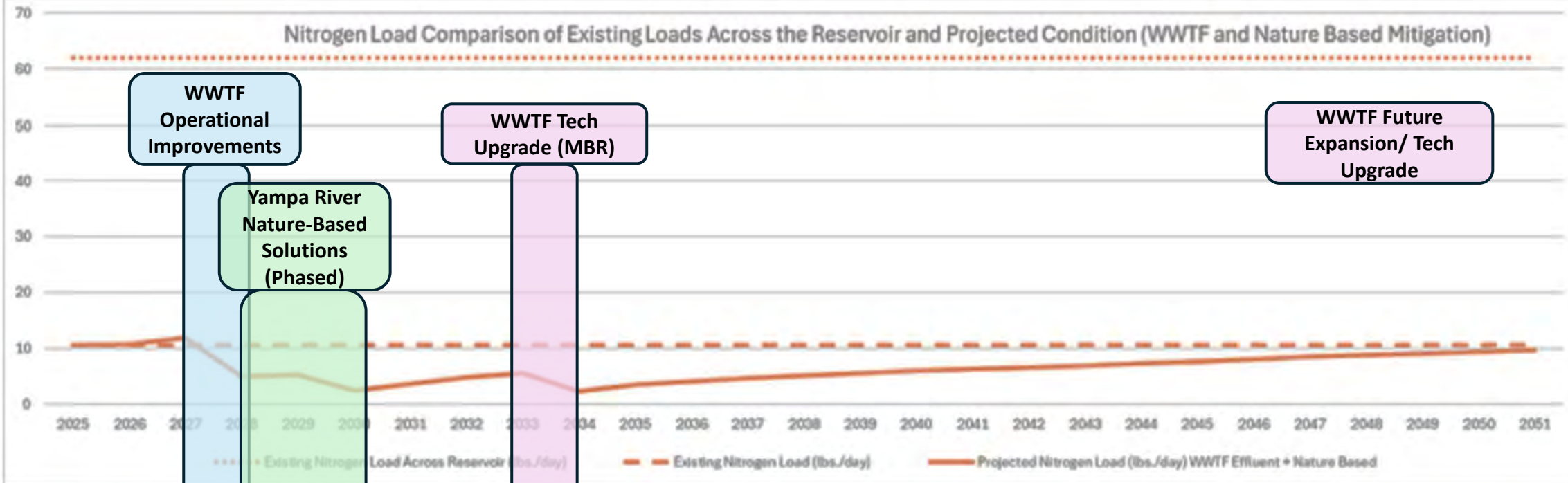


Nitrogen Load Comparison of Existing Loads Across the Reservoir and Projected Condition (WWTF and Nature Based Mitigation)



WWTF Operational Improvements

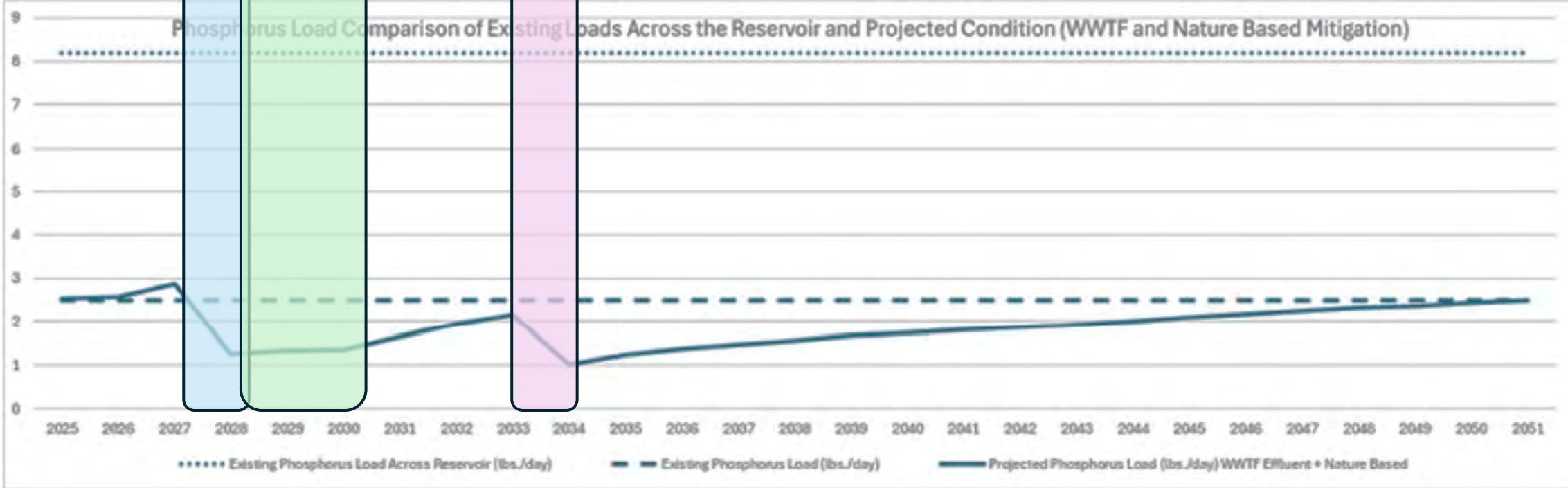
Yampa River Nature-Based Solutions (Phased)

WWTF Tech Upgrade (MBR)

WWTF Future Expansion/ Tech Upgrade

Existing Nitrogen Load Across Reservoir (lbs./day) Existing Nitrogen Load (lbs./day) Projected Nitrogen Load (lbs./day) WWTF Effluent + Nature Based

Phosphorus Load Comparison of Existing Loads Across the Reservoir and Projected Condition (WWTF and Nature Based Mitigation)



Existing Phosphorus Load Across Reservoir (lbs./day) Existing Phosphorus Load (lbs./day) Projected Phosphorus Load (lbs./day) WWTF Effluent + Nature Based

Colorado River District

Andy Mueller – General Manager

Peter Fleming – General Counsel

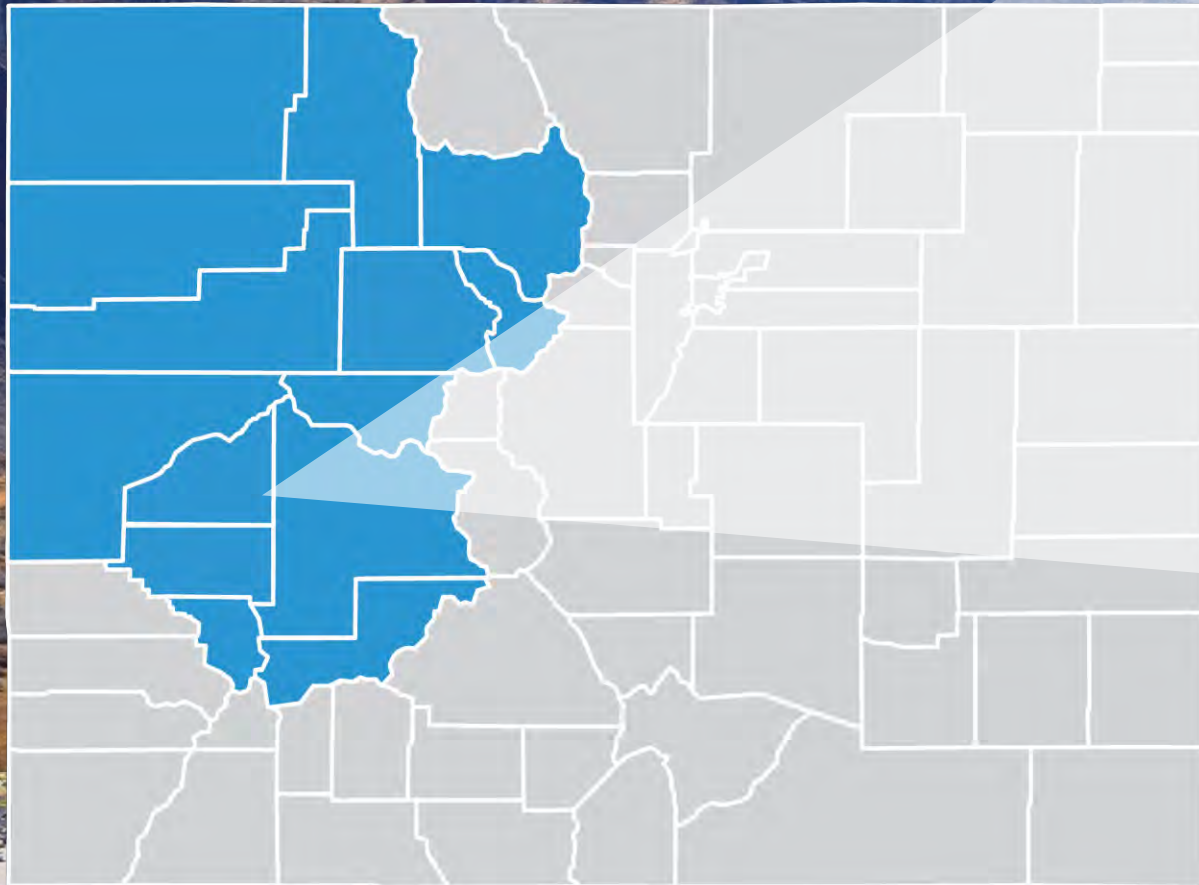
Raquel Flinker – Director of Interstate and Regional Water Resources



COLORADO RIVER DISTRICT
PROTECTING WESTERN COLORADO WATER SINCE 1937

The Colorado River District was formed in 1937 to lead in the protection, conservation, use, and development of the water resources *and;*

To safeguard for Colorado all waters of the Colorado River to which the state is entitled.



