

To: Mayor Kudron and the Board of Trustees From: John Crone, Town Manager Re: Letter of Support for County Grant Request Date: February 26, 2024

Background

Grand County Manager Ed Moyer has sent us the following communication requesting our support for a Grand County grant request about the Shoshone water rights.

Towns, Water & Sanitation Districts, Middle Park Water,

As you may know, the Colorado River District entered into a Purchase & Sale Agreement (PSA) with Xcel Energy in December to purchase the historic Shoshone water rights in the amount of \$98.5 million. The agreement marks a first step towards permanent protection of the most senior, non-consumptive water right on the Colorado River; a project with a 20-year history of support from 20 western Colorado governments and water entities, including some of you. The Shoshone water rights represent up to 1.02 million acre-feet per year and are extremely important to our community's outdoor recreation, tourism and agriculture economies, and especially the aquatic health of our rivers and streams. The Shoshone water rights keep water in the Colorado River within Grand County.

The next step in the Shoshone Water Right Preservation project is securing the funding for the purchase. The Colorado River District Board approved and committed \$20 million to this purchase from their Community Funding Partnership program funds in December, and their application to the Colorado Water Conservation Board (CWCB) was recently approved at the end of January in the amount of \$20 million. For the remaining funds, the Colorado River District is preparing a \$49 million request for Federal funding and is requesting West Slope partners fund a total of \$10 million. Last Thursday, Ute Water approved a \$2 million contribution.

Grand County is preparing to submit a grant request to the Grand County Open Lands, Rivers and Trails fund advisory committee in an amount up to \$1 million on behalf of our community and all Grand County water providers. Grand County is making this request on your behalf in-lieu of individual funding requests. The request will be made from the original 2016 Resolution and those associated funds. As part of this grant application, we are respectfully soliciting letters of support by <u>March 1</u>. Attached is a draft letter of support. Please email it back to Christine Travis and feel free to modify it according to how Shoshone specifically benefits your organization

If you have any questions about the OLRT grant request, please feel free to reach out to Christine, Kayli or I. You can learn more about the specifics of the Shoshone water right acquisition at <u>KeepShoshoneFlowing.org</u>.



Thank you in advance for your support. Much appreciated.

Ed

<u>Motion</u>

If the Board wishes to support this request for funds, it should adopt the following motion: I move to instruct the Mayor to execute the attached letter of support for the Grand County grant request.



1026 Park Ave · PO Box 99 Grand Lake, CO 80447 970-627-3435 www.townofgrandlake.com

February 26, 2024

Ms. Maura McKnight, Chair Chair - Opens, Lands, Rivers, and Trails Advisory Committee P.O. Box 264 Hot Sulphur Springs, CO 80451

RE: Grand County OLRT Shoshone Water Right Letter of Support

Dear Ms. McKnight,

The Town of Grand Lake is pleased to support Grand County's Open Lands, Rivers, and Trails application to secure additional funding to help the Colorado River District purchase the Shoshone Water Right, and permanently protect flows in the Upper Colorado River Basin which are vital to Grand County.

As the headwaters of the Colorado River with the majority of transmountain diversions, Grand County benefits greatly from preserving the Shoshone water right. Keeping water in the Colorado River helps protect Grand County's tourism-, recreation-, and agriculture-driven economies. Commanding up to 1.02 million acre-feet of water per year, preserving Shoshone flows in perpetuity is a generational investment in Colorado's water security with a myriad of benefits for our environment, economy and communities.

During the last 23 years of severe drought, the benefit of the Shoshone call to the river's flow has become even more evident and important. If the power plant were to cease operation without permanent protection of the water right through an instream flow, the negative economic and environmental impacts to Grand County and Western Colorado would be immediate and profound. The Shoshone water right is a priceless investment in the health and vitality of the Colorado River, and all who depend on it.

The Town of Grand Lake strongly encourages the Open Lands, Rivers, and Trails Advisory Committee to support the Shoshone Water Right Preservation Project. Thank you for your consideration.

Sincerely,

Stephan Kudron, Mayor