir where the district stores water for its customers. (Photo credit. Jennifer Oldham)

RWR's efforts to stack the Parker board imperils the funds, set aside to implement a nationally recognized water sharing agreement between the city and farmers on the water-short eastern plains, Redd said. That's because new board members could potentially upend those plans by directing the money elsewhere, including to water-for-profit deals like those proposed by RWR.

Redd has already turned down RWR's invitations to buy water twice; as a utilities director in another community, Castle Rock, in 2002, and again in Parker two years ago.

nstead, the Parker district has forged an estimated \$880 million deal with ranchers in Colorado's most agriculturally productive region to capture and store water from the South Platte River during rare periods when supply exceeds demand. Known as the Platte Valley Water Partnership, their unique arrangement would allow city dwellers and farmers and ranchers—who hold the most senior water rights in the West—to share the cost of several reservoirs and a pipeline. Rural and urban residents would then split water stored during wet periods in the northern part of the state for use in prolonged dry spells. The agreement enjoys unusually broad political support and complies with the state's water plan, which emphasizes water-sharing between municipalities and producers.

The agreement is a marked departure from typical "buy and dry" deals—akin to the one proposed by RWR—in which a municipality purchases water from a group of farmers or ranchers, drying up the land it once irrigated. Such accords have already led to economic and environmental disaster across the West.

As Redd and officials at the Lower Platte Water Conservancy District, the other party to the agreement, seek to usher the partnership through permitting and design, it's not clear whether the board will back them. The five-member body must approve all contracts and spending decisions associated with the plan—giving RWR's water-board efforts potentially significant power to shape where the water flows.

Precedent Setting Water-Sharing Agreement in Jeopardy

Farmers 300 miles to the north of the San Luis Valley on Colorado's eastern plains oppose RWR's plans. There isn't enough water to go around in either region, where rivers are <u>over-allocated</u>, <u>aquifers are shrinking</u>, and farmers use an estimated 80 percent of the water. The driest period in more than <u>1,200 years</u> has forced producers in both areas to curtail well water use, fallow farm land, and sell cattle. <u>Potato shipments from the San Luis Valley fell</u> by 100 million pounds in 2022, about 6 percent off the yearly average.

- Federal officials designated the entire state a <u>disaster area</u> in December due to extremely arid conditions. Then spring and summer brought a marked reprieve as precipitation was up in much of Colorado, illustrating climate change's unpredictable and extreme effects on growers livelihoods.
- Northeastern Colorado inked its <u>wettest period</u> on record from May through July. The San Luis Valley, on the other hand, recorded the driest July in the 129-year record. Such variations directly affect the state's bottom line:

 Agriculture is its second largest moneymaker, generating \$11.9 billion in output in 2019.
- For third-generation farmers like Gene Manuello, water that recently cascaded down the <u>South Platte River</u> past his ranch represents a missed opportunity to save the precious resource during a rainy summer.
- "We could actually be taking water out of the river right now and using it under the Platte Valley Water Partnership by putting it in a reservoir, or pumping it to Parker," said Manuello, as he stood near a ditch brimming with water diverted from the river that his family has relied on to sustain its crops and cattle for the better part of a century.
- "That wouldn't be the norm for most years," he added.
- Additional storage is particularly important for producers who rely on groundwater. Pumping restrictions were imposed on well users last year, prohibiting them from storing river <u>water</u> in ponds, where it sinks in and replenishes the aquifer. Shortfalls are expected to increase.
- "This project would help in a lot of years when these wells are curtailed," said Joe Frank, general manager of the Lower South Platte Water Conservancy District, as he gestured toward a concrete pump house used to divert water from the river into ditches about 50 miles south of Manuello's ranch.
- Now, RWR officials could significantly influence that plan. They already have ties to two board members in the Parker Water & Sanitation District, which is spearheading the effort with the Lower South Platte Water Conservancy District, according to interviews and filings with the Colorado Secretary of State. One is Board Secretary Brooke Booth, elected in 2022, who is related by marriage to Sean Tonner, an RWR principal, Redd said.
- RWR investors John Kim and Hugh Bernardi have also given tens of thousands of dollars to other candidates' elections. Kim gave \$5,000 and Bernardi \$11,000 to Robert Kennah, who won a four-year director-at-large term in May. Bernardi gave \$5,000 and Kim \$11,000 to Kory Nelson, who lost to incumbent board President Merlin Klotz. Nelson is contesting the results in court.
- The double-digit contributions in a water district election raised red flags for Klotz, a former Douglas County clerk and recorder.
- "They are in the business of skinning dollars off of trading water," Klotz said, who emphasized the vulnerability of the <u>district's assets</u> in this scenario, valued at over one billion dollars. "We are in the business of supplying the community—our motives are different than their motives."
- Typically, such contests draw scant attention and little money. Only a fraction of the 37,683 ballots delivered to district customers were returned—Kennah won with 1,730 votes and Klotz with 1,520, beating Nelson by 26 votes, handwritten certified results show.
- In an interview, Kim said he gave the money to <u>Nelson</u> and <u>Kennah</u>'s campaigns because he's "a long-time resident here in Douglas County, and I wanted to participate in the political process on an issue I think is important for Douglas County."
- The commercial real estate investor added that he thinks water districts need to look closely at opportunities to develop new water supplies.
- "I think Douglas County is a growing community and we need to make sure we have the appropriate water resources," said Kim, who won a seat on the Roxborough Water & Sanitation District in 2022 and is now its treasurer. That district held \$116 million in assets at the end of the 2022 fiscal year.
- Bernardi, Kennah, Booth, and Nelson didn't return requests for comment.

- Kennah and Nelson agreed during an April <u>radio interview</u>, however, they would like to help the Parker district "secure good quality sources to fill their reservoir," in a nod toward RWR's project.
- "We need to look at the long term and a commitment to work with the other regions in securing those primary use rights," said Nelson. "The whole issue about the San Luis Valley and talking about that water source—we need to take a real hard look at that."

A Wrenching Choice, A Campaign Manager

- The stakes are rising for municipalities in the West that are searching to buttress water supplies from <u>dwindling</u> <u>aquifers</u> as scarce renewable surface water, escalating growth, and climate change accelerate problems.
- Parker's water district is a case study in the wrenching choices urban and rural residents will be forced to make around how to allocate shrinking water supplies. A state plan released this year offered this <u>dire forecast for Colorado's water future</u>: "Municipal, industrial, and agricultural gaps are projected to occur in all scenarios."
- Districts must decide whether to ink deals with investors like RWR, which view brokering water as a money-making opportunity.
- Eschewing such deals is a top priority of water managers like Joe Frank. White pelicans floated nearby as Frank stood on the banks of the South Platte River recently, remembering the exact time and date gauges showed that the waterway had more than enough for everyone: 5 a.m. on May 12.
- The region's intricate irrigation system is designed to allow water to flow back into the river from farm fields, replenishing the South Platte and allowing supplies to be reused. But that system is imperiled if ranchers and cities continue to forge buy-and-dry deals, Frank said. For example, the city of Aurora in March <u>purchased farmland and water rights</u> near Greeley, about 100 miles west, with plans to transfer the water to urbanites for good.
- In Parker, managers and several long-term district board members don't want to rely on buy-and-dry deals. Farmers and municipal water providers agree they want to set a precedent for how to equitably share water in an increasingly arid future. And other <u>nearby cities</u> have already indicated that they would be interested in participating in the Platte Valley Water Partnership. This vision is now in jeopardy, they said.
- "I expect RWR is laying plans to get a third board member on in the next election in May 2025," said Redd, Parker water's director. "We've worked so hard to make sure the partnership is something we can afford—if these investors get taken care of, the community suffers."
- Communicating those risks to the district's customers clearly is difficult, however. Kennah and Nelsons' campaigns paid Cutter Consulting LLC to do advertising on social media, signs, text blasts, direct mail to voters, and website development, according to records on file with the secretary of state.
- Jack Cutter, the firm's owner, has ties to RWR principal Kim. Kim's campaign for the Roxborough water district board paid the firm \$8,497.21 in April 2022 to conduct social media outreach and to handle banners and direct mailers, secretary of state records show. Cutter did not return a request for comment.
- RWR's attempts to influence decisions made by Denver-area utilities marks the latest turn in a 30-year quest by private investors to profit off water from the Massachusetts-sized San Luis Valley.
- The firm's attempt to sell the project to Douglas County failed last year in part after the county's attorneys found that there was no unallocated water in one of the two aquifers RWR proposed to tap.
- The arid area's 46,000 residents defeated three other proposals, prevailing both in <u>court</u> and in public processes. Colorado Governor Jared Polis, Attorney General Phil Weiser, and U.S. Senators Michael Bennet and John Hickenlooper, all Democrats, oppose RWR's plans.



2023-10-09. San Luis Valley officials create regional board to vet water export projects

Valley residents say they don't have more water to lose, and officials hope the new review board will help protect local economies and water resources

Shannon Mullane Oct 9, 2023

- Local governments in the San Luis Valley have a new tool to protect their water resources: a regional review process for projects that propose taking the valley's water and exporting it for use elsewhere.
- Like in many communities around Colorado, local officials want to keep a tight grip on their water. Groundwater aquifers, rain, snow and rivers provide drinking water, support wildlife and keep the region's primary economic engine, agriculture, running. But over the decades, several developers have proposed projects that would take water out of the valley and send it to places like water-short communities on the Front Range.
- Communities in the valley say they don't have water to spare. Local officials were left with a problem: They could review permit applications for water export projects within their jurisdiction and they knew that what happens with one community's water resources impacts others in the valley. Yet, they didn't have a way to weigh in when a water export project was proposed to their neighbors.
- That is, until September when after months of negotiations local governments finally signed on to an agreement that sets the foundation for a joint review process.
- "I think everybody's breathing a big sigh of relief that finally all the counties have signed," Saguache County

 Commissioner Tom McCracken said. "I'm getting feedback from the public that everybody's really happy about it."
- The San Luis Valley is a high-elevation desert in southern Colorado that is home to 46,000 people. It's a flat expanse bordered by the San Juan and Sangre de Cristo mountain ranges to the east and west and by Poncha Pass to the north and the New Mexico border on the south.
- Because of the dominance of agriculture in the region, local jobs and livelihoods are tied to the Rio Grande Basin's rivers and streams or the underground aquifers that feed crops each year.
- That water supply is shrinking. The San Luis Valley aquifer is missing about 1 million acre-feet, which is about the size of Blue Mesa, Colorado's largest artificial reservoir, McCracken said. The depletion has impacted the flow of water through streams, irrigation ditches and from one farm to its neighbor. Acres of wetlands have dried and wildlife has disappeared, he said.
- "So, yes, we're facing serious issues with water," McCracken said.
- Once water leaves the basin, it doesn't come back. Local economies and the sustainability of water resources were top of mind for officials as they considered a regional approach to reviewing water projects that proposed exporting water out of the valley.
- "If there's a dwindling supply of water in the region, it makes sense to want to keep it (water) in the region," said Louis Fineberg, Creede's town manager. There, the economy is driven more by tourism than agriculture. Houses draw water from wells that tap into the aquifer, he said.
- "If the aquifer diminishes or if the levels drop, then in theory, people could be out of a water supply," Fineberg said.
- This summer, local officials held public hearings, debated and eventually approved the first step in that regional approach: an intergovernmental agreement that established a joint planning area and a joint planning board.
- The geographic area covers six counties in the valley: Alamosa, Costilla, Conejos, Mineral, Saguache and Rio Grande.

 The planning board includes representatives from counties and local towns and cities.
- When a town or county one that is part of the intergovernmental agreement receives a permit application for a project that proposes exporting water for use outside the valley, that triggers a joint planning board review. The joint review process does not apply to projects in which the water is used in the valley.