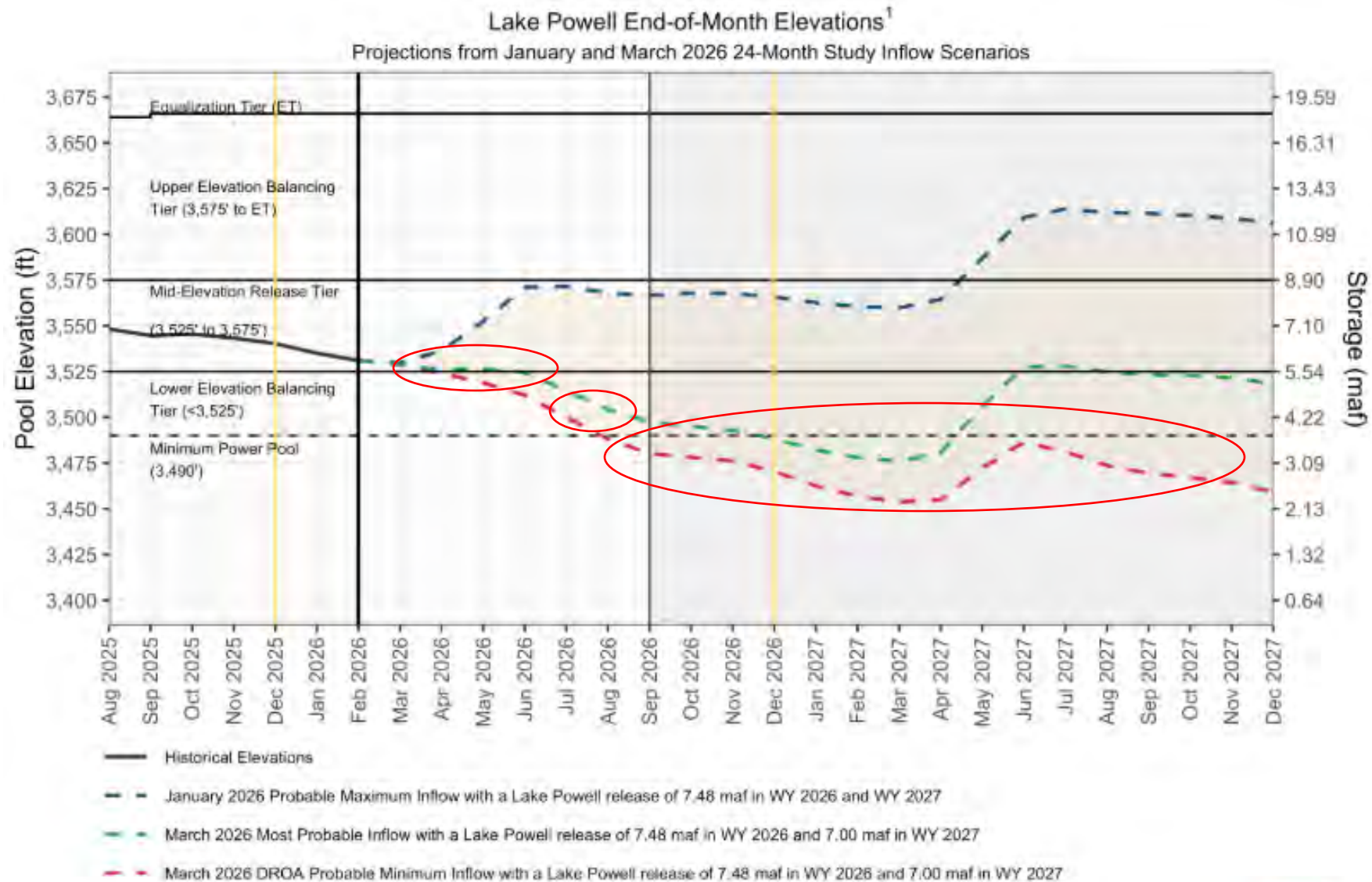


**1. Post-2026 River
Operations**

**2. Upper Basin
Conservation**

Lake Powell

- **End of Feb Conditions**
 - 3531 ft elevation
 - 5.9 maf storage
- **April-July Inflow**
 - 2.3 maf (36% avg.)
- **WY 2026 Unreg. Inflow**
 - 4.95 maf (52% avg.)
- **WY 2026 release**
 - 7.48 maf (or less...)



The Drought Response Operations Agreement (DROA) is available online at <https://www.usbr.gov/dcp/finaldocs.html>.

¹For modeling purposes, simulated years beyond 2026 assume a continuation of the 2007 Interim Guidelines including the 2024 Supplement to the 2007 Interim Guidelines (no additional SERs conservation is assumed to occur after 2026), the 2019 Colorado River Basin Drought Contingency Plans, and Minute 323 including the Binational Water Scarcity Contingency Plan. With the exception of certain provisions related to ICS recovery and Upper Basin Demand management, operations under these agreements are in effect through 2026.



Conservation vs. Curtailment



Conservation

Govt. Sponsored Program -
Voluntary, Temporary,
Compensated

Identified as a potential
management action in Post-
2026 Operations



Curtailment

Uncompensated water rights
administration

State Engineer's Office
beginning preliminary
conversations regarding
compact compliance rules



Conserved Consumptive Use Guidelines

Any government-sponsored program that incentivizes the reduction of consumption of Colorado River water for interstate purposes should be designed to protect communities and support productive agricultural economies.



Principles

Protect Colorado's interests in maintaining program integrity.



Include contributions from all sectors and geographies that consume Colorado River water.



Avoid negative community-level impacts.



Maintain trust and transparency.



**The Colorado River District was
founded in 1937 as the watchdog for
West Slope Water**



COLORADO RIVER DISTRICT
PROTECTING WESTERN COLORADO WATER SINCE 1937



**QUESTIONS &
ANSWERS**



Upper Yampa Water Conservancy District

Colorado River Updates

Becky Mitchell

Colorado Commissioner

Upper Colorado River Commission



COLORADO

Colorado Water
Conservation Board

Department of Natural Resources

Post-2026 Negotiations

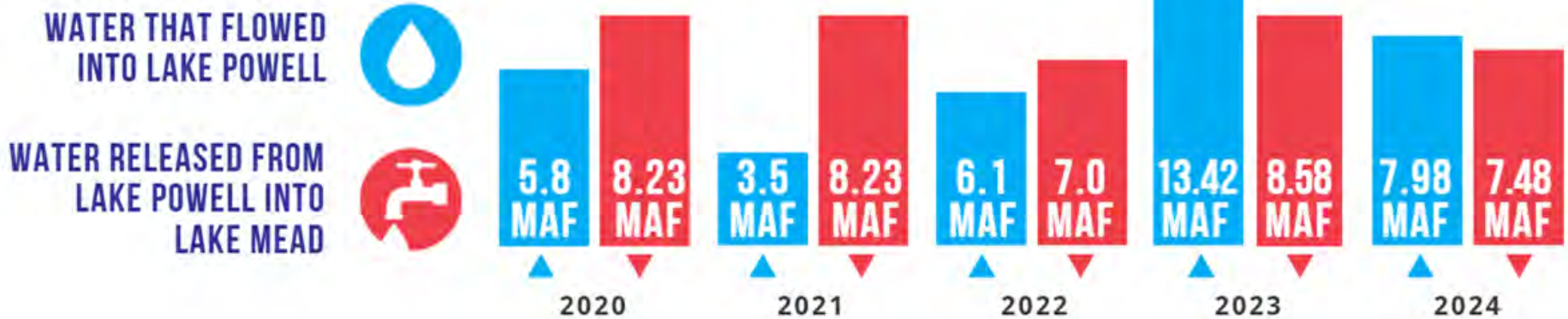


- Focused on operations at Lake Powell and Lake Mead
- Issues are difficult and complex
- Without consensus, BOR will select a preferred alternative



