

**CONFERENCE CALL SUMMARY**  
**Colorado River Management Committee**  
**December 5, 2002**

Participants: See Attachment 1

Assignments are highlighted in the text and listed at the end of the summary.

CONVENE - 3:30 p.m.

1. Elkhead Reservoir enlargement - Agreement on Recovery Program contribution to Elkhead enlargement. As posted to the listserver by Gerry Roehm earlier today, representatives of the River District, Environmentalists, Water Users, and Recovery Program staff (parties) agreed to the following (which Tom Iseman reviewed for the group):

- 1) The Program will purchase 5,000af of permanent storage from Elkhead. The current estimated project cost is \$1750/af (\$8.75M) excluding the cost of a fish screen. The parties acknowledge that there is some uncertainty in the project cost. However, the Program and the River District would retain the option to withdraw support for a reservoir expansion if the project cost estimate escalates by more than 5% (\$1838/af).

- 2) The Program will lease 2,000af from Elkhead, on an as-needed basis, for \$50/af/year. The average annual lease requirement is estimated to be 470af (\$23,500/year), but could vary from \$0—100,000 in any year. This will be a 20-year lease. The parties agree that the Program will notify the River District of its annual need for leased water by a date certain, and that the River District reserves the right to lease any water in any year that the Program does not lease the water; the Program agrees to investigate a June 1 date for notification to the River District regarding the annual need for this leased water. This date will become a lease condition prior to final approval of the lease.

At the end of the lease term, the River District and Program will enter into good-faith negotiations for an appropriate lease renewal period and rate (if the water is needed for recovery). Terms and conditions for lease renewal will be subject to negotiation and mutual approval by the Program and River District. The Program will agree that the renewal price will be not less than \$50/af/year. Parties acknowledge the lease rate of \$50/af/year represents a negotiated value for the water but does not represent an amount that amortizes project cost. Parties also acknowledge the intent of the River District ultimately to recoup project costs.

- 3) The Program will retain \$1M in the long-term budget for the Yampa for a fish-screen at Elkhead (if needed).

Brent Uilenberg said he supports the 5% trigger for review in item 1, noting that going over that would exceed what is currently budgeted. Dan Birch said the points above would form the basis of a detailed agreement between the River District, the Colorado

Water Conservation Board, and the Recovery Program. Dan explained that there are really a series of decision points with opportunity for any of the partners to withdraw (although costs are being incurred to get to those decision points and those costs will need to be shared even someone withdrew and the project didn't go forward). Referring to item #2, Dan said that at the end of the 20 year lease period, the District may consider a lease rate that would amortize the cost of the project (perhaps ~\$119 per acre-foot). The lease would come out of annual Program funding. (Regarding item #3, Brent said he hopes that if the Program continues to hold the \$1M placeholder for a screen at Elkhead, Colorado will come to agreement on Highline Lake storage. >Randy Seaholm said Colorado will work on their appraisal review; both Tom Blickensderfer and Randy said they believe we can come to agreement. Bob Muth asked Brent about the deadline for this and Brent said we need an agreement in place by this March in order to have the pumping plant operational for summer 2004.) Bob McCue said he will recommend this agreement to Ralph (with the usual caveat that it will have to clear NEPA and ESA consultation). Randy Seaholm noted that the full agreement package would have to be approved by the Board, River District, and Recovery Program. Dan added that there are a number of agreements that will need to be worked out with the City of Craig, the State Land Board, CDOW, power companies, etc.

The Management Committee adopted the three points outlined above as their recommendation to the Implementation Committee. >Gerry Roehm will post this with appropriate introductory text. The Implementation Committee will discuss this on their conference call on Monday, December 9.

2. National Fish and Wildlife Foundation accounts - Angela Kantola said that most of the concerns discussed at the Management Committee have been or are being resolved. >Angela will initiate setting up a meeting or conference call with Reclamation, the States, and NFWF.
3. Notice of Intent to Sue from Earth Justice (Recovery Goals) - Bob McCue faxed the notice to the Committee members. Bob said >the Service plans to respond and will provide a copy of that response to the Implementation Committee.
4. Legislation - John Shields said that the Thomas website doesn't indicate that H.R. 5099 has been signed by the President yet.
5. Next meeting - January 29 in Salt Lake City (this will need to be a meeting).

ADJOURN: 4:25 p.m.

## ASSIGNMENTS

Randy Seaholm said Colorado will work on review of the Highline Lake storage appraisal.

Gerry Roehm will post the Elkhead enlargement agreement to the Implementation Committee it with appropriate introductory text. The Implementation Committee will discuss this on their conference call on Monday, December 9.

Angela Kantola will initiate setting up a meeting or conference call with Reclamation, the States, and NFWF.

The Service plans to respond to the Earth Justice NOI and will provide a copy of that response to the Implementation Committee.

**Colorado River Management Committee Conference Call  
December 5, 2002**

Management Committee Voting Members:

Brent Uilenberg	Bureau of Reclamation
Tom Blickensderfer	State of Colorado
Sherm Hoskins	Utah Department Of Natural Resources
Tom Pitts	Upper Basin Water Users
Bob McCue	U.S. Fish and Wildlife Service
John Shields	State of Wyoming
Shane Collins and Clayton Palmer	Western Area Power Administration
Dave Mazour and Leslie James	Colorado River Energy Distributors Association
John Reber	National Park Service
Tom Iseman	The Nature Conservancy

Nonvoting Member:

Bob Muth	Recovery Program Director, U.S. Fish and Wildlife Service
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Recovery Program Staff:

Angela Kantola	U.S. Fish and Wildlife Service
Gerry Roehm	U.S. Fish and Wildlife Service

Others

Randy Seaholm	Colorado Water Conservation Board
Dan Birch	Colorado River Water Conservancy District