- The joint planning board scrutinizes whether the project meets permitting regulations then makes a recommendation to either approve, deny or approve the proposal as long as certain conditions are met.
- This regional review occurs simultaneously with the local review by the county or municipality with permitting authority. Those officials make the ultimate decision, but they have to take the joint board's recommendation into consideration.
- This level of <u>regional collaboration on water issues is unique</u> in Colorado, although communities in northwestern Colorado, near the headwaters of the Colorado River, have taken a similarly collaborative approach in managing their water resources.
- It's also an idea that's gaining momentum. In fact, regional collaboration on water issues was one of the top recommendations in a 2022 analysis from the Common Sense Institute.
- The joint agreement was designed to go into effect once all six counties officially agreed to join, although two towns, Creede and Hooper, also joined. Mineral County was the last of eight local governments to approve it, signing on in early September.
- There are still several remaining steps in the process, including designating water export projects as "matters of state interest" under state statute and updating related regulations at the local level. Once a local government officially makes the designation, a pause on reviewing new export proposals goes into effect until the regulations are finalized.
- "Over the last several decades there have been attempts to divert this resource to areas outside the Rio Grande Basin, and there have been few if any regulations to adequately protect this vital resource," Alamosa County officials said in an emailed statement.
- In the past, American Water Development Inc., the late Gary Boyce of Stockman's Water, and Sean Tonner of Renewable Water Resources have explored projects that would export water from the valley.
- Alamosa officials wrote that having these regulations in place provides an additional layer of protection for water resources.
- "Our goal is to make sure that any project that proposes to divert water out of the area is properly vetted by everyone who will be impacted. Without a regional agreement, this would not be possible," the county officials wrote.
- Other local officials voiced similar sentiments. The underground aquifers are not divided by political lines, so it's important for the valley to be able to work together on issues that affect each other, McCracken said.
- The hoped-for outcome would be to limit the economic impact of water scarcity and to create a tool for sustainability, said Costilla County Commissioner Steven Romero, who farms and ranches in the area.
- "At what point do you make the growth sustainable? Do you just put pipelines everywhere because that's where the growth is happening?" he said. "Just from a sustainability standpoint, where do you draw the line? Do you just continue to pump until there's nothing left, and then what happens?"
- He thought back to how his family arrived in the area six generations ago and planned to provide for future generations.
- "We've largely been disconnected from our roots and the way our ancestors provided this world for us. I think a lot of them would be ashamed of how we look at the world and how selfishly we live," Romero said. "We need to think about things in a way that isn't just about the here and now. ... (The agreement) is just another tool in the toolbox to be able to maybe combat the shortsightedness and short-term thinking that our society is dominated by."



2023-10-13. Backer of San Luis Valley water plan says he'd address conflicts of interest if placed on Douglas County water board

Sean Tonner of Renewable Water Resources answers questions from county leaders By Ellis Arnold, October 13 2023

The man in the spotlight spoke publicly about how he would handle any potential conflicts of interest if selected to serve on a new arm of Douglas County's government that is expected to help shape the future of water supply in the continually growing county.

"We have received emails, calls, text messages from citizens saying, 'How can you put Sean Tonner on this water commission' — it's a clear conflict of interest" given Tonner's connection to a proposed plan to pump water to Douglas County from Southern Colorado, said Lora Thomas, one of the county's elected leaders.

Thomas' comments came during the county's second batch of <u>interviews of applicants who want to serve</u> on the Douglas County Water Commission, a new entity that is expected to help create a plan regarding water supply and conservation, among other aspects of water in the county. It'll consist of unpaid volunteers, according to the county's leaders.

The forming of the new body comes against the backdrop of a controversial proposal to pump about 22,000 acre-feet of water per year to Douglas County from the San Luis Valley in the southern part of the state.

An acre-foot is the equivalent of a one-foot-deep pool about the size of a football field.

Renewable Water Resources is the private company that proposed the project.

Last year, county leaders Abe Laydon and Thomas joined together in deciding not to move forward with that project, while county leader George Teal has continued to support it.

Tonner, one of the principals of Renewable Water Resources, attracted news media attention for throwing his hat in the ring to serve on the water commission.

Laydon and Teal have expressed support for appointing Tonner, who appeared for a public interview Oct. 13 via videoconferencing.

"RWR has no project in front of the county at this time, and the commission doesn't exist (yet), so obviously we don't have anything in front of the commission," Tonner said in response to Thomas.

He also said he would recuse himself — or remove himself from participation — if any plans were to be pushed regarding RWR.

Tonner argued there are pros and cons to different proposals, including a project "that is near and dear to my heart, RWR."

Here's a look at more of what Tonner and other applicants had to say during their interviews.

Tonner's thoughts

Tonner said he worked for former U.S. Sen. Bob Dole and served under Colorado Gov. Bill Owens, saying he is well positioned to understand water issues.

"If water's not coming out of the tap at your home, you can't sell your home," Tonner said. "I'm not saying that's happening tomorrow. But if we do nothing and we don't start working as a team as a county, that day will come. Because we are overdependent on a nonrenewable source of water."

Laydon expressed concern about "manufactured outrage for political benefit," adding that "much has been made about the RWR application."

- Tonner, who said he has lived in Douglas County for more than 20 years, said "manufactured outrage" benefits certain players.
- "I think any project, whether it's water, energy, transportation, you're going to have people that are going to be impacted, and you're going to have folks that are going to benefit financially" from outrage, Tonner said, adding "there are professional provocateurs."
- "It doesn't bother me," Tonner said, arguing that any big proposal can attract backlash.
- Laydon said Tonner may be "at a very serious disadvantage from an RWR standpoint" if he is selected for the water commission because he would have to check conflicts "at the door" and work for the benefit of Douglas County in general.
- "Would you be able to do that?" Laydon asked.
- "100%, absolutely," Tonner said.

Makeup of commission

More than 50 people applied to serve on the Douglas County Water Commission. Many are current or former public officials, including some who serve on local water providers like the Parker Water District.

The county asked for applications by Aug. 11 but later waived that deadline.

The three elected county leaders plan to appoint three members per each "district," or area, of the county, along with two selected "at large," meaning from the county as a whole.

They also plan to appoint "alternates" to serve in place of any regular members if needed.

On top of that, the county plans to appoint a "technical advisory committee" of those with water expertise to help the water commission do its job.

What others said

Other than Tonner, four applicants on Oct. 13 underwent public interviews.

- One was James Maras, a Perry Park Water and Sanitation District board member, who said it's important to plan for Douglas' water supply down the road.
- "I'm a firm believer we need to do something here to get kind of our future laid out. We're (amid) two growing metropolitan areas, and we're growing ourselves," Maras said.
- Harold Smethills, a member of the Dominion Water and Sanitation District board and a developer of the Sterling Ranch area in northwest Douglas County, spoke of homes that have seen wells that failed.
- "Particularly the people on failing wells, I think that's serious and that's going to get worse. And I don't (want) to have headlines in the paper" about that type of problem in Douglas County, Smethills said.
- Frank Johns, who said he has worked on various water plans for communities over the years, spoke about the tension between water needs and property development.
- "Everybody needs to get on the same page," Johns said, adding: "You get all these development plans approved with no plans for water for their development."
- Donald Langley, who serves on the Parker Water board, said he would be willing to serve on the technical advisory committee if he isn't selected for the water commission.

'Finalists' unclear

- The matter of whether officials technically have selected finalists for who will serve on the water commission continued to hang over the county as of Oct. 13.
- While conducting an interview, county leader Teal said, "I don't know if we've had a declaration that these are finalists," regarding whom the county leaders have publicly identified as those they prefer to be water commission members.
- Colorado Community Media filed a public-records request in August for all of the applications from those who have applied to serve on the water commission.

The county did not release the applications, saying in response to the request: "Once the Board of County Commissioners (or county leaders) has formally selected Water Commission finalists we will release all of the applications per 24-72-204(3)(a)(XI), CRS," referring to Colorado Revised Statutes, asserting that state law supports that policy.

Colorado Community Media then filed a second request for all of the applications, in particular seeking the applications from the 12 people whom the county leaders identified on Sept. 26 as those they intend to interview. (The county plans to appoint 11 main members of the water commission, other than alternates.)

The county also denied that request from CCM.

But the county's process of narrowing down candidates raised the question of when "finalists" will be named at all.

While there apparently wasn't a vote, the county leaders publicly identified their preferences when narrowing down a list of applicants to be interviewed. (Initially, about 30 applicants garnered some support from at least one county leader at the Sept. 19 meeting, and they later whittled down the list further.)

Earlier interviews

County officials began conducting interviews Oct. 2.

County leaders' shortlist of preferred applicants had included Roger Hudson, a Castle Pines city councilmember. Hudson was not interviewed Oct. 13, and it was unclear whether he was still in the running as a preferred potential main member of the water commission. A text message to Hudson seeking comment the afternoon of Oct. 13 was not returned.

Those who were interviewed Oct. 2 included Merlin Klotz, who is a Parker Water board member; Evan Ela, a longtime water attorney; James Myers; Kurt Walker; Tricia Bernhardt, who has a bachelor's degree in agricultural economics from Colorado State University and a master's degree in environmental policy and management from the University of Denver, according to a LinkedIn page; and Clark Hammelman, a former Castle Rock town councilmember.



2023-11-10. Backer of San Luis Valley water plan, state water buff chosen for board on Douglas County's water future

Sean Tonner of Renewable Water Resources proposal placed on board over Lora Thomas objection By Ellis Arnold, November 10, 2023

Months of discussion on who will help decide the future of water supply in Douglas County have come to an end now that county leaders have chosen 11 members of a new volunteer board, including a name that one county leader especially objected to.

"I still have concerns with Sean Tonner" being placed on the board, said Commissioner Lora Thomas.

Thomas has pointed to Tonner's connection to a proposed plan to pump water to Douglas County from Southern Colorado.

The forming of the new volunteer board — the Douglas County Water Commission — comes against the backdrop of a controversial proposal to pump about 22,000 acre-feet of water per year to Douglas County from the San Luis Valley in the southern part of the state.

An acre-foot is the equivalent of a one-foot-deep pool about the size of a football field. Renewable Water Resources is the private company that proposed the project.

Last year, county leaders Abe Laydon and Thomas joined together in deciding not to move forward with that project, while elected leader George Teal has continued to support it.

Tonner, one of the principals of Renewable Water Resources, attracted news media attention for throwing his hat in the ring to serve on the water commission.

Laydon and Teal supported appointing Tonner, who appeared for a public interview Oct. 13 via videoconferencing.

"RWR has no project in front of the county at this time, and the commission doesn't exist (yet), so obviously we don't have anything in front of the commission," Tonner said at the time.

He also said he would recuse himself — or remove himself from participation — if any plans were to be pushed regarding RWR.

Laydon said "it's been much ado about nothing" that Tonner had brought a proposal to the county.

"I didn't support it during the (American Rescue Plan Act) discussion, but that doesn't mean there's not room for people with big ideas that (can) bring people together," Laydon said during the Nov. 6 meeting.

Laydon appeared to be referencing the <u>county leaders' decision in 2022</u> not to use federal ARPA dollars on the RWR project.

At the time, Laydon said his decision was because the county's outside legal counsel concluded that the project was not eligible for federal COVID relief funds and recommended the county not participate.

In the recent November meeting, Laydon said that anyone on the water commission "has to check conflicts at the door."

County's picks

More than 50 people <u>applied to serve</u> on the water commission. Many are current or former public officials, including some who serve on local water providers like the Parker Water District.

The county asked for applications by Aug. 11 but later waived that deadline.

The water commission is expected to help create a plan regarding water supply and conservation, among other aspects of water in the county. It'll consist of unpaid volunteers, according to the county.

The three elected county leaders planned to appoint three members per each "district," or area, of the county, along with two selected "at large," meaning from the county as a whole. (They later decided to allow people who aren't residents or landowners in Douglas County to serve on the commission.)

They also plan to appoint "alternates" to serve in place of any main members if needed.

On top of that, the county plans to appoint a "technical advisory committee" of people with water expertise to help the water commission do its job.

The main members of the water commission, named on Nov. 6, include the following.

Representing District I, or northeast Douglas County:

- <u>James Eklund</u>, who had worked on the state's water plan, according to county staff. (Removing the requirement for being a landowner or a resident of Douglas County allowed for choosing Eklund, who told county leaders he is "in the city and county of Denver.")
- Jack Hilbert, formerly one of Douglas County's elected leaders.
- Donald Langley, who serves on the Parker Water board.

Representing District II, including central and south Douglas County:

- Clark Hammelman, a former Castle Rock town councilmember.
- James Maras, a Perry Park Water and Sanitation District board member.
- Roger Hudson, a Castle Pines city councilmember.

Representing District III, or northwest Douglas County:

- Frank Johns, who said he has worked on various water plans for communities over the years. Johns serves on the board of the Centennial Water and Sanitation District, which serves Highlands Ranch.
- Evan Ela, a longtime water attorney.
- Harold Smethills, a member of the Dominion Water and Sanitation District board and a developer of the Sterling Ranch area in northwest Douglas County.

Appointees "at large," meaning from the county as a whole, include Tonner and Tricia Bernhardt, who has a bachelor's degree in agricultural economics from Colorado State University and a master's degree in environmental policy and management from the University of Denver, according to a LinkedIn page.

Details of votes

At the meeting, the motion — or proposal — to appoint the list of applicants passed 2-1 with Thomas opposed. Thomas said she still preferred to appoint Kurt Walker instead of Smethills.

The motion to remove the requirement that all water commission members be residents or landowners in Douglas County passed unanimously.



2023-11-16. DougCo Commissioners finalize a resolution allowing the Douglas County Water Commission to begin work to develop the Douglas County Water plan.

The Board of Douglas County Commissioners approved a <u>resolution</u> allowing the Douglas County Water Commission to begin work to develop the Douglas County Water plan. The goal of the 11-member advisory board is the integration of existing water provider plans into the 2050 Comprehensive Douglas County Water Plan. <u>Click here</u> to view the Water Commission member bios.

The Douglas County Water Commission is a 1- member advisory Board to the Board of Douglas County Commissioners. Three seats from each District, and two seats at large.