Powell's Inflows & Releases

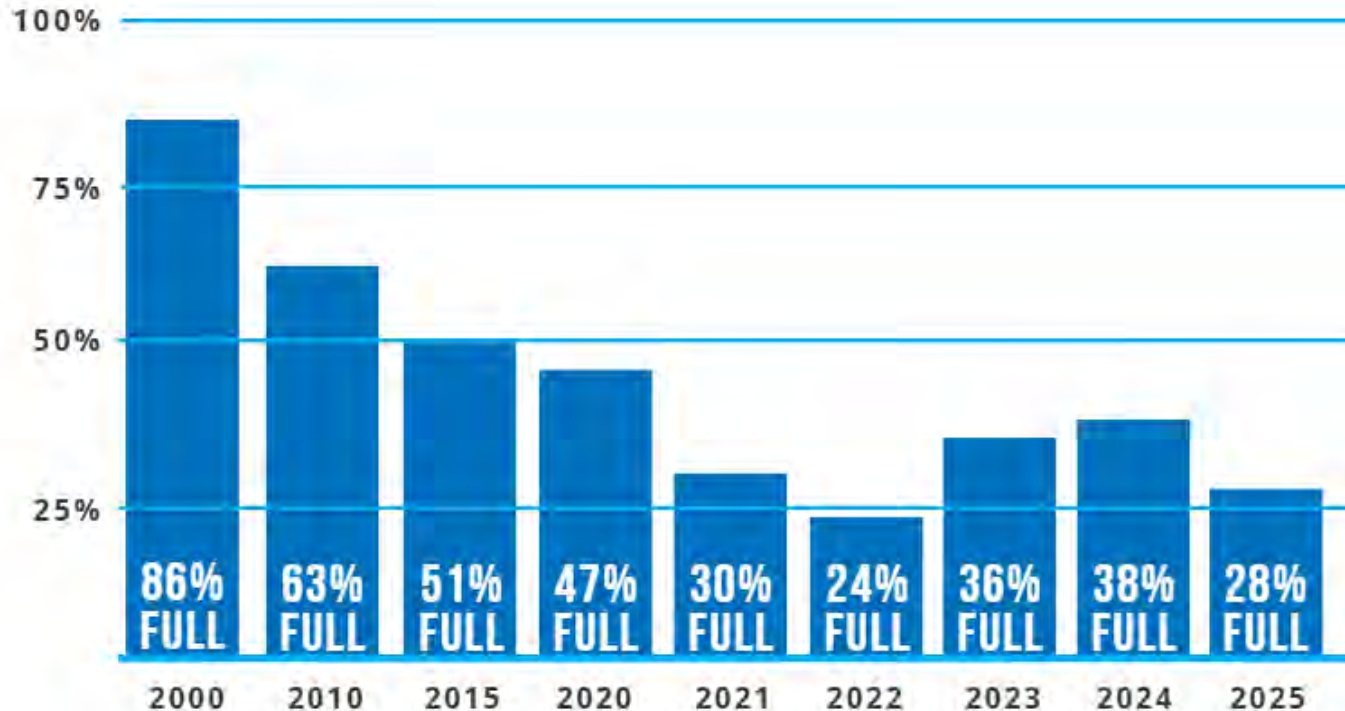
"Balancing" required by the 2007 Guidelines





Powell's Decline

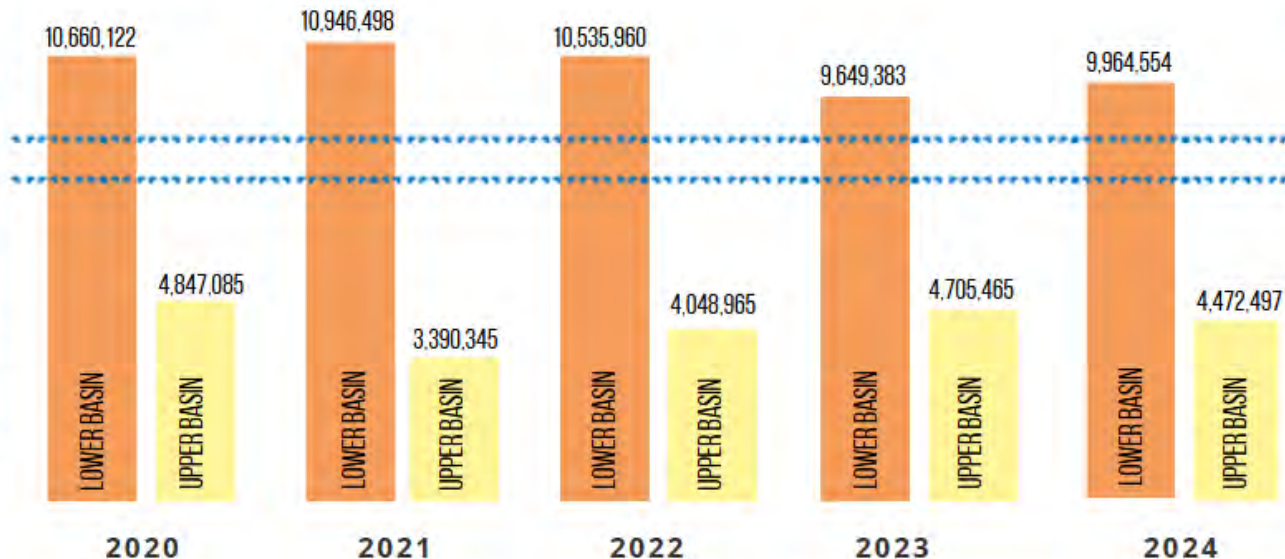
Facilitated by the '07 Guidelines



8.5 MAF*
for the Lower
Basin Compact
apportionment

7.5 MAF
apportionment

*The Lower
Basin has an
additional 1.0
million acre-feet
available under
the 1922
Compact



WATER USE BY BASIN

Lower Basin use includes Mainstem Colorado River deliveries, evaporation and transit losses, and estimated tributary use.

Lower Basin tributary uses have not been reported since 2005.

Mexico's uses are not included in this graphic.
Mexico's apportionment of 1.5 million acre-feet is first satisfied by surplus



COLORADO

Colorado Water
Conservation Board

Department of Natural Resources

Upper Basin Framework



- Generous rule curve for Powell releases
- Releases from the Upstream Initial Units
- Robust contribution program
- Strict administration



THE COLORADO RIVER

Education ▾

A Sustainable River

Reservoir Health

River Q&A

Colorado Corner ▾

search...



COLORADO
Upper Colorado River
Commissioner
Department of Natural Resources

March 2, 2026

Bureau of Reclamation
Attn: BC00-1000
P.O. Box 61470
Boulder City, NV 89006

VIA ELECTRONIC MAIL
crbpost2026@usbr.gov

RE: The State of Colorado's Comments on the Draft Environmental Impact Statement for Post-2026 Operational Guidelines and Strategies for Lake Powell and Lake Mead, 91 Fed. Reg. 2131 (Jan. 16, 2026)

Dear Acting Commissioner Cameron:

The State of Colorado, acting through the Governor's Representative and the Colorado Water Conservation Board (collectively "Colorado"), submits the following comments in response to the Bureau of Reclamation's ("Reclamation") *Draft Environmental Impact Statement for Post-2026 Operational Guidelines and Strategies for Lake Powell and Lake Mead* ("DEIS"), 91 Fed. Reg. 2131 (Jan. 16, 2026).

In addition to joining the Comment Letter submitted by the Upper Division States of Colorado, New Mexico, Utah, and Wyoming through the Upper Colorado River Commission ("UCRC"), Colorado submits the following comments and requests that they be incorporated into the preparation of the Final Environmental Impact Statement ("FEIS").

Colorado appreciates the opportunity to engage in this process and looks forward to continued coordination with Reclamation and the Secretary of the Interior ("Secretary") in advance of the FEIS being published. Colorado also remains committed to engage with the other Basin States, Colorado River Basin Tribes, water users, and stakeholders.

Page 1

Conclusion

As a Colorado River Basin State, Colorado has a unique interest in the water use and allocation of the Colorado River. As a signatory to the interstate compacts that protect the interests of its water users who rely on the Colorado River, Colorado has an obligation to work with Reclamation and the Secretary as this NEPA process unfolds. Moreover, Colorado remains a partner and committed to engage with the other Basin States, Colorado River Basin Tribes, water users, and stakeholders. Colorado appreciates the opportunity to provide these comments on the DEIS and looks forward to continuing our partnership with you and our partners in the Colorado River Basin as we move forward in protecting and managing the river for the future.

Lauren Ris
Director
Colorado Water Conservation Board
303-518-4602
lauren.ris@state.co.us



Thank You!



COLORADO
Colorado Water
Conservation Board
Department of Natural Resources

An aerial photograph of a valley landscape. In the foreground, a river winds through a grassy field. In the middle ground, there are scattered trees and a large, rounded mound of earth or rock. In the background, a forested ridge rises on the left, and rolling hills are visible under a clear sky. The entire image has a blue tint.

Yampa Valley Climate-Resilient Ranching Hub

A community-driven collaboration to bridge the gap between experimental knowledge and practical application

Project Objectives/Goals

- 1) Advance water security, agricultural resilience, and healthy ecosystems in the Yampa Valley
 - Understand the ecological and economic impacts of alternative management practices (e.g. alternative forage, forage diversity, irrigation regimes, grazing management) on soil health, soil-water retention, drought resilience, and water quality
- 1) Ensure sustained community impact
 - Establish long-term demonstration projects and partnerships
 - Hubs of community education and outreach connected to a statewide network
 - Systematized science for transferable learnings across the YWG Basin and the Colorado River Basin

Project Partners

Participating Ranches - Learning Laboratories

- Phillips Creek Ranch - Yampa
- The Nature Conservancy's Carpenter Ranch Preserve - Hayden
- Camblin Ranch - Maybell

*IN-RICHES: Integrated Rocky Mountain-region
Innovation Center for Healthy Soils*

