



To: Interested Agencies and Members of the Public

Subject: Proposed Contract Between the Bureau of Reclamation and City of Aurora, Colorado, acting by and through its Utility Enterprise, for the Use of Excess Capacity in the Fryingpan-Arkansas Project

The U.S. Bureau of Reclamation (Reclamation) is considering a request from the City of Aurora, Colorado acting by and through its Utility Enterprise (Aurora) for a long-term municipal and industrial water storage, exchange, and conveyance service contract or contracts hereinafter referred to as “excess capacity contract(s)”. The proposed excess capacity contract(s) would allow Aurora to use up to 10,000 acre-feet of available excess storage space in Pueblo Reservoir, and to allow for the exchange of up to 10,000 acre-feet of Aurora's water with Fryingpan-Arkansas Project water in Twin Lakes Reservoir or Turquoise Reservoir (see attached map). The proposed excess capacity contract(s) would use existing facilities to move Aurora’s water from the Arkansas River Basin to the Platte River Basin and allow Aurora to more efficiently manage and use its Arkansas River water rights and leased water.

The Fryingpan-Arkansas Project is a Reclamation project that delivers water from the western slope of Colorado to the upper Arkansas River Basin near Leadville. Turquoise and Twin Lakes Reservoirs are Reclamation facilities in the upper Arkansas River Basin that store Fryingpan-Arkansas Project water before it is delivered to downstream users. From Turquoise and Twin Lakes Reservoirs, Fryingpan-Arkansas Project waters are delivered via the Arkansas River to Pueblo Reservoir where project water is further distributed to Fryingpan-Arkansas Project users. Reclamation will require that the excess capacity contract(s), if approved, not adversely affect Fryingpan-Arkansas Project purposes and operations.

Reclamation intends to prepare an environmental assessment (EA) to determine the environmental and socioeconomic effects, both positive and negative, of this proposed action. To assist in the preparation of the EA, Reclamation is conducting scoping and will use the information gathered in the process to prepare the EA. The National Environmental Policy Act (NEPA) defines scoping as an early and open process designed to determine the scope of issues to be addressed in the EA and to identify potentially significant issues related to a proposed action. As part of the scoping process, Reclamation invites comments on the proposed action from Federal, State, and local agencies, Indian tribes and other interested parties.

### **Purpose and Need**

The purpose of the proposed excess capacity contract(s) is to establish a long-term arrangement which allows Aurora to more efficiently manage and use its decreed Arkansas River water rights and leased water. Aurora’s Arkansas Valley water rights and lease water constitute about 25% of its water supplies and are needed to meet Aurora’s projected municipal and industrial water demands. Use of excess capacity in the Fryingpan-Arkansas Project eliminates the need for construction and physical disturbances to accommodate storage, conveyance, and exchange of this water.

### **Background**

In the 1980’s, Aurora purchased shares in the mutual companies operating the Colorado Canal, Lake Henry and Lake Meredith (Colorado Canal System). In 1986, Aurora purchased approximately 58% of the shares of the Rocky Ford Ditch Company. Aurora is currently in the process of purchasing an additional 36% of the Rocky Ford Ditch. Water right applications providing for these transfers and exchanges have been decreed (Colorado Court Division 2 Case Nos. 84CW62, 84CW63, 84CW64, 83CW18, 87CW63) or are awaiting adjudication (99CW169 and 99CW170.) Aurora is currently negotiating a short-term lease agreement with shareholders of the High Line Canal Company. In the future, Aurora may negotiate short-term leases with other Arkansas Valley ditches in the reach of the Arkansas River reach between the Rocky Ford Ditch and Pueblo Reservoir.

*Assumptions Related to the Proposed Action:* Aurora’s storage and exchange decree’s will be administered in accordance with the water rights decrees.. Downstream senior water users are protected through the Colorado water rights system. Reclamation will not permit or allow any operation of the exchanges that would adversely affect Reclamation’s operation of the Fryingpan-Arkansas Project. Also, Fryingpan-Arkansas Project operations and Reclamation’s participation in the Arkansas River Voluntary Flow Program will be protected by conditions in the proposed excess capacity contract(s). Finally, if water spills from Pueblo Reservoir, Aurora’s water will be the first to spill.

**Rocky Ford Ditch Operations:** The Rocky Ford Ditch headgate is located near Rocky Ford, Colorado, approximately 70 miles downstream from the Pueblo Reservoir outlet works. Under Aurora’s water rights decree Rocky Ford Ditch water may be diverted at several alternate points of diversion including Pueblo Reservoir. (See map below.) Water diverted and stored at Pueblo Reservoir under the proposed excess capacity contract(s) and Aurora’s Rocky Ford Ditch rights would be exchanged to upstream storage and diversion locations including Twin Lakes Reservoir, Turquoise Reservoir and the Otero Pump Station.