The goal of the Commission – through a culture of collaboration and mutually beneficial outcomes – is the integration of existing water provider plans into the 2050 Comprehensive Douglas County Water Plan (Douglas County Water Plan) that will:

- I. Identify strategic policies addressing water infrastructure and storage, supply acquisition, reclamation, conservation practices, the water-land use nexus, and agricultural efficiency.
- II. Broaden public awareness of and familiarity with issues of water supply and provision of services in Douglas County through sustainable community engagement and education initiatives.
- The Commission will commence in 2023 and meet six to eight times in the first 12 months to develop the Douglas County Water Plan.
- Members of the Water Commission may be local elected officials, those who bring to the Commission their experience on water district or metro district boards; others with management oversite or with a professional background in water; and a representative who is the voice of rural Douglas County.
- The Water Commission meets the fourth Monday of the month in the Commissioners' Hearing Room at 100 Third Street in Castle Rock.

The Water Commission will meet on the fourth Monday of the month at 3:30 p.m. in the Commissioners' Hearing Room at 100 Third Street in Castle Rock.

Meeting agendas and minutes are available by <u>clicking here</u>. Previous meetings are also available on the <u>Douglas</u> <u>County YouTube channel</u>.

JSNE Add: CBS News 2023-09-27. "This is just redundant, expensive work," said Thomas, "Douglas County has a group called the South Metro Water Supply Authority. -- their acronym is SMWSA -- who has over 10 major water suppliers in the county."

Thomas says SMWSA is already working on a long-term water plan, but Laydon says it doesn't include rural parts of the county.

"The goal of this commission is to bring in all those great experts under one roof to provide a really comprehensive plan," said Laydon.

Thomas estimates it would cost \$200,000 to make the plan and more to execute it, but Laydon disagrees.

"I'm not anticipating this will require any funding. Again, this is a staff exercise with volunteer board members," said Laydon.

DOUGLAS NEWS-PRESS

2024-01-26. Douglas County's water advisers will have their own advisers

Water commission's: 'technical advisory committee' members not yet chosen

by Ellis Arnold, January 26, 2024

With ongoing concerns about <u>supplies of water across Douglas County</u>, elected leaders recently created an advisory board to help them plan for the future.

And, now, the county has decided those advisers will need advisers.

But members of the <u>Douglas County Water Commission</u> are expressing confusion about the role of the second advisory group.

"I hate to just bring a whole bunch of people in and have them set (as) kind of a mirror," said Douglas County Water Commissioner Roger Hudson, also a Castle Pines city council member.

Hudson raised the issue during a Jan. 22 water commission meeting. The county hasn't yet selected any advisers to the water commission.

Douglas officials envision the advisers to the water commission as "technical," a committee of people with expertise in water.

But the water commission, which only <u>held its first meeting in December</u>, already has some members with a deep background in water.

So far, the water commission has been unable to decide how to fill the list of advisory experts. Its January meeting brought a stalemate to the issue.

"I think we need to somewhat determine what we need from these people," Frank Johns, another water commission member, said at the meeting.

Layers of input

- The Douglas County Water Commission is expected to help create a long-term plan regarding water supply and improving conservation.
- Water lawyers, current and former elected officials, and people who serve on local districts that supply water to many county homes and businesses sit on the commission.
- That includes <u>James Eklund</u>, who worked on the state's water plan, and Johns, who has worked on various water plans for communities over the years. Johns sits on the board of the Centennial Water and Sanitation District, which serves Highlands Ranch.
- A layer of advisers to the commission could skew toward more experts, but what type of input the water commission wants from them remains an open question.
- "We're not looking for the engineers to run in here," said Jack Hilbert, one of Douglas County's former elected leaders and a water commission member. He felt the body needs a "high-level view" of the county's water situation.
- Potentially complicating matters, the water commission has also brought up the idea of seeking outside help, separate from the advisers to the water commission.
- Tricia Bernhardt, another water commission member, noted in December that developing a long-term water plan is a large undertaking and asked whether the commission could find money to pay for a consultant to help with the process. County staff indicated they could request to do so.
- At the January meeting, the water commission also floated the idea of having large, experienced water providers speak to the commission in person.
- "Denver Water and Aurora and Colorado Springs ... they've done a lot of planning," said Jim Maras, a water commission member, advocating for big-city providers to advise the commission.

Looking forward

- The water commission doesn't have the final say on who joins its technical advisory committee. It can only make recommendations.
- Ultimately, the board of elected, county-level commissioners George Teal, Lora Thomas and Abe Laydon will make the final decisions on who sits on the technical advisory committee, according to county staff.
- At the January meeting, the water commission decided to continue to another day the discussion of who might serve as advisers.
- The water commission typically meets at 3:30 p.m. on the fourth Monday of the month at the county government building at 100 Third St. in Castle Rock. Its next meeting is set for Feb. 26.
- Meetings are also streamed and posted on Douglas County's YouTube page.
- For a list of members who were appointed to the water commission and information about them, see Colorado Community Media's previous coverage at tinyurl.com/WaterCommissionMembers.

Update: 2024-02-29 **Douglas County water commissioners hope for help from outside consultant By Ellis Arnold February 29, 2024**

Amid ongoing concerns about <u>supplies of water</u> across Douglas County, elected leaders recently created an advisory board to help them tackle the problem. And the county decided those advisers will need their own advisers.

Now, a third layer of adviser — a consultant — could be in the mix.

The water advisory board has asked the county to hire that consultant to help produce a long-term plan.

A chief concern that officials want to understand is the county's evolving demand for water and the costs of providing it in the years ahead.

- So, what would the consultant do? They could help create a plan that says "this is where you're at, this is what the future shows you've got, these are your possibilities and opportunities, and here's the summary," said Jack Hilbert, one of Douglas County's former elected leaders and a member of the advisory board, called the county <u>Water Commission</u>.
- But Hilbert's board doesn't have authority to spend money on that consultant. Instead, the group is looking to the elected county commissioners George Teal, Lora Thomas and Abe Laydon to decide whether there's money for the consultant. At a late February meeting, the Water Commission voted to ask for that consultant.
- Meanwhile, a different question who will be appointed to the second layer of advisers remains unclear. Those advisers would be appointees and they are envisioned as a group of water experts called the "technical advisory committee," or TAC.
- Water commission members didn't say much about the technical advisory committee at the meeting, amid the push for a paid consultant, but members recently expressed confusion about the role of the TAC.
- The Water Commission doesn't have the final say on who joins the TAC. It can only make recommendations.
- Ultimately, the elected county commissioners will make TAC appointment decisions, too, according to county staff. Regarding the idea of hiring a consultant, water commissioners had little opposition.
- Member Clark Hammelman initially voted against asking for a consultant and said he wanted to see more specifics, but he later withdrew his "No" vote.
- Hilbert envisioned seeking a consultant who has experience with water plans. He said he struggled to see "how in the heck we're going to pull this together," saying he doesn't have the time and that most water commission members are working or busy.
- "We've got to have an entity or a person or a group or somebody gathering (information) and helping us put it together who's got some knowledge," Hilbert said.

Eye on rural areas

- Continuing a theme surrounding the Water Commission, members stressed the importance of planning for the needs of rural residents, many of whom depend on wells for their water supply.
- Lisa Darling, director of the <u>South Metro Water Supply Authority</u>, a partnership that works with water districts in the area on regional water planning, acknowledged challenges that come with gathering data about rural water needs.
- "What I have seen is a number of studies that have existed for different homeowners association groups and different smaller districts," said Darling, who said there's "patchy information" available.
- While some in Douglas County are served by small rural districts like Thunderbird Water and Sanitation District, there are "also 8,000-some residences that are not involved in any district, that have individual wells and use groundwater in southern Douglas County mostly some northern but mostly southern," Tricia Bernhardt, another water commission member, said.
- "So, can't forget the 8,000," Bernhardt added.

Makeup of commission

- Despite the possible layers of more advising, the Water Commission, which <u>held its first meeting in December</u>, already has some members with a deep background in water.
- Water lawyers, current and former elected officials, and people who serve on local districts that supply water to many county homes and businesses sit on the commission.
- The body is expected to help create a long-term plan regarding water supply and improving conservation.



2024-02-07. Cost to water crops could nearly quadruple as San Luis Valley fends off climate change, fights with Texas and New Mexico

More than \$100 million has been spent to retire wells and meet Rio Grande compact demands. But it's not enough, as San Luis Valley farmers may now be asked to pay a lot more to continue pumping.

By Jerd Smith Feb 7, 2024

Hundreds of growers in Colorado's San Luis Valley could see their water costs nearly quadruple under a new plan designed to slash agricultural water use in the drought-strapped region.

A new rule approved by the area's largest irrigation district, known as Subdistrict 1, and the Alamosa-based Rio Grande Water Conservation District, sets fees charged to pump water from a severely depleted underground aquifer at \$500 an acre-foot, up from \$150 an acre-foot. The new program could begin as early as 2026 if the fees survive a court challenge.

"It's draconian and it hurts," said Sen. Cleave Simpson, a Republican from Alamosa who is also general manager of the Rio Grande water district.

The region, home to one of the nation's <u>largest potato economies</u>, has relied for more than 70 years on water from aquifers, known as the confined and unconfined, that are intimately tied to the Rio Grande. The river begins high in the San Juan mountains above the valley floor.

Both the river and the aquifers are supplied by melting mountain snows, but a <u>relentless multi-year drought</u> has shrunk annual snowpacks so much that neither the river nor the aquifer have been able to recover their once bountiful supplies.

And that's a problem. Under the <u>Rio Grande Compact of 1938</u>, Colorado is required to deliver enough water downstream to satisfy New Mexico and Texas. If, for instance, the aquifers fall too low, it could endanger the river's supplies and push Colorado out of compliance. Such a situation could trigger lawsuits and cost the state tens of millions of dollars in legal fees. Colorado is currently in compliance with the compact.

And the state is firm in its stance that the water crisis in the valley will not endanger its ability to comply with the compact.

Subdistrict 1 has set state-approved goals to reduce groundwater pumping to reduce pressure on the unconfined aquifer and state water managers who must ensure compact compliance. Within seven years, the subdistrict must find a way to restore hundreds of thousands of acre-feet of water to the aquifer, a difficult task.

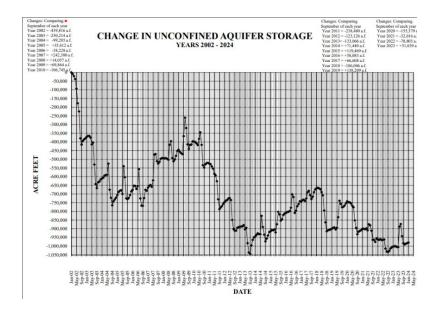
An acre-foot equals nearly 326,000 gallons of water, or enough to cover an acre of land with water a foot deep.

The ongoing water crisis and concerns about the compact are creating enormous pressure to reorganize the valley's farming communities in a way that will allow them to use less water, grow fewer potatoes, and still have a healthy economy.

For more than a decade, <u>valley water users</u> have been working to reduce water use and stabilize the aquifer. Many have already started experimenting with ways to grow potatoes with less water by improving soil health, and to find new crops, such as quinoa, that may also prove to be profitable.

They have taxed themselves and raised pumping fees, using that revenue to purchase and then retire hundreds of wells. In fact, the <u>district is pumping 30% less water now than it was 10 years ago</u>, according to Simpson.

But the pumping plans in Subdistrict 1, considered innovative by water experts, haven't been enough to stop the decline in water levels in the unconfined aquifer. The Rio Grande Basin is consistently one of the driest in the state, generating too little water to make up for drought conditions and restore the aquifer after decades of over pumping.



Though perhaps not as high as water in the Colorado-Big Thompson Project on the northern Front Range, where cities and developers and some growers pay thousands of dollars to buy an acre-foot of water.

Still it is much higher than San Luis Valley growers and others have paid historically. Fees at one time were just \$75 an acre-foot, eventually reaching \$150 an acre-foot. The prospect of the fee skyrocketing to \$500 is shocking.

"That is high," said Brett Bovee, president of WestWater Research, a consulting firm specializing in water economics and valuations. Typically such fees across the state have been in the \$50 to \$100 range, he said.

But Bovee said the water district is taking constructive action while giving growers opportunities to find their own solutions to the water shortage. "It's putting the decision-making power into the hands of growers and landowners, rather than saying 'everybody take one-third of your land out of production."

Subdistrict 1 is the oldest and largest of a group of irrigation districts in the valley, according to Cotten. Its \$500 fee has triggered a lawsuit by some growers, who believe the district is applying the new fees unfairly.

"The responsibility for achieving a sustainable water supply is to be borne proportionately based on (growers') past, present and future usage," Brad Grasmick, a water attorney representing San Luis Valley growers in the <u>Sustainable Water Augmentation Group</u> and the <u>Northeast Water Users Association</u>, said, referring to state water laws. "But we believe the responsibility is being disproportionately applied to our wells."

Those growers are now trying to create their own water conservation plan and they are suing to stop the new fee.