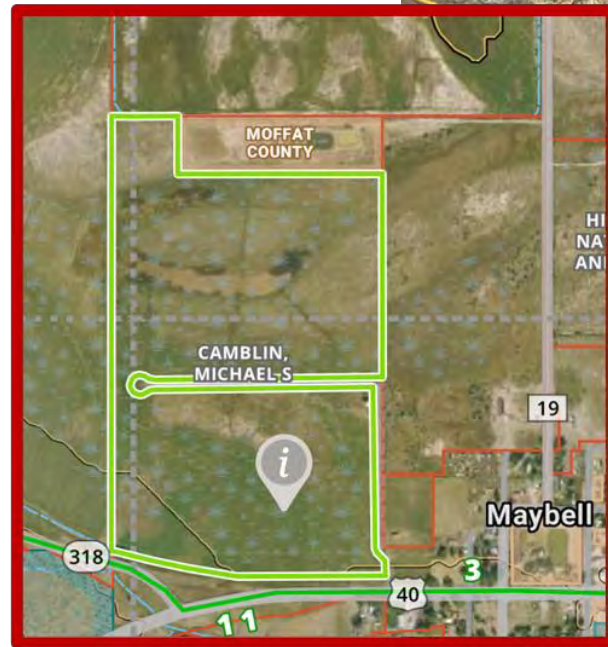


AGRICULTURAL
EXPERIMENT STATION
COLORADO STATE UNIVERSITY



Project Sites

1,130 acres



93 acres



2,136 acres



Ecological Monitoring

Water Quantity	Soil Health	Forage Analysis	Water Quality (assuming funding)
ET with drones or other UAV or neutron probe	pH, EC, PMN, Cations//CEC, Base Saturation, Soil Minerals, Texture, Total C, Total N, Total IC, C:N, OM, Water stable aggregates, Microbial enzyme activity, Microbial biomass C, Dissolved Organic C (salt extracted), POX-C	Forage quantity, quality**, and composition	Direct Water Quality Monitoring
Soil moisture sensors		*Coordinated with research by American Rivers, TNC, and CSU Western Colorado Research Center/Extension	Edge of Field Monitoring
Weather Station			*Consistent with CDPHE/EPA protocols and other water quality research occurring in Yampa Valley
Irrigation inputs		** Moisture, Dry Matter, Crude Protein, Crude Fiber (CF), Acid Detergent Fiber (ADF), Neutral Detergent Fiber (NDF), Total Digestible Nutrients (TDN), Net Energy (gain, lactation, maintenance), Relative Feed Value (RFV)	
*Coordinated with the Colorado Soil Health Program, other IN-RICHES Discovery Farms and Ranches, and other research by CSU Western Colorado Research Center	*Coordinated with the Colorado Soil Health Program and other IN-RICHES Discovery Farms and Ranches		

Project Tasks/Timeline/Budget

- Task 1: Co-Design (Spring 2026-Spring 2027): \$21,250
- Task 2: Soil and Water Monitoring (Spring 2026-Spring 2027): \$34,006
- Task 3: Practice Implementation (Spring 2026-Spring 2027): \$7,850
- Task 4: Peer Learning (Spring 2026-Spring 2027): \$11,811

Total Year 1 Project Budget: \$499,117

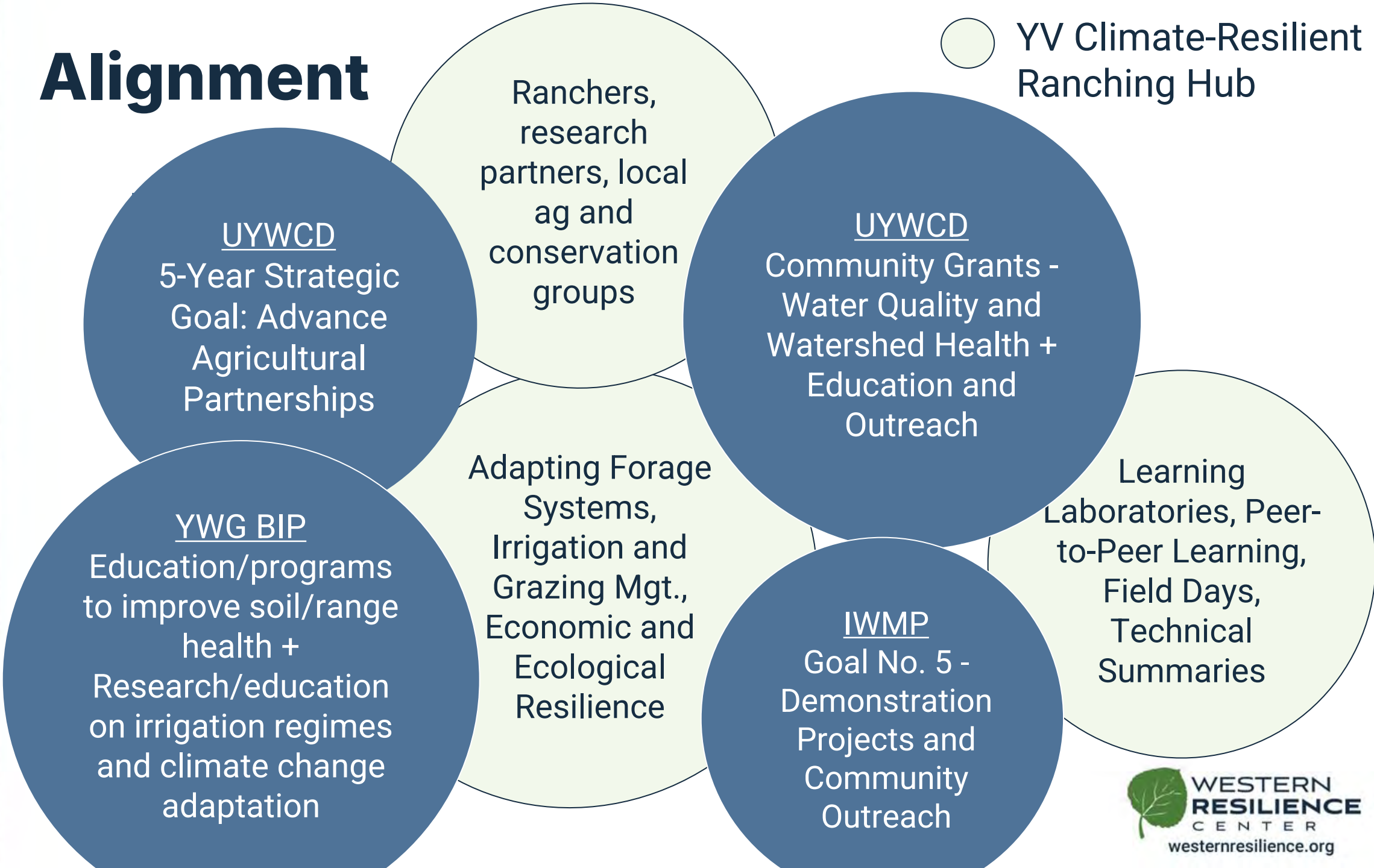
Total UYWCD Contribution (15%) : \$74,917

Total 4-Year Project Budget: \$1.6M



Alignment

○ YV Climate-Resilient Ranching Hub



**Thank
you**



*Jayla Poppleton
Resilient Water and Watersheds Director
Western Resilience Center
jayla.poppleton@westernresilience.org*



UPPER YAMPA CONSERVANCY DISTRICT

HSPF Watershed Modeling and 2025 Water Quality Update

March 18, 2026



WATER QUALITY and WATERSHED MODEL UPDATE

1. Watershed Quality Update

- a. Watershed
- b. Reservoir

2. HSPF Watershed Model

- a. Model Development
- b. Sensitivity Analysis
- c. Model Outputs
 - i. Nitrogen and Phosphorus Loading Calculations