**Colorado Canal System Operations:** The Colorado Canal System includes a 52-mile diversion canal, which diverts water from the Arkansas River approximately 20 miles downstream of Pueblo Reservoir near Boone, Colorado, and two storage reservoirs, Lake Henry and Lake Meredith, located near Ordway, Colorado. Under Aurora’s water right decree and the proposed excess capacity contract(s), Aurora’s Colorado Canal water would be stored at Pueblo Reservoir, and exchanged to upstream storage and diversion locations including Twin Lakes Reservoir, Turquoise Reservoir and the Otero Pump Station.

**Leased Water:** Aurora is currently negotiating a short-term lease with shareholders of the High Line Canal Company for water that could be stored at Pueblo Reservoir under the proposed excess capacity contract(s). Aurora proposes to use contract exchanges to move High Line Canal water stored in Pueblo Reservoir to upstream sites. In the future, Aurora may negotiate short-term leases with other Arkansas Valley ditches in the reach between the Rocky Ford Ditch and Pueblo Reservoir. Aurora does not intend to lease water from any one ditch for more than 3 out of every 10 years, or lease more than 10,000 acre-feet per year.

**Exchange Operations:** Aurora proposes to exchange Aurora water in storage at Pueblo Reservoir for Fryingpan-Arkansas Project water in storage in either Turquoise or Twin Lakes Reservoirs. The water would then be diverted through the Otero Pipeline and pumping plant (see map). Under Aurora’s water rights decrees, exchanges from Pueblo Reservoir are not allowed during the Winter Water Storage Program (November 15 through March 14).

**Pueblo Reservoir Storage:** Aurora has requested up to 10,000 acre-feet of contract storage at Pueblo Reservoir. Contract storage space would be used for storage of native Arkansas River water physically and legally available to Aurora. Storage of Aurora’s water in Pueblo Reservoir will typically begin on March 15 of each year, gradually accumulate in early spring during low flow conditions, and reach its peak during June and July, at which time Aurora will begin exchanges to upstream sites. When the run-off ends, storage in the contracted space will begin to decline as Aurora continues exchanges to upstream sites. Typically Aurora’s excess capacity storage space at Pueblo Reservoir will be evacuated by November 15 of each year. However, Aurora has proposed to retain some water in storage for exchange and use in the following year, if it cannot exchange it due to current year river conditions.

### **Alternatives**

Preliminary alternatives that have been developed for initial consideration and comment include:

1. *No Action Alternative:* Reclamation would not execute a long-term excess capacity contract(s) with Aurora.
2. *Long-Term Contract(s) Alternative:* Reclamation would execute a long-term excess capacity contract(s) with Aurora for up to 10,000 acre-feet of water exchange, conveyance and storage involving the use of the Fryingpan-Arkansas Project’s Pueblo Reservoir, Turquoise Reservoir and Twin Lakes Reservoir.

Additional alternatives that meet the Purpose and Need may be added during the NEPA process and considered in the EA.

### **Environmental Effects**

Reclamation has tentatively identified the following issues or potential resource impacts that could result from the proposed action.

1. Impacts on Arkansas River flow between Turquoise Lake and Timpas Creek.
2. Effects on Fryingpan-Arkansas Project operations.
3. Effects on threatened and endangered species.
4. Cumulative impacts, including water quality, of this project along with other reasonably foreseeable water-related activities in the Arkansas River Basin.
5. Impacts on recreation activities at Turquoise Reservoir, Twin Lakes Reservoir and the Upper Arkansas River, especially fishing and commercial rafting.

**Additional Information and Submitting Comments**

Again, the purpose of this document is to solicit public and agency comments on potentially significant issues related to the proposed action that should be considered by Reclamation before a decision is made on whether to enter into an excess capacity contract(s) with Aurora. Identified issues will be analyzed in a NEPA document. If upon review of this information, you have any questions or would like a copy of the Scoping Document please contact Kara Lamb at:

**Phone:** 970-962-4326  
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Written comments on the scope of the EA for the proposed contract(s) may be submitted by mail, email or fax and should be submitted on or before **November 24, 2003** to:

**Mail:** Bureau of Reclamation  
Eastern Colorado Area Office  
Attn: William Tully  
11056 West County Road 18E  
Loveland, CO 80537-9711  
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