"I think that more land retirement and more reduction in well pumping is needed and that is what my group is trying to do," Grasmick said. "No one wants to see the aquifer diminish and continue to shrink. If everybody can do their part to cut back and make that happen, that is the way forward. My guys just want to see the proportionality adhered to."

To date, tens of millions of dollars have been raised and spent to retire wells in the San Luis Valley, with Subdistrict 1 raising \$70 million in the last decade, according to Simpson. And in 2022 state lawmakers approved another \$30 million to retire more wells.

But it's not enough. With each dry year, the water levels in the aquifer continue to drop.

Similar issues loom for Eastern Plains irrigators

The San Luis Valley is not the only region faced with finding ways to reduce agricultural water use or face interstate compact fights. Colorado lawmakers have also approved \$30 million to help growers in the Republican River Basin on the Eastern Plains reduce water use to comply with the Republican River Compact of 1943, which includes Kansas, Nebraska and Colorado.

Lawmakers are closely monitoring these efforts to reduce water use while protecting growers.

- Sen. Byron Pelton, a Republican from Sterling, said the combined money that is going to the Rio Grande and Republican basins is critical. But the potential for legal battles, he said, is concerning.
- "Agriculture is key in our communities," Pelton said. "But the biggest thing is that we have to stay within our compacts.

 Sometimes you're backed into a corner and that is just the way it has to be. I hate it, but we have to stay in compliance."
- How much irrigated land will be lost as wells are retired isn't clear yet. Simpson said growers who have access to surface supplies in the Rio Grande Basin will still be able to irrigate even without as many wells or as much water, but the land will likely produce less and farms may become less profitable.
- And it will take more than sky-high pumping fees to solve the problem, officials said. The Division of Water Resources has also created another water-saving rule in Subdistrict 1 that will force growers to replace one-for-one the water they take out of the aquifer, instead of allowing them to simply pay more to pump more.
- Cotten said the hope is that the higher fees combined with the new one-for-one rule will reduce pumping enough to save the aquifer and the ag economy.
- Valley growers are already shifting production and changing crops, said James Ehrlich, executive director of the Colorado Potato Administrative Committee in Monte Vista, an agency involved in overseeing and marketing the region's potato crops.

Still the <u>new fees could jeopardize the entire potato economy</u>, Ehrlich said.

"There are a lot of creative things going on down here," Ehrlich said. "But we have to farm less and learn to survive as a community together. And Mother Nature has not helped us out. We've stabilized but we can't gain back what (state and local water officials) want us to gain back. It is just not going to happen."



2024-04-17. Major Arkansas Valley water district votes to oppose \$80.4M Aurora farm water purchase

by <u>Jerd Smith</u> | Apr 17, 2024

A major southern Colorado water district voted unanimously last week to oppose an \$80.4 million agricultural water purchase by Aurora in Colorado's Arkansas River Valley, saying the deal violates a 2003 agreement that prohibits the fast-growing city from taking more water out of the valley.

Aurora would lease the water back to Arkansas Valley farmers in most years, using it periodically in dry periods.

During a special meeting April 9, the <u>Southeastern Colorado Water Conservancy District</u> said it had numerous concerns with the purchase, which is set to close this month. Southeastern manages the federally owned <u>Fryingpan-Arkansas Project</u>, which <u>includes Pueblo Reservoir</u>.

Southeastern declined to say what legal action it might take if the deal goes through.

The project was built in the 1950s to gather water from the Western Slope and the headwaters of the Arkansas River and deliver it to the cities and farms of the Arkansas Valley. Local residents, via property taxes, have repaid the

federal government for most of the construction costs and continue to pay the maintenance and operation costs of the massive project, according to Bill Long, president of the Pueblo-based district's board of directors.

But since 2003, Aurora has been allowed to use the Fry-Ark project to move farm water it purchased out of the valley and up to its reservoir and delivery systems in the metro area. As part of that deal, Aurora agreed to pay \$25 million over the term of the 40-year agreement. Just over \$11 million has been paid to date, according to Southeastern.

"People don't realize that when the taxpayers build something for their benefit but it winds up being used by someone who is not part of the project, it is extremely frustrating," Long said.

Alex Davis, Aurora Water's assistant general manager for water supply and demand, said the city is optimistic Southeastern's objections can be overcome.

"We are hoping to work this out. I think we understand their concerns and their fears," she said. "While we disagree with their interpretation [of the 2003 agreement], we are looking for ways to mitigate" any impacts that might occur.

Aurora has had a controversial role in the history of agricultural water in the Arkansas Valley. In the 1970s and 1980s it purchased water in several counties, drying up the farms the water once irrigated, and moving it up to delivery and storage systems in the metro area.

That practice, known as buy and dry, since then has been widely condemned.

Can a lease-back of water protect farm fields?

Under the terms of this new agreement, Aurora will spend \$80.4 million to buy 5,200 acres of land in Otero County and the water used to irrigate 4,806 acres of productive farmland from <u>C&A Companies</u>. The land is currently owned by <u>Phillip Chavez</u>, a <u>Rocky Ford farmer and member of the Colorado State Land Board</u> who is under contract to sell the land and water to C&A, a metro area real estate development company. Chavez declined to comment on Southeastern's opposition, citing the need for confidentiality prior to the close of the deal.

Aurora's Davis, and other city officials, say the purchase is structured to protect the agricultural lands because the city would only use the water during dry times, rather than permanently taking it out of the valley.

The urban lease-back provision could be used in three years out of 10, leaving the water on the farms for the remaining seven years.

Under state law, such leases can be done for three consecutive 10-year periods, Davis said.

Still <u>Mike Bartolo</u>, a retired <u>Colorado State University extension agent</u> who lives in the area, says the deal jeopardizes the region's already fragile, drought-stressed farm economy.

"They're saying this isn't going to have much impact," Bartolo said. "But there is going to be an impact, environmentally and politically."

What action Southeastern's board may take if its concerns aren't adequately addressed isn't clear yet, but Long said he has agreed to continue discussions.

"We are willing to sit down and have a conversation," Long said.



2024-05-02. Aurora Water eyes its biggest storage bucket yet

by Jerd Smith | May 2, 2024

Fast-growing Aurora plans to develop a new 200-acre site high in scenic Park County to build the largest reservoir in its system.

The \$600 million-plus Wild Horse Reservoir project would store 93,000 acre-feet of water and be nearly twice the size of the city's existing Park County storage pond, Spinney Mountain Reservoir, which holds 53,651 acre-feet of water. An acre-foot equals nearly 326,000 gallons of water, enough to serve at least two to four urban households for one year.

The proposed reservoir is among the latest moves by the city to secure future water supplies to meet growth-driven demand as streams and rivers shrink because of climate change.

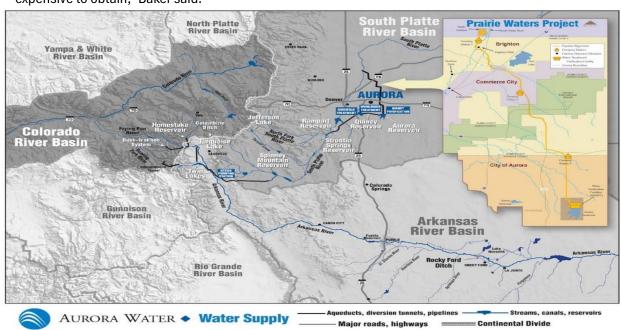
Aurora, the third largest city in Colorado, is home to <u>nearly 400,000 people</u> and is expected to add some 300,000 more by 2070, according to the city's website.

Pre-permitting discussions on the project have begun, according to Aurora Water spokesperson Greg Baker, and the process is expected to take at least two years. The reservoir is part of a larger water supply strategy that includes a recent \$80.4 million purchase of farm water in the Arkansas River Valley, a deal that is <u>drawing opposition</u> from the Pueblo-based Southeastern Colorado Water Conservancy District.

Park County Commissioner Amy Mitchell declined to comment on the Wild Horse proposal, citing the county commission's legal responsibility to review it under what's known as a 1041 permit review, a process that gives the county the ability to approve or reject construction projects. That review could happen as early as next year, she said.

Like other cities, Aurora officials say they need to move quickly now to ensure residents and industry will have enough water in the future.

"Are we moving fast? If the opportunity is there, yes, we are taking it. Water will only become more difficult and expensive to obtain," Baker said.



Other major new storage projects are being planned by cities along the Front Range, with Parker Water and Sanitation District hoping to build a 72,000 acre-foot reservoir in northeastern Colorado as part of a new municipal farm-water collaboration known as the <u>Platte Valley Water Partnership</u>.

The Aurora and Platte Valley projects are expected to be completed in roughly 10 to 15 years.

For Aurora, the Wild Horse project will provide more opportunities to store water it already owns in the Upper Colorado, the Arkansas and South Platte river basins, and to move that water around, Baker said.

The site lies south and east of Spinney Mountain Reservoir.

The city has a large-scale recycled water program known as <u>Prairie Waters</u>, which operates by claiming treated wastewater Aurora owns from the South Platte River on the Eastern Plains, filtering it through a series of gravel beds and then piping it back to Aurora's water treatment facility where it is purified and mixed with fresh water and then delivered to residents and businesses.

But as the water is reused and becomes more concentrated, salinity levels rise, which means less water can be treated and reused. Wild Horse would allow more fresh water to be sent down the river, providing more "blend water" for Prairie Waters and expanding the amount of reused water Aurora Water can deliver to its customers, Baker said.

Water storage reservoirs have drawn fierce environmental opposition in the past 50 years, according to Ron Redd, manager of the Parker Water and Sanitation District.

In the past, water utilities would dam rivers, forever altering the ecosystem and harming water quality.

Parker and Aurora hope these new reservoirs will have fewer environmental impacts and won't set off as many alarm bells because, in part, they won't dam rivers or streams, Redd and Baker said. Instead, pipelines will be used to deliver water to the storage ponds.

The City of Greeley walked away from an expansion of its Milton Seaman Reservoir on the North Fork of the Cache La Poudre River in 2021, deciding instead to develop a groundwater and aquifer storage project beneath the Terry Bison Ranch, something the city believes will be easier to do and will give it more flexibility in managing its water supplies, according to Sean Chambers, director of Greeley's Water and Sewer Department.

Gary Wockner, director of Save the World's Rivers, has battled several reservoir storage projects in Colorado, including the expansion of Denver Water's Gross Reservoir and the <u>Northern Integrated Supply Project</u> in northern Colorado, sometimes delaying them for years as court cases slogged through the legal system.

Wockner said, via email, that his organization is tracking Wild Horse but is waiting for more information to be filed during the permitting process before it decides whether to oppose the project.

"We are aware that Aurora claims that all of the water proposed to be stored in Wild Horse is already diverted. ...

Through the permitting process we will independently verify that claim. If Aurora is just moving already-diverted water around from one spot on the landscape to another, we likely won't have an interest" in opposing it, Wockner said.



2024-05-24. A water war is brewing between the U.S. and Mexico. Here's why.

In south Texas, a water shortage killed the sugar industry and could slow growth in booming border towns. By Scott Dance May 16, 2024 at 5:02 p.m. EDT

A water dispute between the United States and Mexico that goes back decades is turning increasingly urgent in Texas communities that rely on the Rio Grande. Their leaders are now demanding the Mexican government In a deepening diplomatic conflict, Mexico is behind in obligations under an 80-year-old treaty that governs cross-border flows of the drought-stricken Colorado River.

It has for decades resisted water deliveries to the United States from its reservoirs in the Rio Grande basin as it faces its own drought pressures on thirsty and valuable crops bound for sale across the border.

But some Texas towns are nearing a breaking point, with two key reservoirs at historic lows.

Water shortages this year already forced a key sugar cane processing plant to shut down, costing the region hundreds of jobs and a major cash crop. And at least one border town faces the prospect of halting new construction, at least temporarily, for lack of water.

Texas leaders are pleading with Secretary of State Antony Blinken to pressure Mexico and calling on Congress to withhold U.S. aid to the country until water flows from behind Mexican dams. At this point, they say, that is their best hope — that, or a hurricane.

"We keep on getting lucky. Right when we're on the verge of running out of water, we get a tropical storm," said state Rep. Terry Canales, a Democrat whose district includes the border cities of Edinburg and McAllen. "Eventually, luck runs out."

A shrinking Rio Grande and a landmark treaty to address water flow

The Rio Grande once flowed as a mighty river from the mountains of southwestern Colorado to the Gulf of Mexico. But centuries of growth and development — and, more recently, a megadrought linked to human-caused warming of the planet — has essentially cut the river in two.

Its upper reach runs nearly dry just past El Paso's westernmost point. Downstream, rivers that flow from the mountains of northwestern Mexico feed a new section of the Rio Grande along the Texas border — or, at least, they're supposed to.

Those flows have diminished as Mexico has increasingly dammed its rivers and built new reservoirs since the signing of the 1944 water treaty, Texas water officials said.

Rio Grande reservoirs

Many of the largest reservoirs in the Rio Grande basin are entirely within Mexico. The U.S. and Mexico share water in the Amistad and Falcon reservoirs.