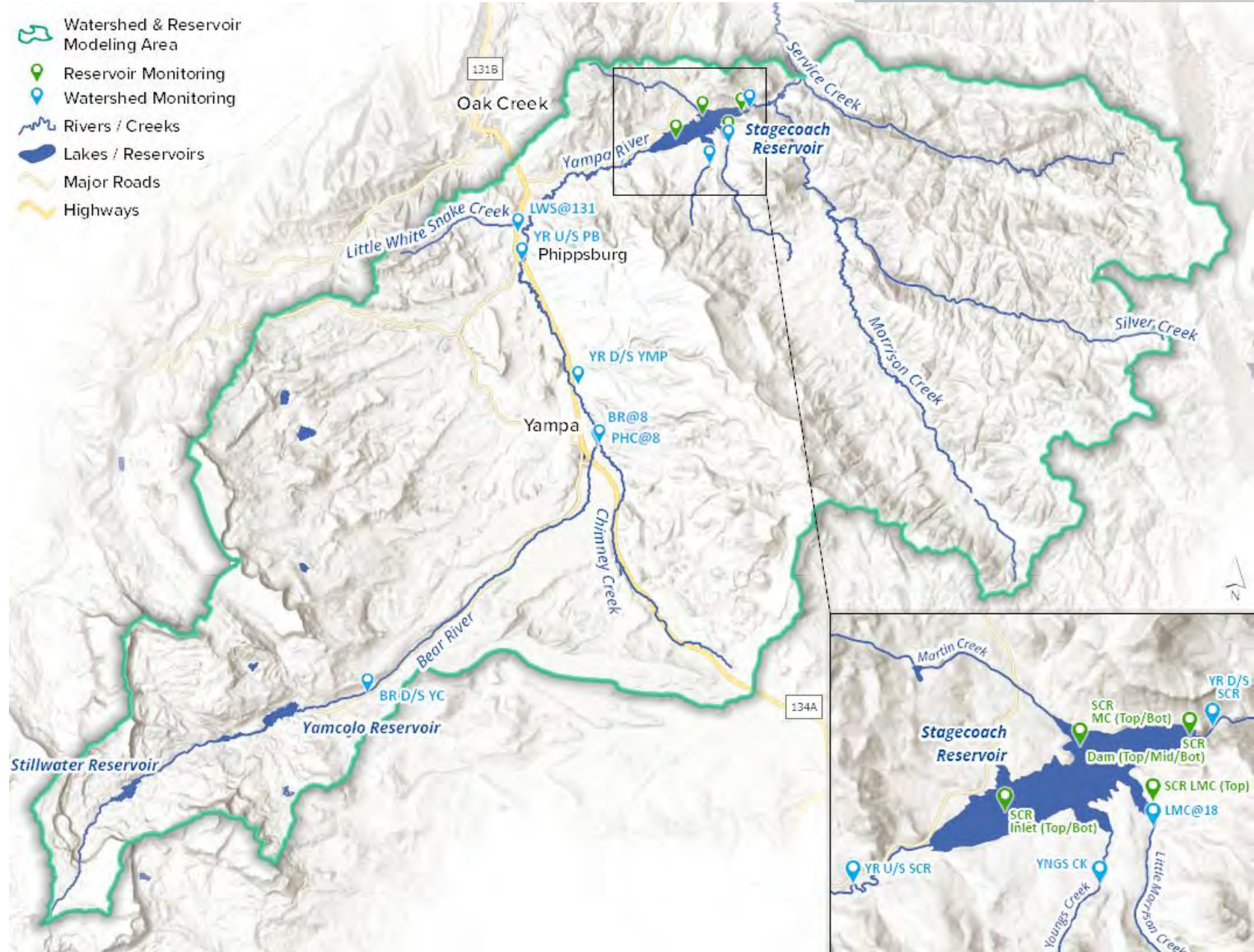
MONITORING PROGRAM

Upper Yampa River - Bear River Watershed

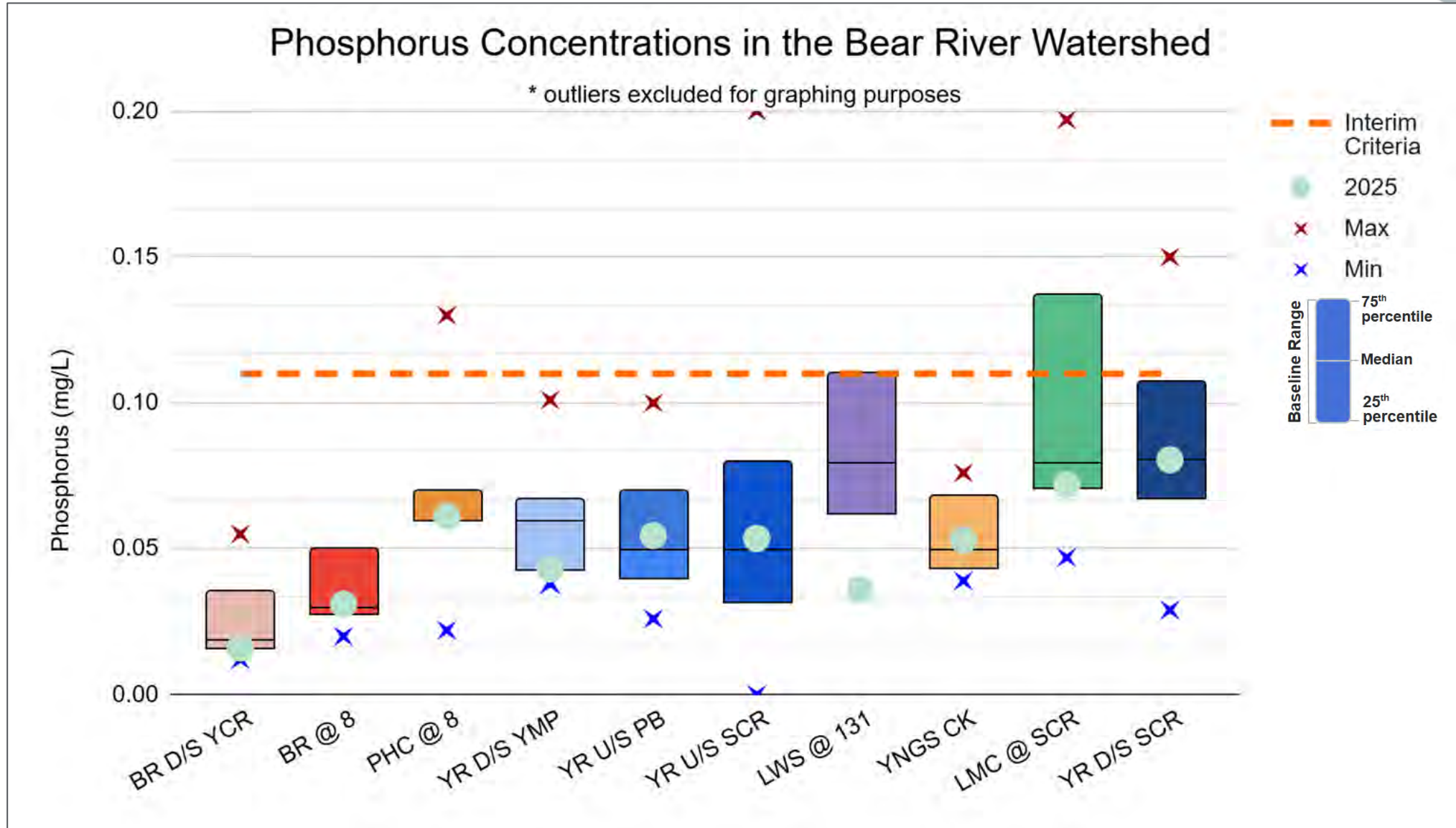
Huc 10 1405000101

Watershed Monitoring -
Quarterly/ 4x year

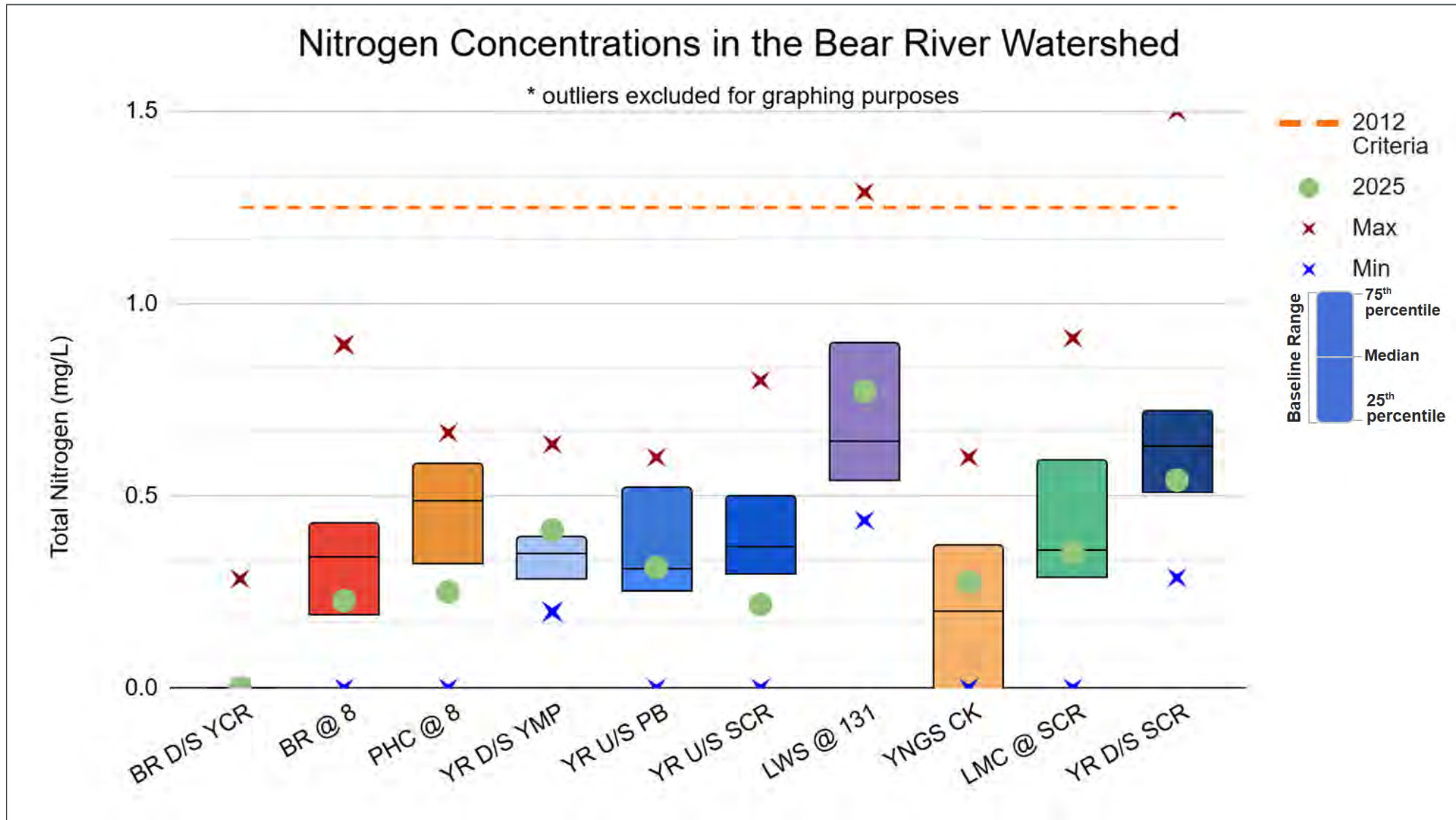
Reservoir Monitoring -
Monthly (Spring-Fall)



