



SOUTHEASTERN COLORADO

Water Conservancy District

"Your investment in water"

April 4, 2011

TO: Municipal & Domestic Water Entities within the Confines of the Southeastern Colorado Water Conservancy District

CC: SECWCD Board of Directors; Jim Broderick, Executive Director; Roy Vaughan, USBR; Steve Witte, Division Engineer; Burns, Figa & Will PC

FROM: Bob Hamilton, Director of Engineering and Resource Management

SUBJECT: Allocation of 2011 Municipal Fryingpan-Arkansas Project Water

In accordance with the District's Water Allocation Principles, contract with the United States, Operating Principles, appropriate Colorado water laws, the Colorado Water Conservancy Act, and the Water Activity Enterprise Act, the Board of Directors of the Southeastern Colorado Water Conservancy District, acting by and through its Water Activity Enterprise ("District") hereby notify you of your opportunity to apply for an allocation of Fryingpan-Arkansas Project water (Project water) in 2011. Project water allocations are required to be supplemental to adjudicated waters, and for use only within the confines of the District boundaries.

At the May 19, 2011 Board meeting, the Board will allocate municipal Project water as equitably as possible. All allocations will be based on:

- 1) the total water available to the District;
- 2) applicable Board resolutions and Allocation Principles;
- 3) eligible population;
- 4) the total amount of water requested; and
- 5) the need evidenced in each application.

Allocation requests must be received **NO LATER THAN 4:30 p.m. Thursday, April 28, 2011**. Recipients will be notified of their allocation on or about May 19, 2011.

Payment must be received in full prior to the delivery of water and not later than June 15, 2011, or such allocation shall be available for reallocation by the District.

Municipal Project water will be sold for \$9.00 per acre-foot. This includes \$7.00 for Project water, \$1.50 for a Water Activity Enterprise (WAE) surcharge, and a \$0.50 Safety of Dams (SOD) surcharge.

APPLICATIONS MUST BE RECEIVED BY 4:30 P.M. THURSDAY, APRIL 28, 2011

**CONDITIONS APPLYING TO THE ALLOCATION OF
2011 MUNICIPAL PROJECT WATER**

1. An allocation will be made each year in order that Project water will be efficiently managed by the Southeastern Colorado Water Conservancy District, acting by and through its Water Activity Enterprise (“District”) and the entities. **The allocation will be made at the May 19, 2011 meeting of the Board of Directors.**
2. In the event additional water is made available to the District after the May allocation, eligible entities will be notified by mail. The Allocation Committee and/or the Board of Directors will then review any written requests. Water allocated in a second allocation must be paid for in full within two weeks of notification of the amount allocated.
3. The Board has established a policy that applications received after the deadline, will **not** be considered. Failure to pay by the announced deadline automatically voids the approved allocation.
4. The District must notify the Bureau of Reclamation before Project water can be released. The District will notify the Division Engineer that you will be submitting your schedule for delivery directly to his office.
5. Allocated Project water will be delivered at the outlet work of Pueblo Reservoir, Turquoise Reservoir, or Twin Lakes Reservoir. Delivery of your Project water, subject to appropriate transit loss, can be made:
 - (a) to your headgate on the Arkansas River;
 - (b) by means of your wells as an alternate point of diversion, providing said wells have been adjudicated by the Water Court; or
 - (c) by exchange, if such exchange is decreed or approved by the Division Engineer in writing.
6. Project water allocated for municipal or domestic use shall be paid for in full at the time of the allocation or prior to the delivery of water and not later than June 15, 2011 or such allocation shall be available for reallocation by the District.
7. Any and all waters purchased are subject to all terms and conditions of the Contract between the Southeastern Colorado Water Conservancy District and the United States in effect for 2011. Submission of an application for Project water constitutes acceptance of the price for Project water set forth on the previous page, and of all the terms and conditions of the District’s current Water Allocation Policy. We understand you have received these documents from us in the past. If you need to review a copy of any of these documents, please contact the District at (719) 948-2400 or go to www.secwcd.org, then click on Fry-Ark Allocation.
8. It is the intent of the Board of Directors that entities which do not buy Project water in any single year will not be precluded from doing so in the future, and will not be subject to prejudice thereby in the Board’s review of the applications.

APPLICATIONS MUST BE RECEIVED BY 4:30 P.M. THURSDAY, APRIL 28, 2011

**SOUTHEASTERN COLORADO WATER CONSERVANCY DISTRICT
MUNICIPAL and DOMESTIC APPLICATION
2011 FRYINGPAN-ARKANSAS PROJECT WATER**

TO: Board of Directors, Southeastern Colorado Water Conservancy District, acting by and through its Water Activity Enterprise (“District”):

We/I, the _____ (entity), hereby request _____ acre-feet of Project water in the May 2011 allocation. We/I understand the Board of Directors of the District will allocate available waters equitably in its discretion, based upon the merits of each application, and water will be delivered in accordance with, and we accept the terms and conditions of the District’s Water Allocation Policy and of the District’s notice dated April 4, 2011, which accompanied this application. We understand and accept that we will pay the District \$9.00 per acre-foot for municipal and domestic water so allocated (\$7.00 per acre-foot for Project water plus a \$1.50 per acre-foot Water Activity Enterprise (WAE) surcharge and a \$0.50 per acre-foot Safety of Dams (SOD) surcharge for municipal and domestic water), and that allocation and delivery of water by the District does not create any right, title, entitlement, or other interest in Project water beyond the right to delivery of current Project water sold by the District.

We expect to use _____% of our allocated Project water for well augmentation. Project water used for municipal well augmentation will be surcharged an additional \$2.60 per acre-foot because the water is considered to be totally consumed and generates no Return Flows.

In support of our request, and to comply with the need for information by the District to meet the terms and conditions of its Contract with the United States, and the Operating Principles, we submit the following information:

We request this allocation be made available May 19, 2011. We will pay before use, and not later than June 15, 2011. In 2011, we will serve a population of _____.

We confirm that we have sufficient non-Project water resources and that we will not deliver Fryingpan-Arkansas Project water to lands outside of the boundaries of the Southeastern Colorado Water Conservancy District.

If supplementary information is required regarding our request, we agree to supply additional information as requested by the District.

The following is information we feel should be used by the Board of Directors in their evaluation of our request, and to set out our unusual circumstances involving our entity in 2011 (use additional pages if necessary).

ALLOCATION APPLICATIONS MUST BE RECEIVED BY 4:30 P.M. THURSDAY, APRIL 28, 2011

Please do not send payment until you are notified of the amount of water approved by the Board of Directors.

Authorized Agent	Address	City State Zip
Authorized agent, Title	email	Phone
Billing Contact <i>if different from above</i>	email	Phone