The treaty requires that the United States send 1.5 million acre-feet of Colorado River water each year, and that Mexico send 1.75 million acre-feet of water to the United States every five years on the Rio Grande. An acre-foot, enough to spread water across an acre at a depth of 1 foot, is about as much as two to three typical households use in a year, meaning Mexico is supposed to send the United States enough water for about 1 million households each year, on average.

A growing water deficit owed to U.S.

Mexico has fallen behind on making regular deliveries, according to data from the International Boundary and Water Commission, the organization that oversees the two countries' use of Rio Grande water.

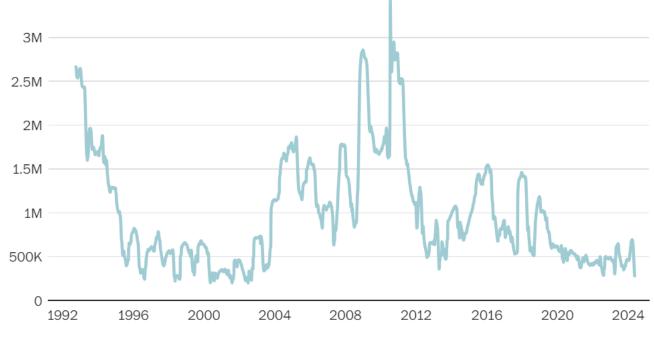
During a five-year water delivery cycle that began in November 2020, Mexico has delivered about as much water as the United States would hope to receive in a single year. Mexico has fallen short on its obligations by hundreds of thousands of acre-feet in nearly every five-year period since 1997.

The treaty does not require Mexico to make regular deliveries, and there is no penalty if it does not meet its five-year targets.

But the lack of steady flows from Mexico has left the U.S. share of waters in Amistad and Falcon reservoirs, which straddle the U.S.-Mexico border, at 28 percent and 12 percent of their capacities just as hot and dry weather sets in.

Storage in the Falcon International Reservoir is at historic lows

The U.S. share of the reservoir's water, measured in acre-feet, is at about 12 percent of capacity.



Source: International Boundary and Water Commission

SCOTT DANCE / THE WASHINGTON POST

It's not that Mexico doesn't want to deliver the water, said Luis Ribera, a professor and economist with the Texas A&M AgriLife Extension. Both sides of the Rio Grande basin have experienced growing demand for water-intensive crops, booming populations and perennial droughts.

Since the North American Free Trade Agreement came into effect in 1994, northern Mexico has shifted from dry commodities, such as corn, sorghum and cotton, to high-value fruits and vegetables they can sell to U.S. markets, Ribera said. These lucrative crops require far more water to cultivate.

Relatively little is known about how much water is being used by whom in the Rio Grande basin, or how much soaks into unlined canals or evaporates in the heat, said Maria-Elena Giner, the U.S. commissioner of the International Boundary and Water Commission.

That means the water shortages have "just been compounding," Ribera said.

But it isn't just a drought crisis — it's an example of how climate change can complicate international cooperation. And the issue is becoming increasingly political.

A brewing international conflict

Texas's U.S. senators, both Republicans, and a bipartisan group of eight House members last week urged congressional budget leaders to withhold U.S. aid "until Mexico has agreed to provide more reliable and consistent water deliveries to the United States."

It follows repeated pleas from state and local Texas officials for Blinken to elevate water among the issues the country pursues with Mexico, such as undocumented immigration and fentanyl trafficking.

"We pray that there is a chance that Mexico will be motivated to make the water deliveries that they owe us," said Rep.

Monica De La Cruz (R). Texas officials have been "pulling every lever possible to ensure that Mexico knows this is an important topic not only for our district but for all of America."

Until recently, there was hope that a resolution between the two countries was imminent. They negotiated throughout 2023 on a revision to the 1944 water treaty that would have given Mexico more flexibility in making its water deliveries, while also encouraging it to make them more regularly.

- Officials with the Mexican counterpart to the boundary and water commission, the Comisión Internacional de Límites y Aguas entre México y Estados Unidos, declined an interview and referred The Washington Post to U.S. officials.

 Officials at the Mexican embassy in Washington could not be reached for comment.
- Ahead of Mexican elections next month, the talks have languished, and opposition in Mexico to a deal has grown. One Mexican senator told the news outlet <u>Milenio</u> that the deal could make irrigation impossible across swaths of the country and would impede growth and development along its northern border.
- Border communities such as the city of Mission, Tex., meanwhile, are scrambling to make their limited water supply last as long as possible. City leaders recently considered a proposal to temporarily ban new building permits over water shortage concerns.
- Before things get to that point, the city plans to impose a new tiered set of water rates this summer that will mean higher costs once a user exceeds certain levels of water consumption, Mission City Manager Mike Perez said. As precious as water is in this part of the country, it's so cheap that residents have little incentive to reduce their use, he said.
- "We have to start to get people realizing we're going to have to do something," Perez said.
- Otherwise, the region can only pray for rain. When Mexico has been able to meet its water obligations in the past, it's been because a hurricane or other tropical system poured on the region. With an <u>active Atlantic hurricane season</u> <u>likely this year</u>, that could mean relief for the Rio Grande.

But if that's the only plan to escape the water crisis, said Canales, the state representative, it's no plan at all.

Mounting impacts on both sides of the border

The crisis is causing pain on both sides of the border.

- The February <u>closure</u> of a sugar mill in Santa Rosa, Tex., was a red alert that the status quo has changed. Because sugar cane ferments quickly, the loss of the facility means farmers cannot viably grow and sell sugar cane in the Rio Grande Valley anymore.
- Citrus producers could be the next to feel major impacts. While their trees can survive a season with minimal water, growers cannot keep going for long without a harvest.
- The losses might echo through a region that has seen a surge in warehousing and commerce tied to trade with Mexico.

 The loss of all irrigated crop production would cost Texas's lower Rio Grande Valley nearly \$500 million in economic activity and about 8,400 jobs, researchers at Texas A&M University reported in December.
- In Mexico, farmers' pain is just as acute. Some <u>occupied a dam in a deadly standoff in 2020 to protest water</u> <u>deliveries</u> to the United States.
- Officials in Mexico's Chihuahua state have been working to improve water conservation and reuse in response to rising demand for both drinking water and irrigation, said Mario Mata Carrasco, executive director of the state's Central Board of Water and Sanitation.
- Water scarcity, he said, is "a global situation that has forced us to make decisions and make investments in new and better water management."
- But that doesn't ease frustration on the Texas side of the border.
- "They're expanding their irrigated agriculture, and they're killing ours," said Sonny Hinojosa, a water advocate who serves on the board of the Rio Grande Regional Water Authority. "They're growing crops with water that's rightfully ours."
- Agricultural businesses are facing death by a thousand cuts, said Dante Galeazzi, CEO of the Texas International Produce Association.
- For each of them, he said, "You're at the point now where you're reaching that thousandth cut."



2024-05-25. Mexico City's water 'Day Zero' may come even for the wealthiest residents

The metropolitan area of 22 million gets about a quarter of its water from a system that is running dry. Some say it could be unable to provide water by June 26.

The Washington Post By Kasha Patel May 25, 2024

- May MEXICO CITY Raquel Campos' water issues started in January, when her condo building's manager sent residents a message saying that the city hadn't delivered water to its cistern. Four days later, taps in the upscale residence went dry.
- Campos has lived in the wealthy Polanco neighborhood for 18 years and said she has never experienced water issues like this. Her husband paid to shower at a nearby hotel and she called water delivery companies that were overwhelmed with a sudden deluge of requests from the neighborhood. The water in Campos' building came back within a few days, but with much lower pressure. Water is now delivered about every two weeks. Each unit has paid to cover the cost, increasing their monthly condo expenses by 30 percent.
- Water scarcity has long been an issue in Mexico City, with the brunt of the shortages happening in lower-income neighborhoods on the outskirts of the city center. But recently, residents in some of the city's wealthier neighborhoods have also been running out of water as hot temperatures, low rainfall and poor infrastructure have converged to create a crisis across the sprawling metropolis.
- Mexico City gets about a quarter of its water from the Cutzamala system, a series of reservoirs, water treatment plants and lengthy canals and tunnels, which is running dry. Some say the system could be unable to provide water by June 26, known as "Day Zero" in the metropolitan area of 22 million, although scientists say rainfall could avert that disaster. As of May 21, the Cutzamala system is at 28 percent of its capacity, according to the Basin Agency for the Valley of Mexico, a historic low.
- Even though rain would help alleviate the strain on the system, it could also "cause a false sense of security" in a city that needs to use less water and create better infrastructure to make use of rainfall, said Christina Boyes, a professor of international studies at the Center for Economic Research and Teaching in Mexico City.
- Mexico City's water issues have become a point of contention ahead of the country's June 2 presidential election. In a Sunday debate between <u>Claudia Sheinbaum</u> of Mexico's governing Morena party, and Xóchitl Gálvez, who represents an opposition coalition, Gálvez blamed the water issues on the inaction of Sheinbaum's party. Sheinbaum, an environmental scientist who co-authored the 2007 Nobel Prize-winning Intergovernmental Panel on Climate Change report, is the former mayor of Mexico City.
- "Right now, we are experiencing one of the worst droughts, because the Morena government did absolutely nothing to solve the problem," Gálvez said. "Claudia, you were unable to resolve the water issue. You call yourself a scientist, you boast about your awards and today we continue with environmental emergencies."
- The following day, Sheinbaum said the ongoing drought stressed the Cutzamala system beyond expectations and decreased the supply by half. "No one could have foreseen this would happen in the city," she said.

In the meantime, residents must find a way to adjust to water shortages — and it's unclear for how long.

Why water supplies are low

Officials said they reduced the flow from the Cutzamala in October to save water and perform maintenance. In January, they announced cuts to hundreds of neighborhoods, mainly to the <u>west of the city center</u> — including

- wealthy neighborhoods like Polanco and Lomas de Chapultepec. Some residents <u>protested</u> against the low water supply.
- "In Mexico City, there is a historical and critical issue of inequality in the access to water," said Fernanda Mac Gregor, a doctoral student at National Autonomous University of Mexico who has <u>published</u> research on climate change risks to the city. "We are already facing many warnings and they will continue to worsen, and not only in terms of water and climate change, but in terms of inequality and poverty."
- Supplying water to 22 million people across a mountain valley is no small feat. The Cutzamala system primarily uses surface water, according to the National Water Commission (CONAGUA). The rest is pumped from underground aquifers, although that has produced significant sinking around the city.
- But the water in the Cutzamala system has been dwindling. In the past three years, the basin has received decreased rainfall, according to CONAGUA about one-third less in 2022 and 2023 compared to the past 40 years, according to data from the European Union's Copernicus Climate Change Service.
- Other factors also play a role. The recent El Niño pattern brought hotter and drier conditions last summer. Human-caused climate change has warmed Mexico around 1.6 degrees Celsius (2.9 degrees Fahrenheit) since preindustrial times. Because of the urban heat island effect, parts of Mexico City are even warmer at 3 to 4 degrees C warmer than previous decades, according to the Climate Change Research Program at the National Autonomous University of Mexico.
- As a result, drought has been persistent both in Mexico City and over much of the country. As of April 30, the North American Drought Monitor classified the entire federal district under a "severe" drought. The drought has caused reservoirs connected to the Cutzamala to dry up.
- "It's a complex ball of wax in predicting whether or not we're actually going to run out [of water]," Boyes said. "I'm not sure if it's going to rain or not, and that will make a huge difference."

Plans for the future

- Lack of rain isn't the only problem. The city is also grappling with poor water management and infrastructure. Nearly 40 percent of water is lost in transit because of leaky pipes, according to Mexico's federal district water operator, SACMEX.
- Repairing the pipes would cost billions of dollars, but it could help reduce leakage as low as 10 percent, said Gabriel Quadri de la Torre, a federal congressman for the Mexico City district of Coyoacán. But he added, "It is very difficult to think that the Mexico City government will have this amount of money to invest in the network."
- Quadri de la Torre, who is up for reelection next month, said his district is not significantly affected by low water supply because they get most of their water from underground sources. But, if the water shortages persist, he fears that his district's water may eventually be redistributed to other parts of the city and affect their supplies.
- "Public-private partnerships will be needed to solve this problem," he said. "The new project to bring water to Mexico City should be a project that is not affected by climate change, by drought."

Coping with water shortages

The water issues are not new for Andrea Salazar and others in the city.

- Salazar, who lives in Xochimilco, a working-class neighborhood, only receives water on Fridays and Mondays for around five hours about 1 a.m. to 6 a.m. because of that area's limited water supply. She and her family of five collect around 150 liters (40 gallons) of water during that time, which is supposed to last for the entire week.
- "When the water arrives, we can't sleep," she said. She's thought about paying for water from what is known as a pipa truck, but hasn't yet.
- Once a week, she and her daughters travel to the local public laundry station, where they hand wash their clothes with public water. Others at the station have similar experiences.