PHOSPHORUS

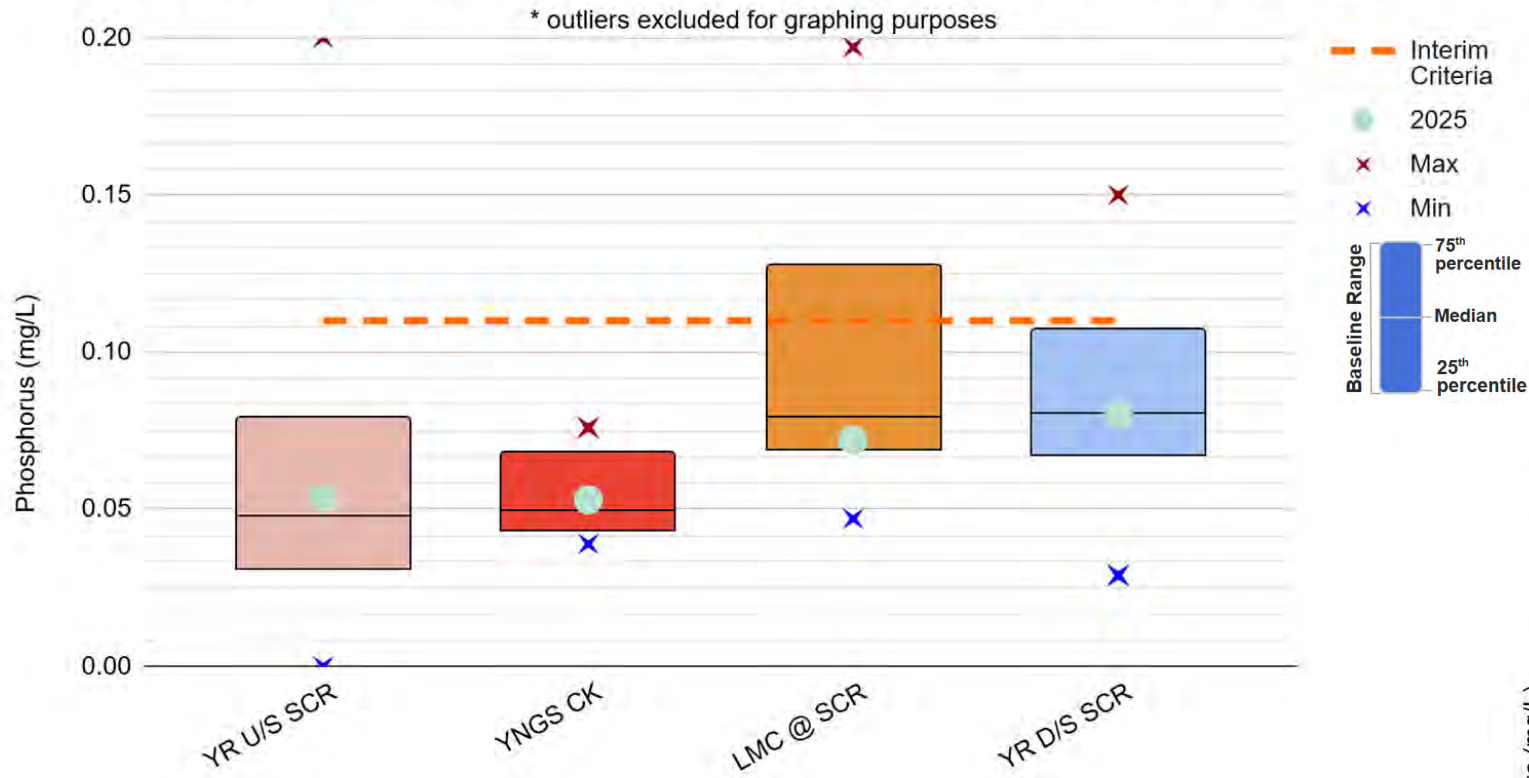


NITROGEN

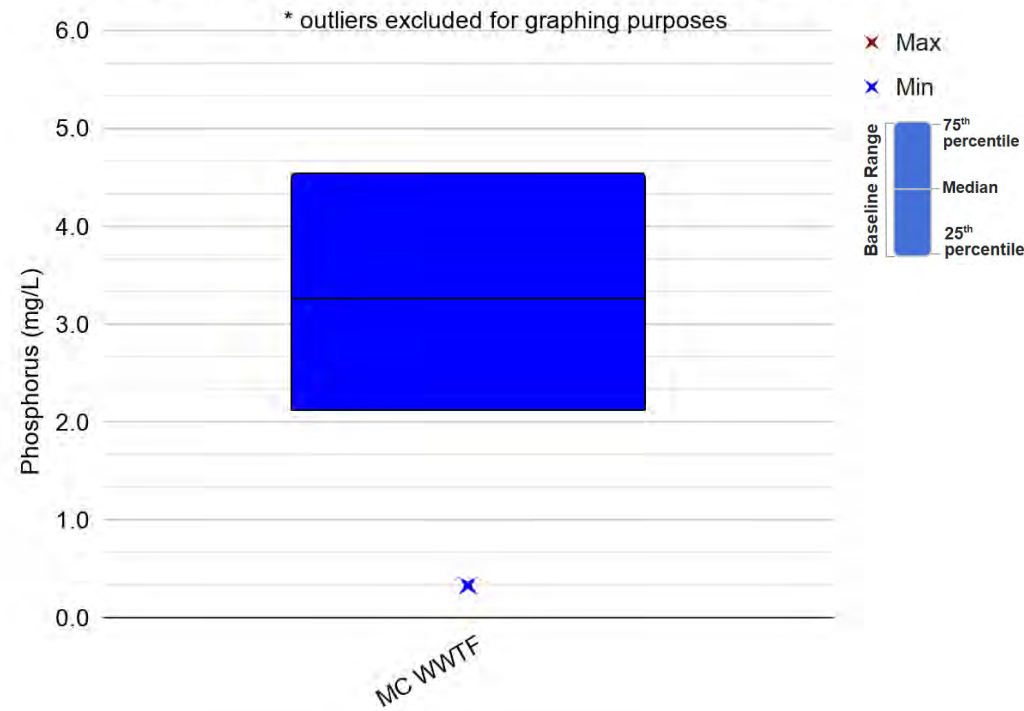


PHOSPHORUS STAGECOACH INFLOWS

Inflow and Outflow Phosphorus Concentrations - Stagecoach Reservoir

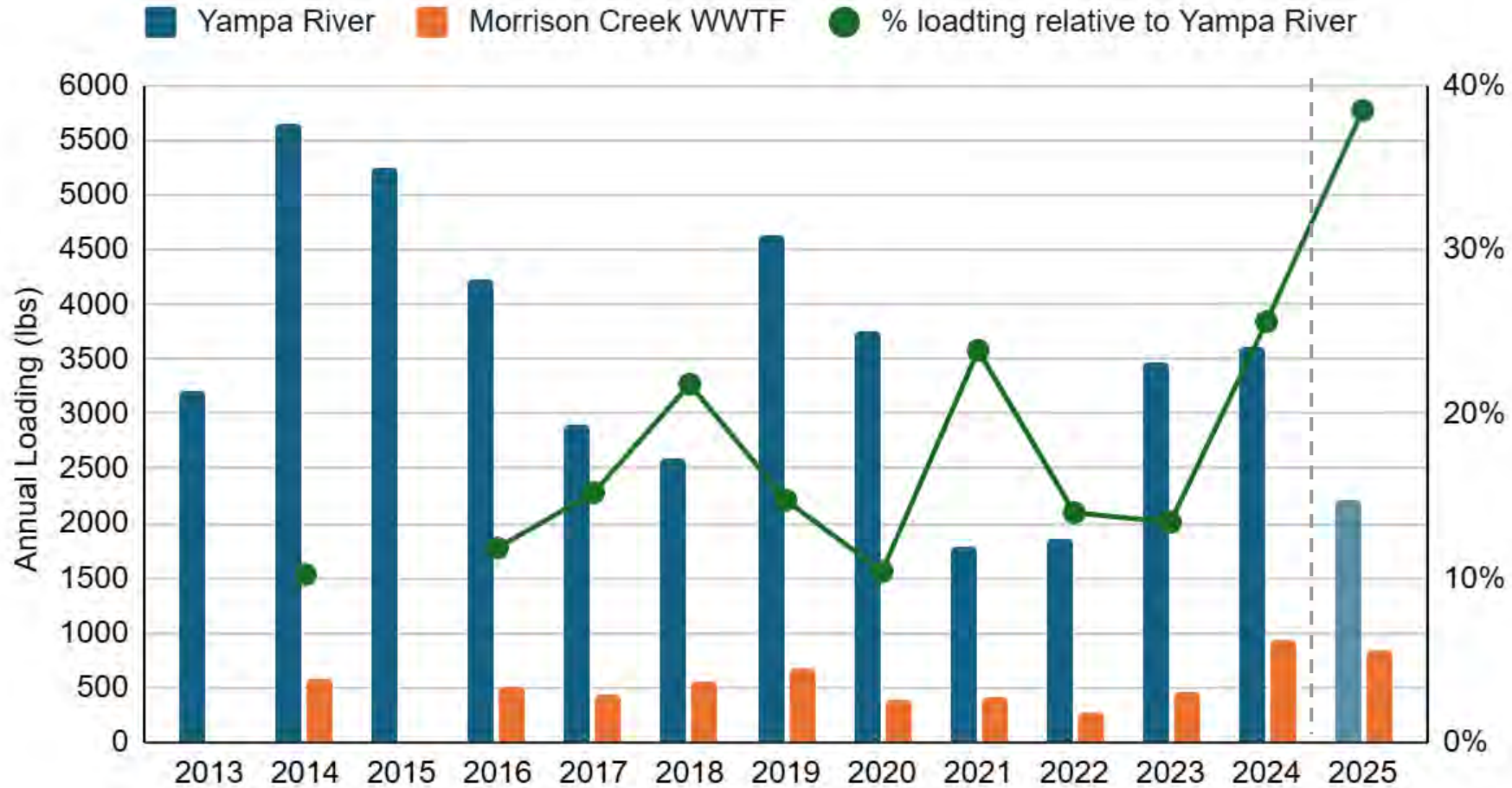


Phosphorus Concentrations Morrison Creek WWTF



