CONDITIONS APPLYING TO THE ALLOCATION OF 2024 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 ("District"), acting by and through its Water Activity Enterprise and stakeholders. The allocation will be approved at the May 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 or e-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 <u>not</u> be considered. Failure to pay by the announced deadline automatically voids the approved allocation.
- 4. The District must notify the Bureau of Reclamation (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 their office.
- 5. Allocated Project Water will be delivered by Reclamation according to the District's Repayment Contract with Reclamation. Delivery of your Project Water, subject to appropriate transit loss, can be made:
 - a) To your headgate on the Arkansas River; or
 - 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, 2024 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, Reclamation law, and any applicable Reclamation policies, including any policy regarding the use of Reclamation water or facilities for activities prohibited by the Controlled Substance Act of 1970.
- 8. Submission of an application for Project Water constitutes acceptance of the price for Project Water set forth on the Project Water Application, and of all the terms and conditions of the District's current Water Allocation Policy. If you need to review a copy of any of these documents, please contact the District at (719) 948-2400 or go to <u>www.secwcd.org</u>, click on "Water Management" then "The Allocation of Fryingpan-Arkansas Project Water & Project Water Return Flows" and select "First Use Project Water Allocation" at the bottom of the page.
- 9. 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.
- 10. Project Water allocations would be available initially at a reduced percentage, set by the Board of Directors on a year-to-year basis, of the allocated amount available to municipal and agricultural entities (the initial release) following payment for 100 percent (100%) of the allocation. The remaining water above the initial release would be made available when the District is confident that imports will meet Project obligations. If any portion of the allocated Project Water is not available to the entities at that time, that portion of their Project Water payments will be refunded.

APPLICATIONS MUST BE RECEIVED BY 4:00 P.M. FRIDAY, APRIL 5, 2024