- María Teresa Anedondo, who has a family of six, travels from about 15 to 25 minutes away to wash her clothes here. She called for the city's public water truck several times, but said it hasn't come.
- At a nearby public well station, people on foot, bike and horse gathered to fill up water jugs for their homes and families. The well is a lifeline and a place to catch up with others. If there's a line, it can go slowly; it takes about two minutes to fill a 20-liter (5-gallon) jug, and many people bring multiple jugs.
- Juan Salazar Paez, 72, visits the well twice a day to ensure he has enough water for his farm and family. He takes about 80 liters (20 gallons) each trip, strapping four containers to the back of his horse. He lives with his sons, hauling the water to the house for the family and then a separate location for his crops. He said the water is enough if he rations it properly among his fruit trees and corn.
- Paez said spending hours of his day retrieving and transporting water has become a normal way of life. He's aware of the city's drought and low reservoir levels, but said he doesn't see much that he can personally do. Even with the upcoming national and local elections, Paez said that health care issues are more important to him than water.
- "Will the water issue be resolved? It will never be resolved," said Paez. "The water comes from above. If the Holy Boss gives it to us, we'll have water. If not, we'll be dry, like now."
- Twenty-four miles away in the upscale neighborhood of Polanco, Campos has been changing some of her daily habits to conserve water. As she waits for her shower to warm up now, for example, she collects extra buckets of cold water to flush her toilets.
- Annika Raiha, who also lives in Polanco, said she's been calling for pipa trucks since January. She hasn't had to pay extra yet because her building fees have covered the extra expenses, but she was told to take shorter showers and not let the water run while doing dishes.
- "I was more surprised that it had never affected us before. But this year, it already reached us here too," said Raiha, who said she and her husband are "very worried about the future with the climate change."
- Some people walking through the neighborhood said they didn't believe that Polanco was having the same water problems as other parts of the city. But Campos and her husband, Rafael Garcia, disagree. Almost no one in the city is immune from the crisis now, Garcia said.
- "We're not fine here," Garcia said.

DOUGLAS NEWS-PRESS

2024-04-25. Candidates for Douglas County commissioner talk water and growth in forum

At the forum, Priscilla Rahn, a former vice chair of the Colorado Republican Party who is running to replace Lora Thomas, said: "There's no boogeyman when it comes to the water issue."

by Ellis Arnold April 25, 2024

Ask most candidates running for commissioner what the top issues are in Douglas County, and they'll point to the same issue: water.

The county's future supplies of water are a challenge complicated by another issue: ongoing population growth.

"We're a pro-business county, we're a pro-growth county, but we have to make sure that our growth is happening in a smart manner," said Julien Bouquet, a Democrat running to unseat Commissioner George Teal, a Republican.

- Bouquet and another Democrat, Angela Thomas, have their work cut out for them running in District 2, a vast region that covers Castle Rock and the southern portion of the county. The district encompasses much of the county's rural areas and likely leans more conservative than the other commissioner contest on the ballot this year.
- That's the race in District 3, currently represented by Republican Lora Thomas, who cannot run for the seat again because of term limits. Covering the county's northwest corner, the district's population center is Highlands Ranch.
- Throwing a <u>political curveball</u>, the Highlands Ranch area elected a Democrat, Bob Marshall, to the state House in 2022. Lora Thomas is set to challenge Marshall for that seat, and the void she leaves in Douglas County has attracted a handful of Republican contenders and one Democrat who filed paperwork to run Josh Smith, though he didn't appear at a candidates forum in late April.
- At that event, three candidates from each of the two districts talked about issues ranging from water to housing affordability to wildfire risk all issues touched by the region's population growth.
- Gridlock over water provision and other basic services "can be life threatening," Teal said.
- The Northwest Douglas County Chamber and Economic Development Corporation hosted the forum in Highlands Ranch. Here's a look at what candidates had to say.

'No boogeyman'

- The shadow of a controversial proposal to pump water to Douglas County from southern Colorado <u>continues to</u> <u>hang</u> over the topic of the county's water needs.
- When Teal underscored the need for renewable water resources in Douglas County, he added, "And by the way, that's lower R, lower W, lower R" a one liner that elicited some laughs in the room.
- That's an apparent reference to the proposal to pump about 22,000 acre-feet of water per year to the county from the San Luis Valley in the south part of the state.
- An acre-foot is the equivalent of a one-foot-deep pool about the size of a football field. Renewable Water Resources, often called RWR, is the private company that proposed the project.
- In 2022, Commissioner Abe Laydon joined Lora Thomas in deciding not to move forward with the project, and Teal continued to support it.
- At the forum, Priscilla Rahn, a former vice chair of the Colorado Republican Party who is running to replace Lora Thomas, said: "There's no boogeyman when it comes to the water issue."

Revolving around water

- On water, Bouquet, a member of the RTD board of directors, pointed to how properties develop.
- He said the county needs "mixed-use developments, so that we have residential mixed with commercial." He added: "As you go more vertical, you're going to be using less water than if you're going more horizontal."
- Angela Thomas, who has served in leadership roles with the Douglas County Democratic Party, urged water conservation at the individual level with fixtures like low-water toilets and low-water showers.
- "Water is life, and we are using it at a rate much higher than we should be using it," Angela Thomas said.
- She said water storage facilities are important for rural areas, adding that fire departments should have access to water.
- "Douglas County could be the next Marshall fire, and we need to be looking at how we are growing and how we are growing safely," Angela Thomas added.

Follow the money

Smithells

Buy water from RWR?

Conflicts

That Dominion and Sterling Ranch could be the end users — both entities vigorously deny any interest in San Luis Valley water and maintain their supply is sufficient to meet needs — is bolstered by RWR's proposal, which says the project "will maximize use of existing infrastructures, ultimately supporting the county's goals of enhancing solutions along the I-85 corridor.

Dominion, in an unsigned Jan. 3 email said it "had not been formally approached by RWR as a partner" on the San Luis Valley Water project.

"Our current water supply portfolio is sufficient to meet existing demands of our retail customers," the water provider said. " 1

Both Brock and Harold Smethills are directors on the Dominion Water & Sanitation District board.

Dougco contribute 2.5m to sr pool

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Eric Wilkinson - Retired - Formerly General Manager of Northern Water

Harold Smethills - Founder of Sterling Ranch

Jill Ozarski – Environmental Program Officer at Walton Family Foundation

Jim Yahn – General Manager of North Sterling Irrigation District

Karen Kwon – Associate Project Director at Colorado River Sustainability Campaign

Mark Pifher – Retired – Formerly Executive Director of Aurora Water, 2018 Wayne N. Aspinall Recipient

Mary Gearhart - Senior Manager of Policy and Strategy at Denver Utilities

Mike King – Formerly Executive Director at Colorado Department of Natural Resources and Chief External Affairs Officer of Water Resource Strategy at Denver Water

Russ George – Retired – Former Director of Compact Negotiations of the Interbasin Compact Committee

Sonja Chavez - General Manager of Upper Gunnison River Water Conservancy District

We also want to offer a special thanks to The Walton Family Foundation for their support and partnership on this project.

John Kim

Donations

Conflicts

Since then, RWR has <u>continued to demonstrate deep interest</u> in the county's water future, with principal John Kim winning a seat on the Roxborough Water and Sanitation District Board last year, and other RWR principals donating more than \$20,000 to candidates seeking seats on the Parker Water and Sanitation District Board.

¹ 2022-01-29. RWR Plan to end San Luis Valley water to Douglas County hits opposition amidst donations to local politicians and conflicts of interest. The Gazette by Marianne Goodland, Jan 29, 2022

- In an interview, Kim said he gave the money to <u>Nelson</u> and <u>Kennah</u>'s campaigns because he's "a long-time resident here in Douglas County, and I wanted to participate in the political process on an issue I think is important for Douglas County."
- The commercial real estate investor added that he thinks water districts need to look closely at opportunities to develop new water supplies.
- "I think Douglas County is a growing community and we need to make sure we have the appropriate water resources," said Kim, who won a seat on the Roxborough Water & Sanitation District in 2022 and is now its treasurer. That district held \$116 million in assets at the end of the 2022 fiscal year.2

Sean Tonner

- The project's total cost is estimated at \$600 million. RWR has, so far, raised just \$5.7 million of the total \$28.5 million through sales of unregistered securities, according to filings with the Security and Exchange Commission. That's based on filings from 2019 that have not been updated since then **3**.
- A developer behind a controversial San Luis Valley water export plan, who hopes to sell water from the valley to watershort Douglas County and potentially other South Metro Area water users, is vying for a seat on a new water commission the county has established to evaluate future water needs.4

Sean Duffy

Cutter Consulting LLC

- Communicating those risks to the district's customers clearly is difficult, however. Kennah and Nelsons' campaigns paid Cutter Consulting LLC to do advertising on social media, signs, text blasts, direct mail to voters, and website development, according to records on file with the secretary of state.
- Jack Cutter, the firm's owner, has ties to RWR principal Kim. Kim's campaign for the Roxborough water district board paid the firm \$8,497.21 in April 2022 to conduct social media outreach and to handle banners and direct mailers, secretary of state records show. Cutter did not return a request for comment.

² <u>2023-09-13</u>. Farming in Dry Places: Investors Continue to Speculate on Colorado Water. Civil Eats by Jennifer Oldham, September 13, 2023.

³

⁴ 2023-08-07. San Luis Valley water developer among several vying for seat on Douglas County Water Commission. Water Education Colorado, by Jerd Smith, August 8, 2023

NEIGHBORS FOR A SAFE AND PROSPEROUS COMMUNITY

Agent Katie Kennedy

Date Registered: 4/10/2023 Terminated 6/6/2023

Donations from Citizens for Sound Government POB Denver

Agent ALAN PHILP / 7203 W. PACIFIC AVE, LAKEWOOD, CO 80227

4/12/2023 9,000, Electioneering = no 4/20/2023 9000, Electioneering = no

Expense paid to Cutter C	Consulting, 5901 MOUNT EAGLE D	RIVE SUITE 617, Ale	nandria VA 22303
4/18/2023	\$1,219.92 Direct mail	Electioneering Communication? Yes	Candidates Supported: JACK HAMLIN dist 2, SYDNEY REVES SMITH, dist 2 NICK COURCHAINE dist 2
4/28/2023	\$5,000 Dor to dorr	Electioneering Communication? Yes	Candidates Supported: JACK HAMLIN, SYDNEY REVES SMITH, NICK COURCHAINE
5/1/2023	\$765.38 Direct mail	Electioneering Communication? Yes	Candidates Supported: JACK HAMLIN, SYDNEY REVES SMITH, NICK COURCHAINE
5/1/2023	\$3721.26 Text messaging	Electioneering Communication? Yes	Candidates Supported: JACK HAMLIN, SYDNEY REVES SMITH, NICK COURCHAINE
04/18/2023	\$5,135.00 CAMPAIGN CONSULTING AND REIMBURSEMENT FOR VOTER FILE, MILEAGE, PO BOX RENTAL Consultant and professional services	no	
4/24/2023	\$1250.00 CAMPAIGN CONSULTING	no	
06/01/2023	\$16.44	no	
	E LLC 2318 CURTIS STREET		
04/24/2023	800.00 COMPLIANCE CONSULTING	Consultant & Professional Services	
FIRST BANK 600 BROAD	WAY		
04/28/2023	50.00 fees		
05/31/2023	42.00 bank fees		

RWR

Players

Renewable Water Resources, a development firm backed by former Colorado Gov. Bill Owens and Sean Tonner, has spent years acquiring agricultural water rights in the San Luis Valley. It hopes to sell that water to users in the south

metro area, delivering it via a new pipeline. In December, RWR asked the Douglas County commissioners for \$10 million to help finance the \$400 million plus project.

Tonner did not respond to a request for comment for this article, but he has said previously that the water demands in south metro Denver will be so intense in the coming decades, that the San Luis Valley export proposal makes sense.5

In January, RWR reduced its initial \$20 million request to \$10 million, <u>according to a letter</u> sent to Douglas County officials, citing uncertainty over interpretations of the new federal spending rules and suggesting that an "unrestricted" set of the federal American Rescue Plan Act funds be used instead.

How much money RWR has raised itself for the project isn't clear. McCafferty said she did not know.

The most recent documents at the U.S. Securities Commission, filed in December of 2019, indicate that the company at that time had raised \$5.7 million of a stated goal of \$28.5 million.

Douglas County spokeswoman Holmes said the county has received dozens of water project proposals worth a total of \$280 million and that the county only has \$68.2 million in federal ARPA funds.

Holmes said the county has much more analysis to do before it will make a decision on whether to help finance the export proposal.