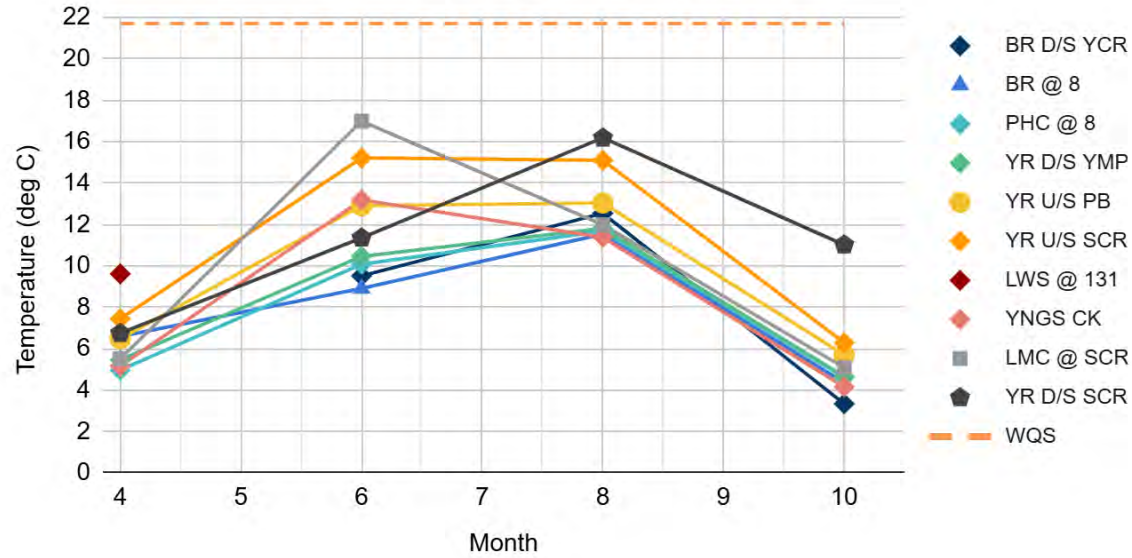
STAGECOACH LOADING - YAMPA RIVER and MORRISON CREEK WWTP

Phosphorus Loading to Stagecoach Reservoir

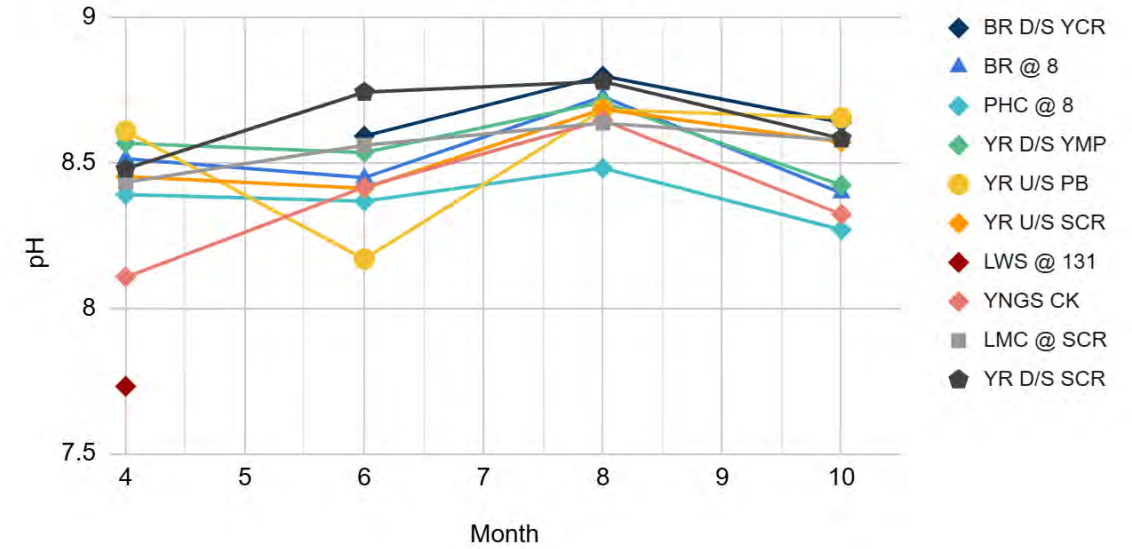


WATERSHED - PHYSICAL

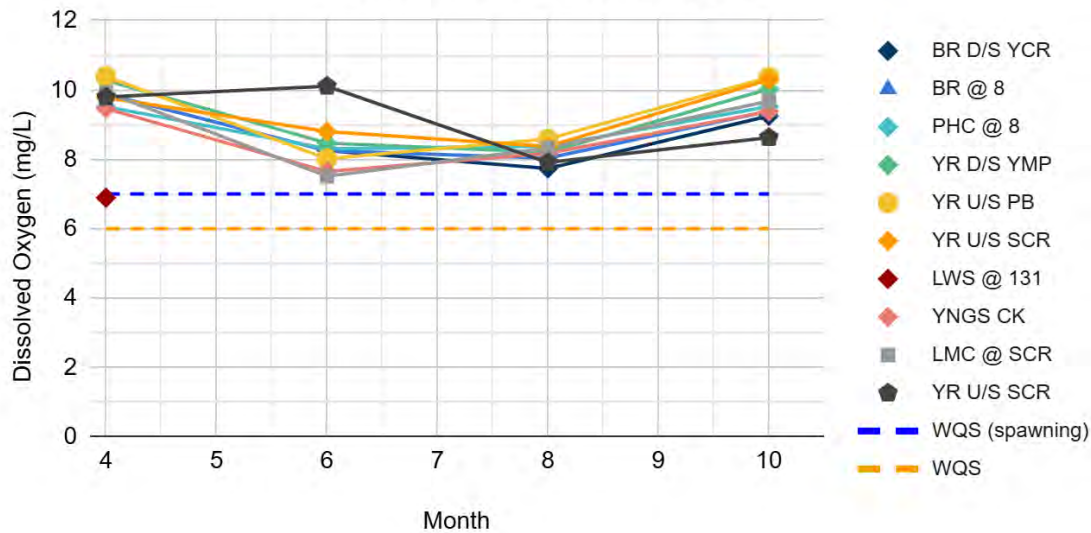
Watershed Stream Temperature



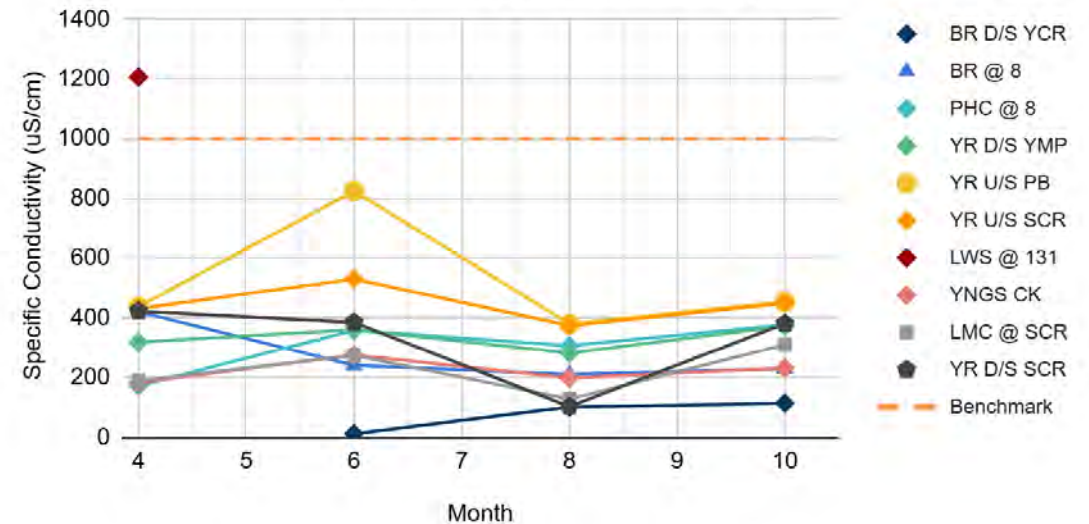