"We plan to do lots and lots of due diligence," she said.6

The market in the San Luis Valley is variable depending on the location of the water supply. The SLVWCD manages a robust regional augmentation plan and was involved in a December 2021 transaction where surface water rights diverted from the Rio Grande and decreed for irrigation appraised for \$4,100 per acre-foot. While Marisa Fricke, Subdistrict #1 Manager for the Rio Grande Water Conservation District, has noted that water rights included in Subdistrict #1's 2021 well permit purchase program averaged \$3,100 per acre-foot. The source of these wells was the unconfined aquifer. There hasn't been a comparable water rights purchase or program involving confined aquifer wells, so it is hard to pin down a definitive market. However, it is reasonable to assume that RWR's proposed offer of \$2,000 per acre-foot is likely at or below market value, and certainly not twice the market value as Mr. Tonner has claimed. At the February 8th meeting RWR's guest John Mattingly, shared his opinion that RWR's proposed offer for water rights was below market value.7

Still RWR continues to deepen its ties to Douglas County water districts

Last year, after the county rejected the San Luis Valley proposal, RWR said it would continue to work with Douglas County to see if its objections could be overcome. It has also maintained that the agricultural water it owns in the San Luis Valley would be pulled from a portion of the valley's aquifer system that is renewable, minimizing any damage that might occur from the project, and that even though farmlands would be dried up when the water is exported, the valley's water situation would benefit from a reduction in agricultural water use.

RWR's water rights, however, have not yet been converted to municipal use, as is required under Colorado law. That process could take years to complete and would likely be fiercely contested by farm interests in the San Luis Valley, as well as other opponents.

⁵ 2022-03-30. Fast-growing Douglas County communities need more water. Is a controversial San Luis Valley export plan the answer? Water Education Colorado by Jerd Smith, Mar 30,2022

⁶ 2022-01-29. RWR Plan to end San Luis Valley water to Douglas County hits opposition amidst donations to local politicians and conflicts of interest. The Gazette by Marianne Goodland, Jan 29, 2022

^{7 2022-05-02.} Statement from San Luis Valley Water Conservancy District on RWR water export proposal. The Alamosa Citizen, by Tyler Neely (President SLVWCD), May 22, 2022

- Still RWR continues to deepen its ties to Douglas County water districts. RWR principal John Kim, one of the contributors to the Parker water board elections, won a seat last year on the Roxborough Water and Sanitation District Board, according to the district's website. Kim lives in that district. He declined a request for comment.8 Douglas County's Teal, who has also received funding from RWR principals, said he believes the RWR water could have a role to play in helping ensure the county has enough water to grow over the next 50 years.
- "I don't know [if we have enough water,]" Teal said. "That is part of what makes me wonder if we do have enough. Water projects take time. There is no snapping your fingers and then delivering 10,000 acre-feet of water."
- But Douglas County Commissioner Lora Thomas, who has also accepted campaign contributions from RWR prinicipals, says the county's water providers are well prepared for the future and there is no need to spend money on a project that has little public support and which may never come to fruition.
- "We are secure without it," Thomas said. "But I think that RWR is doing everything it can to get Douglas County to buy into their scheme."9
- Douglas County government does not deliver water to its residents, but relies on more than a dozen individual communities and water districts to provide that service.
 - Fast-growing towns and water districts early on simply drilled wells into aquifers, but the aquifers have been declining and water districts have been forced to implement aggressive water conservation programs, water reuse programs, and use of local surface supplies to meet their needs.

Robert Kennah

- Real estate developers interested in exporting water they own from the San Luis Valley to fast-growing, water-short Douglas County have contributed thousands of dollars to candidates for the Parker Water & Sanitation District Board, one of the largest water providers in the county.
- Last month, Robert Kennah won a seat on the Parker water board and had received two donations from partners in Renewable Water Resources, a real estate development group whose principals include former Colorado Governor Bill Owens. The contributions were made by RWR principals John Kim and Hugh Bernardi, according to filings at the Colorado Secretary of State's office.
- A second RWR-backed candidate, Kory Nelson, also received \$10,000 in donations from RWR, but did not win a seat on the Parker water board. Nelson is contesting the results of the election.
 - If Nelson had won, RWR would have ties to three members of the five-member board, according to Parker Water and Sanitation District Manager Ron Redd.

Parker board member Brooke Booth is related by marriage to RWR principal Sean Tonner, Redd said.

Big money

Neither Booth, Kennah nor RWR responded to a request for comment. Nelson could not be reached for comment. Such large contributions are unusual in low-profile water district board elections, where candidates often provide their own funding for their campaigns of a few hundred dollars, rather than thousands, according to Redd.

"That's a lot of money for a water board race," Redd said.

Teal

⁸ 2023-07-07. Developers behind San Luis Valley water export proposal contribute thousands to Douglas County water district races. Water Education Colorado. By Jerd Smith, July 7, 2023.

⁹ <u>2023-07-07</u>. <u>Developers behind San Luis Valley water export proposal contribute thousands to Douglas County water district races</u>. Water Education Colorado. By Jerd Smith, July 7, 2023.

- The president of Sterling Ranch is Brock Smethills, whose father, Harold, was president when the project started. Collectively, the Smethills, including Harold's wife, Diane, have poured more than \$12,000 into Teal's campaign account, mostly in 2020 and 2021. They've also been generous with Thomas, with \$7,700 in contributions, although none came since 2020.**10**
- Teal said it could be Sterling Ranch, Castle Rock or Parker Water. Regarding Castle Rock, Teal explained that the town provides water to customers outside of its boundaries, part of an I-85 partnership between Castle Rock and Dominion.
- The Smethills, in a Jan. 24 letter to Colorado Politics, disputed the story, saying any depiction of Sterling Ranch as a recipient of water from the RWR project or that it is short on water is factually inaccurate.
- Teal said he found it "amusing" that Castle Rock said it had no plans to participate.
- "I'm sure that's the answer right now," he said. "Is Douglas County secure in its water today? Yes. I don't know if anybody is laying awake today, wondering if the taps will turn on ... Our water is secure, today. [But] it's like filling up your car with gas and driving around, thinking you'll never have to fill it up again."
- In addition, Weiser and Simpson wrote, the proposal will not comply with rules from the State Engineer or the state Supreme Court. The RWR proposal seeks to change the rules, which would undermine Colorado's compliance with the Rio Grande compact, they said.
- In 2020 and 2021, Teal took in thousands of dollars in campaign contributions from five of the eight RWR principals.

 Notably, on Aug. 13, his TRACER account showed nine new contributions totaling \$16,000, and five came from RWR principals: Hugh Bernardi, the manager of RWR, gave the maximum \$2,500. So did John Kim and Sean Tonner.

 Tonner's wife, Laura, donated \$1,000, James Yates gave \$500 and Bryan Wright contributed \$1,000.
- He also received contributions from the owners of Sterling Ranch, a housing development west of Colorado Highway 85 that Teal said could be one of several potential end-users.
- Teal said he and Tonner have been been friends since 2004, and he called Tonner on Aug. 13, the same day he received contributions from the RWR principals.
- He was trying to retire campaign debt, and RWR's principals came through, as did several other big-dollar donors, he said. Those contributions will also help him as he plans to run for reelection in 2024, when he faces a rematch with a Democratic opponent who, he said, receives a lot of out-of-state contributions.
- Sean Duffy, a spokesman for RWR, confirmed the contributions but downplayed their significance.
- "There was no significance to the date just when the donations were received," he said. "For what it's worth, many of the RWR team, including the principals particularly, are Douglas County residents and most have been actively involved in county politics for 15 years or more, including Tonner hosting a 2020 event for [Commissioner] Lora Thomas at his home. So, political involvement isn't a new endeavor."
- Thomas, whose district includes Sterling Ranch, is adamantly opposed, citing a host of reasons, including her ethical objections. **11**

Abe Laydon

Lora Thomas

¹⁰ 2022-01-29. RWR Plan to end San Luis Valley water to Douglas County hits opposition amidst donations to local politicians and conflicts of interest. The Gazette by Marianne Goodland, Jan 29, 2022

¹¹ 2022-01-29. RWR Plan to end San Luis Valley water to Douglas County hits opposition amidst donations to local politicians and conflicts of interest. The Gazette by Marianne Goodland, Jan 29, 2022

Phil Weiser

- Weiser and Simpson wrote, the proposal will not comply with rules from the State Engineer or the state Supreme Court. The RWR proposal seeks to change the rules, which would undermine Colorado's compliance with the Rio Grande compact, they said.
- "No solution to solve these needs should be done at the expense of our agricultural communities," they wrote.
- Weiser, in an interview last week with Colorado Politics, is prepared to put his money, or rather the state's, where his mouth is, and that includes going to court, if necessary.
- Weiser explained his office is statutorily mandated to represent a number of agencies relevant to the water issue, including the state engineer. But he has a second hat, as the people's lawyer, which means he is in a position to be an advocate, adding that, from that perspective, "we need to protect the water of the San Luis Valley."
- He hasn't landed on any particular legal strategy yet, but noted that previous attorneys general have been willing to be active litigants or amici (friend of the court) in cases where the public interest is at stake.
- "I won't be merely reacting on behalf" of whatever agencies his office works with, Weiser said. "I'm going to take a lead role in how we in Colorado can stop this from happening because the idea of removing water from the valley at a time of a depleted aquifer is something I can't understand."
- One critical issue, however, is that water is a private property right and anyone can sell their water rights independent of the land itself. Weiser said his office will work on how to honor water as a property right, as well as recognize the broader public consequences of potential decisions that, to him, can have harmful effects on other water users.
- "My advice to everybody in the Colorado water community is if we can find ways to work together and reach mutually agreeable sound solutions, we're all going to be better off," Weiser said. "Once you start an injury into long-term testing your rights and litigation, it is a lengthy, expensive and uncertain proposition."
- According to the Water Education story, backers of the RWR project would have to prove it wouldn't harm other water users or the aquifer, and demonstrate it would not affect the groundwater that maintains the Great Sand Dunes National Park.
- Simpson told Colorado Politics last month that the Rio Grande Water Conservation District has been stockpiling funds from previous settlements, in preparation for the day when they're back in court. **12**

¹² 2022-01-29. RWR Plan to end San Luis Valley water to Douglas County hits opposition amidst donations to local politicians and conflicts of interest. The Gazette by Marianne Goodland, Jan 29, 2022

"There you go again!"



THEY STILL THINK YOU'RE A SUCKER!

If you received today's email from my primary opponent, you probably had the same reaction I did...in the words of the great Ronald Reagan when his own record was being misrepresented by his opponent, "There you go again...."

...and my opponent and his big-money backers obviously **STILL** think you're all suckers who'll buy any lie they throw your way!

This unqualified rookie starts off by claiming he's the only one who can beat the Dem incumbent in November. The candidate with **no** service, **no** experience, **no** record and **no** qualifications—**NONE!**

He then talks about how he's run a **POSITIVE** campaign while letting his big-money special interests backers—the same gang behind the Renewable Water Resources water scam to take \$20M of YOUR tax dollars for water rights in the San Luis Valley—lay out six figures in dark money to run a smear campaign against me and my record. Not once has this big-talker denounced these lies and smears—he's been just fine with them while claiming I've run a "dark, divisive, negative campaign." That's funny—the guy backed with six figures in dark money calling me "dark."

Seems like, in addition to an abject lack of qualifications, this fellow also has difficulty understanding the difference between negative campaigning—which he and his backers have been running—and the very difficult and uncomfortable truth about his complete lack of service, record and qualifications. As Harry Truman once said, "I just give 'em the truth and they THINK it's hell!" As Harry pointed out, confronting the truth can be painful. This phony naivete and hypocritical political gamesmanship should concern anyone, especially voters who are truly interested in taking back HD43 from the Democrat incumbent.

But that's not the end of this email's whopper-laden message. He refers to me as a "career politician", while failing to even tell us exactly where he has worked and exactly what type of work he does and has done—you know, what he's actually ACCOMPLISHED!

Folks, my career has been *public service*—38-years' worth! After I completed 26 years with the Colorado State Patrol, including chairing Homeland Security operations for the Metro Area after 9-11, I have served the people of Douglas County as their Coroner and Commissioner. Yes, that meant WINNING elections—three county-wide elections to be specific. That means that time and again, the people of this county have trusted me with their vote. That trust was earned with responsiveness and **RESULTS**, something my worthy(?) opponent cannot know anything about given his abject lack of service and experience.

While listing his "legislative priorities"—which seem directly copied from my campaign website and literature published before he even entered the race--he claims I only care about "junk cars." Think there's more than just a little selective spin going on here? More like outright disinformation trying to make himself look like he has answers to questions he's never faced or dealt with on ANY level.

Then we come to the super-colossal whoppers that his pals at RWR have been spewing non-stop for weeks...

First, this Boy Wonder claims that I supported Denver's busing of illegals to Douglas County because I opposed a resolution opposing such practice. I have never, **EVER** supported busing of illegals into ANY city or county nor have I ever supported sanctuary cities. What I **DID** oppose was my fellow commissioners swerving **WAY** out of their lane in telling another local government how to conduct its own business—actually DEMANDING that Denver cease being a "sanctuary city". I would **NEVER** accept Denver demands that Douglas County engage in certain policy or conduct or refrain from doing it simply because *they* didn't approve—and I don't think any of you would, either. Not if you support the Constitutions of Colorado and the United States. But **THAT'S** exactly what the resolution I voted against did.

I fully supported and voted for the ordinance (law) that imposed fines against drivers who droppedoff illegals in our County and for their vehicles to be confiscated as a public nuisance. But Boy Wonder and his fat-cat RWR cronies never seem to mention that very sticky and uncomfortable fact...because they think **YOU** are a sucker! The other double-Whopper with cheese is the claim that I supported COVID mask mandates—an outrageous and outright lie. I have to admit, it takes real guts to lie that brazenly and insult the intelligence of an entire county and community.

When the Tri-County Board of Health imposed its mask mandate back in July of 2020 over the recommendation of Tri-County's own executive director to leave Douglas County *unmasked*, I joined my fellow commissioners in immediately opting-out of the order.

I then personally took the added step of moving that Douglas County withdraw from Tri-County and institute its very own Health Department that was not beholden to the whims of other counties with MUCH different priorities. Based on my motion, Douglas County now has its very own Health Department that costs taxpayers LESS than Tri-County while providing better service tailored to our own residents and their needs. Not talk...not promises...RESULTS. Something my opponent doesn't seem to understand or value.

After Douglas County opted out of the Tri-County mask mandate in July of 2020, Governor Polis issued a statewide Executive Order *requiring masks*, and failure to abide by this SUPERIOR legal authority was subject to state sanction, including fines and loss of operating licenses.

And that is why, when my fellow commissioners engaged in pure political grandstanding in putting forth a resolution subjectively declaring the pandemic at an end and FALSELY leading individuals and businesses to believe that the mask mandate had been canceled, I voted against such a resolution that predictably resulted in multiple problems for our business community and that placed their licenses in jeopardy.

Anybody who actually KNOWS how government is structured and how it operates would know that the resolution I opposed had NO EFFECT IN LAW (the resolution actually stated that fact, lest the County be subject to lawsuit) and that it actually misled and confused business operators as to what the legal requirements actually were. I have always been of the mind that government should HELP rather than CONFUSE/MISLEAD.

Clearly, my opponent has no knowledge or understanding of how government works. And why should he? He's never spent a day in his life...

They have a word for deliberately misleading someone in order to obtain a benefit or advantage for yourself—it's **FRAUD**. Fraudulent and misleading campaigning isn't positive. It's contemptuous of voters' intelligence. It assumes voters are lazy—or worse—just plain stupid. I have worked hard to be pro-active, responsive and to deliver RESULTS for the people of Douglas County and Highlands Ranch.

My record—when accurately viewed and reported—speaks for itself!

My opponent has no record...no service...no experience...no knowledge or understanding of how government works...yet he promises you he will get things done. Past performance is the best indicator of future performance, and time and again I have achieved proven results. All he can offer is promises...and lies/half-truths.

Don't be a sucker...check out the facts for yourself at <u>lorathomas.org</u>.

And ask yourself—why can't this guy and his big-money backers just tell us the truth? **Voters should fear those who fear the truth!**

Ask Miss Information!

Dear Readers: I've been watching all of the elections that will be on the Primary ballot on June 25 -- that's 3 short weeks from now, and as usual, there's a whole lot of monkey business taking place. But even this old bird learned something new this week when it comes to campaign finance law--and its LOOPHOLES! When a candidate files to run for office, he/she can accept what are known as "Voluntary Spending Limits" (VSL) and by doing so, he/she can accept double the prescribed individual limit allowed by law!

Here's how this works in a race ...for example, a State House of Representatives seat... When he files, a candidate can check the box for VSL, which means he agrees not to raise more than \$102,500. Sounds like he's putting himself in a box, right? Keep reading, dears... This decision actually allows that candidate to accept *double* the contribution limit of \$450 per person per election cycle if the opponent in the race raises more than 10% of that \$102.5K limit, or more than \$10,250.

It doesn't take a Karl Rove to see that this is a nice, fat double-wide-trailer-size loophole for candidates backed by "dark" (meaning they don't have to tell you where it came from!) money!

This is PRECISELY what's happening in the race for House District 43 -- the Highlands Ranch seat that Lora Thomas is trying to win back for Republicans that was lost to a Democrat two years ago FOR THE FIRST TIME EVER!

Because Thomas raised more than the \$10,250 limit at the Campaign Finance Reporting deadline on May 6, her opponent--who as we've reported is backed up by some pretty shady groups famous for dirty-tricks campaigns--was able to accept up to \$900 per donor while Thomas is limited to the standard \$450! For you legal-beagles, the legal citation is Section 4, subsection (5), Article XXVIII, Colorado Constitution.

So, all my little Sherlocks out there...let's look and see who has stepped up to give all of this extra allowable campaign dough to Thomas' GOP opponent:

Contributions Included on Report

<u>Date</u>	<u>Type</u>	Contributor	<u>Address</u>	Employer/Occupation	<u>Amount</u>	<u>Aggregate</u>	Elec Comm	Explanation
5/15/2024	Monetary (Itemized)	JONG KIM	PO BOX 60609 COLORADO SPRINGS, CO 80960	RETIRED Retail Sales	\$900.00	\$900.00	No	
5/14/2024	Monetary (Itemized)	KATIE WOLF	17393 SPRINGFIELD DRIVE PARKER, CO 80134	HOWES WOLF Consultant	\$250.00	\$250.00	No	
5/14/2024	Monetary (Itemized)	ROCKY MOUNTAIN GUN OWNERS POLITICAL ACTION COMMITTEE (RMGO PAC)	2300 W. EISENHOWER BLVD LOVELAND, CO 80537		\$2,000.00	\$2,000.00	No	
5/13/2024	Monetary (Itemized)	DANIEL RICHARDSON	4 WALDEN LN CHERRY HILLS VILLAGE, CO 80121	GH PHIPPS CONSTRUCTION COMPANIES Construction/Engineering	\$100.00	\$100.00	No	
5/11/2024	Monetary (Itemized)	PATRICK O'KEEFE	892 COUNTRYBRIAR LANE HIGHLANDS RANCH, CO 80129	SUMMIT STREET GROUP Consultant	\$250.00	\$250.00	No	
5/10/2024	Monetary (Itemized)	JESSICA GONZALES	5548 SOUTH FENTON STREET DENVER, CO 80235	FULCRUM Consultant	\$300.00	\$300.00	No	
5/10/2024	Monetary (Itemized)	JOHN KIM	8156 SOUTH WADSWORTH BOULEVARD LITTLETON, CO 80128	SELF EMPLOYED Real Estate Professional	\$450.00	\$450.00	No	
5/10/2024	Monetary (Itemized)	SUSANA KIM	8245 RAPHAEL LANE LITTLETON, CO 80125	RETIRED Retired	\$450.00	\$450.00	No	
5/9/2024	Monetary (Itemized)	MICHAEL DILL	17421 CR 66T MOFFAT, CO 81143	SELF Consultant	\$450.00	\$450.00	No	
5/9/2024	Monetary (Itemized)	RICK TAAFFE	2943 SOUTH RIVERSIDE DRIVE BELOIT, WI 53511	RETIRED Retired	\$450.00	\$450.00	No	
5/9/2024	Monetary (Itemized)	SEAN TONNER	20 WILCOX ST CASTLE ROCK, CO 80104	FULCRUM GROUP Consultant	\$900.00	\$900.00	No	
5/9/2024	Monetary (Itemized)	VIRGINIA REITINGER	212 COUNTRY LAKES DRIVE ARGYLE, TX 76226	INDEPENDENCE TITLE Insurance Industry	\$450.00	\$450.00	No	
5/8/2024	Monetary (Itemized)	HUGH BERNARDI	2695 EAST LONG LANE GREENWOOD VILLAGE, CO 80121	FIVESTONE Financial/Investment	\$450.00	\$450.00	No	
5/8/2024	Monetary (Itemized)	REAGAN TONNER	407 A STREET SE WASHINGTON, DC 20003	BEACON CONSULTING Consultant	\$450.00	\$650.00	No	
5/7/2024	Monetary (Itemized)	HUNTER TONNER	20 WILCOX ST CASTLE ROCK, CO 80104	ALL PRO CAPITAL Financial/Investment	\$450.00	\$600.00	No	
5/7/2024	Monetary (Itemized)	LAURA TONNER	20 WILCOX STREET CASTLE ROCK, CO 80104	DESIGNS INSPIRED BY YOU General Business	\$450.00	\$900.00	No	
5/6/2024	Monetary (Itemized)	TIMOTHY ARVIDSON	2360 BAYBERRY LANE CASTLE ROCK, CO 80104	RSI IT Science/Technology	\$200.00	\$200.00	No	

TRACER - Campaign Finance Report for Thomas' HD43 opponent rathomas.org> Jun 2, 2024, 5 Unsubscribe

This is a screenshot from the Secretary of State website where all campaign finance reports are required to be filed, according to a statutory reporting schedule. The next reports are due June 3, 2024.

Below is a spreadsheet that shows actual dates/amounts of contributions, and many are from the RWR Gang...you know, the Renewable Water Resources scheme to take \$20M of YOUR tax dollars for water rights in the San Luis Valley--and that could wind up costing billions and bankrupting the County!

Click here for the Secretary of State website for this report

Date	Contributor	Amount	Illegal Contribution
2/21/2024	Michael Dill	\$450	
2/21/2024	John Kim	\$400	
2/21/2024	Hugh Bernardi	\$450	
3/4/2024	Reagan Tonner	\$200	
3/4/2024	Laura Tonner	\$450	
3/6/2024	Hunter Tonner	\$150	
4/1/2024	Virginia Reitinger	\$450	
4/1/2024	Ricky Taaffe	\$450	
4/17/2024	Susana Kim	\$450	
5/7/2024	Laura Tonner	\$450	\$450
5/7/2024	Hunter Tonner	\$450	\$150
5/8/2024	Hugh Bernardi	\$450	\$450
5/8/2024	Reagan Tonner	\$450	\$200
5/9/2024	Michael Dill	\$450	\$450
5/9/2024	Virginia Reitinger	\$450	\$450
5/9/2024	Ricky Taaffe	\$450	\$450
5/9/2024	Sean Tonner	\$900	\$450
5/10/2024	John Kim	\$450	\$400
5/10/2024	Susana Kim	\$450	\$450
5/15/2024	Jong Kim	\$900	\$450

As that famous Watergate whistle-blower "Deep Throat" told Woodward/Bernstein: "Follow the money!"

Some of the principal investors in that hokey RWR scheme are Sean Tonner, John Kim and Hugh Bernardi. Now look at the chart above--as soon as Thomas filed her mandatory May 6, 2024 Campaign Finance Report, extra money flowed into her opponents' campaign account from the RWR Gang!

Now remember, that's NOT "dark" money, because we know exactly who is contributing and how much. What this DOES tell us quite clearly is that Thomas' GOP opponent is NOT appealing to the grassroots voters, but rather is getting a generous chunk of his visible funding from the folks Thomas stood up to to protect your tax dollars! The RWR-sponsored puppet doesn't need to worry about his self-imposed \$102,500 limit because they've set up a nice fat "dark" money fund to run glittering ads for their stooge while trashing Lora Thomas with lies and misleading video hit-pieces. So while Thomas' opponent gets to double-dip from RWR fat-cats, he can sit back and let them do the heavy lifting-and SPENDING--to chip away at Lora! Pretty underhanded, eh? And you thought we actually had political contribution limits in Colorado! It's just a smoke/mirrors scam--like RWR! All you need is to let the big-money interests know that your vote--and your political SOUL-- is for sale!

But, like the guy on the "As Seen on TV" commercials says, that's not all--there's MORE! RWR--with the help of some of the politicians in its pocket--has enlisted the help of a very suspect and highly infamous gun-rights group known for its nasty, sleazy and vicious tactics that have helped Democrats build a super-majority in the Colorado House to join RWR in the open-season onslaught against Lora Thomas. This "scam organization" (in the words of Independence Institute 2A expert Prof. Dave Kopel) has not only endorsed Lora's opponent who has never done ANYTHING for gun-rights (we don't even know if he knows what a gun actually looks like), but has been trying to cast suspicions on Lora Thomas' SPOTLESS 2A record! See, when you're part of the monied ruling-class elite like Bill Owens, Sean Tonner and their RWR Gang, you try to keep from getting your hands too dirty, so you hireout your political thuggery in the hope of keeping your own skirts out of the mud. Like they say in those insurance ads, it's what you do! So stand by...as LCOL Hal Moore said during the la Drang Valley battle, it's about to get "sporting." That means UGLY...

Ask yourself, why in the wide, wide world of sports are these two groups supporting a candidate who has never served a day of his life in public service, never cast a policy or legislative vote, or even made a public statement in support or opposition to ANYTHING? What has Thomas' opponent done to protect taxpayers or support your Right to Keep and Bear Arms?

What are they hiding here? I sure know...and you should, too!

Choose wisely, or else. . .

Stay tuned. . .GET INFORMED and vocal. . .or keep paying the price of apathy!!!