Watershed pH



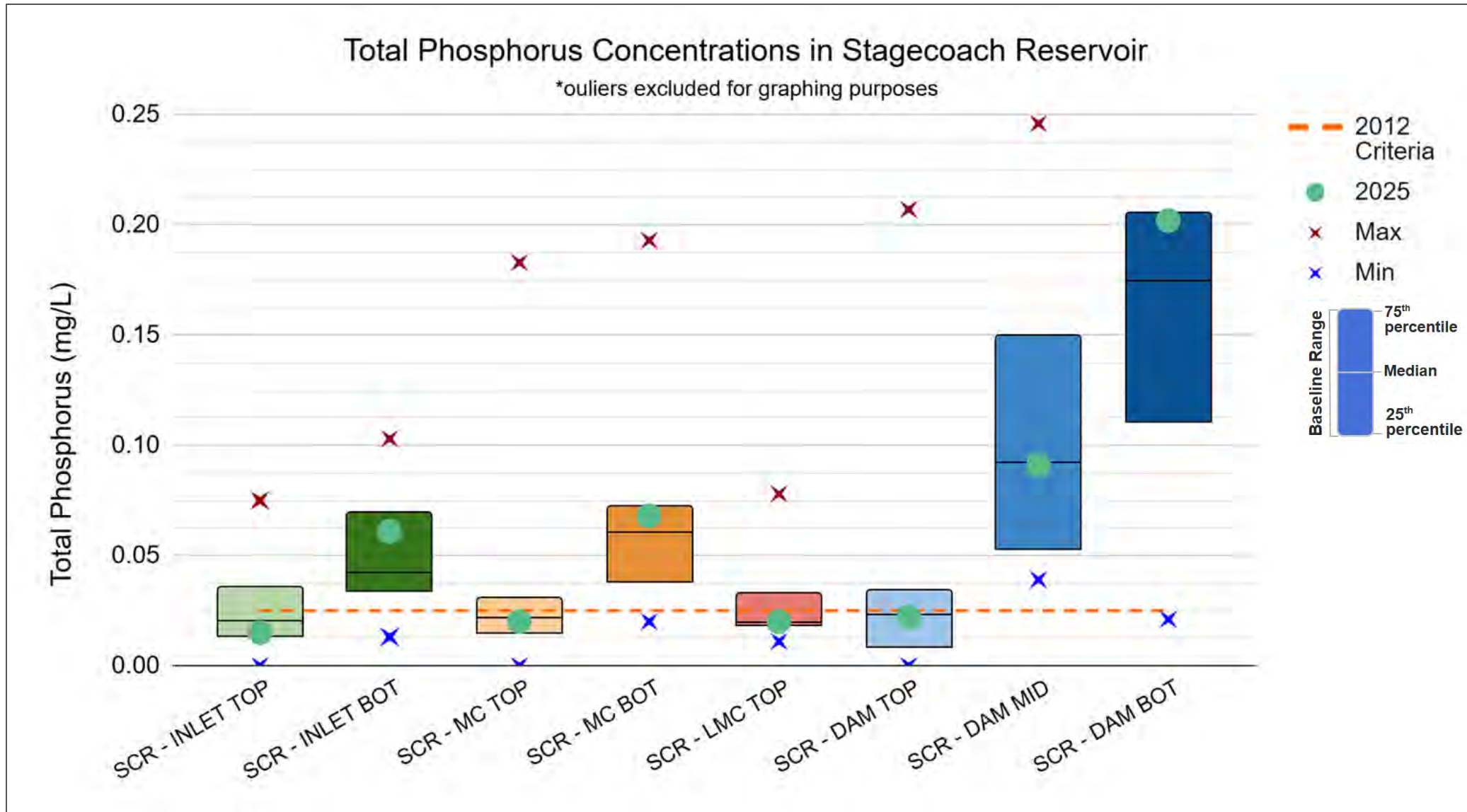
Watershed Dissolved Oxygen



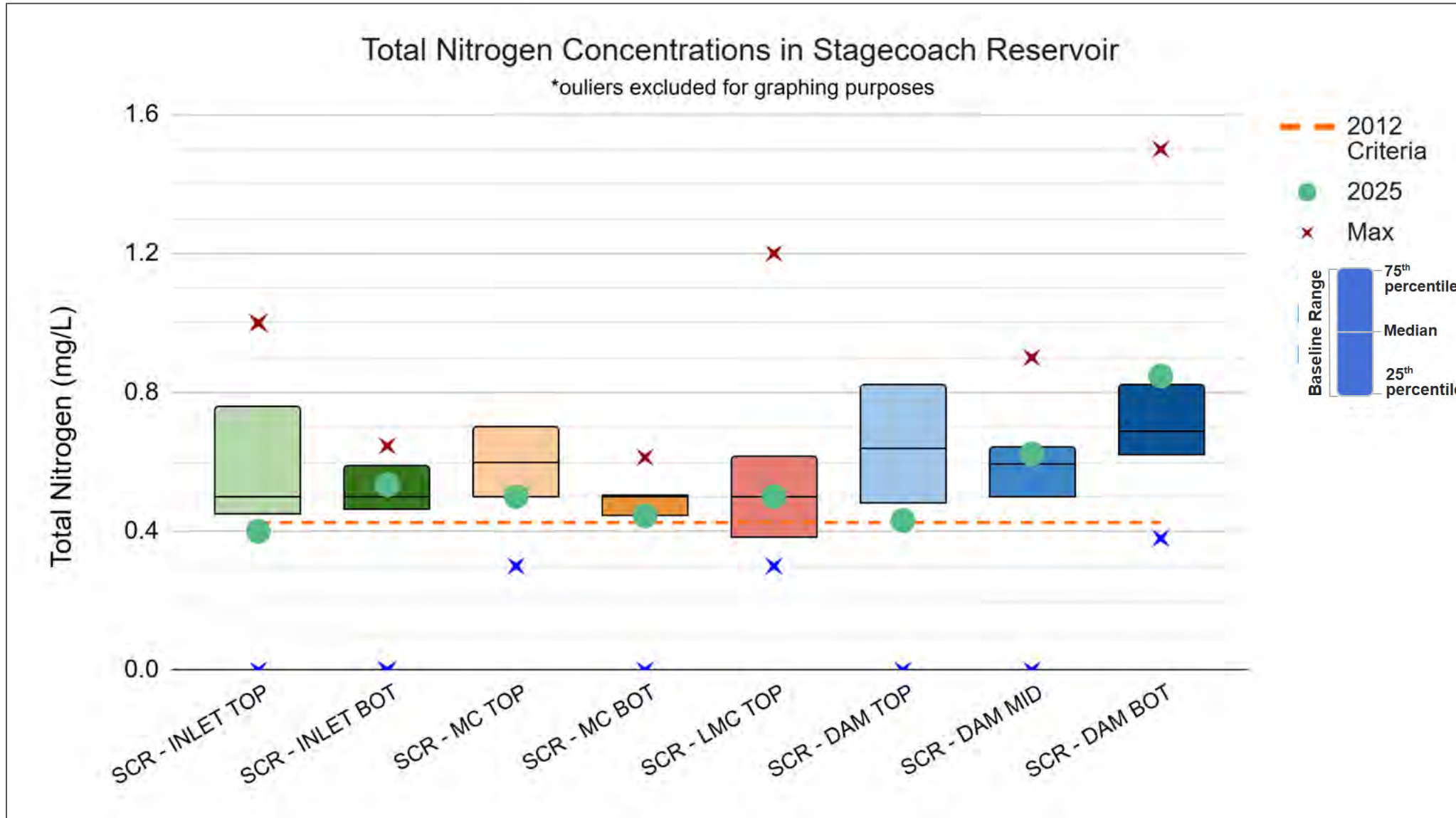
Watershed Specific Conductivity



STAGECOACH RESERVOIR - PHOSPHORUS

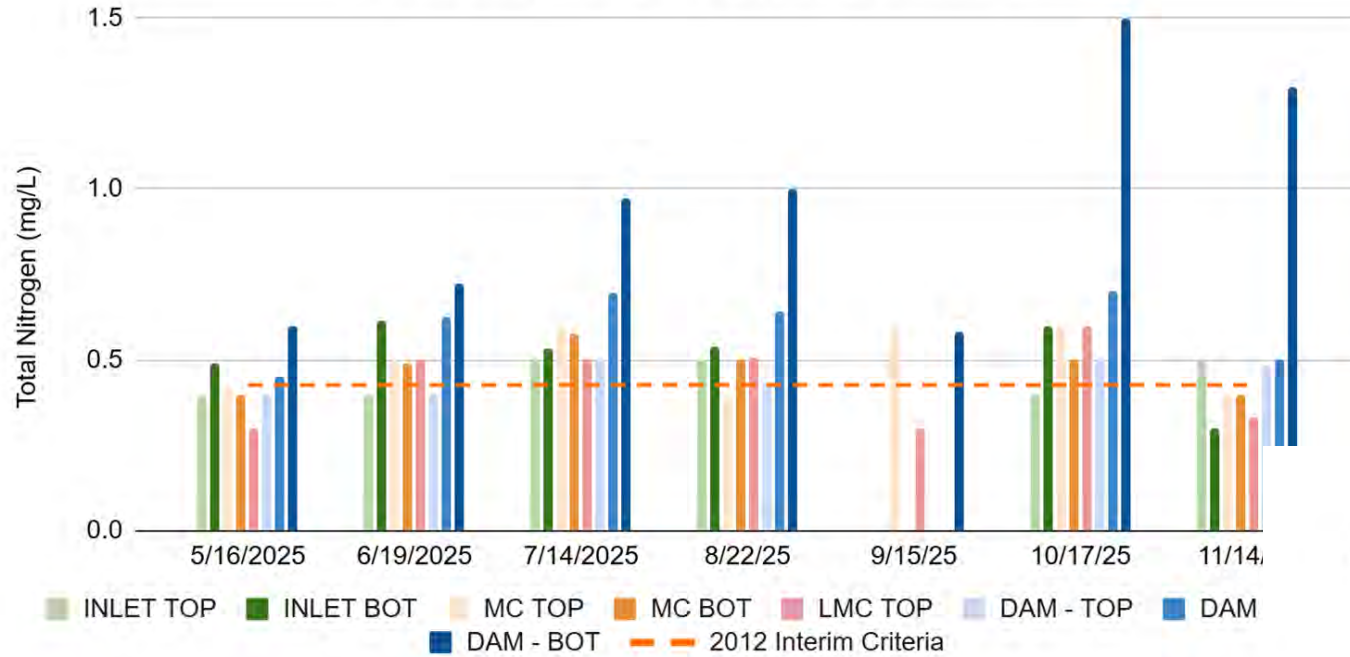


STAGECOACH RESERVOIR- NITROGEN



STAGECOACH RESERVOIR- NITROGEN

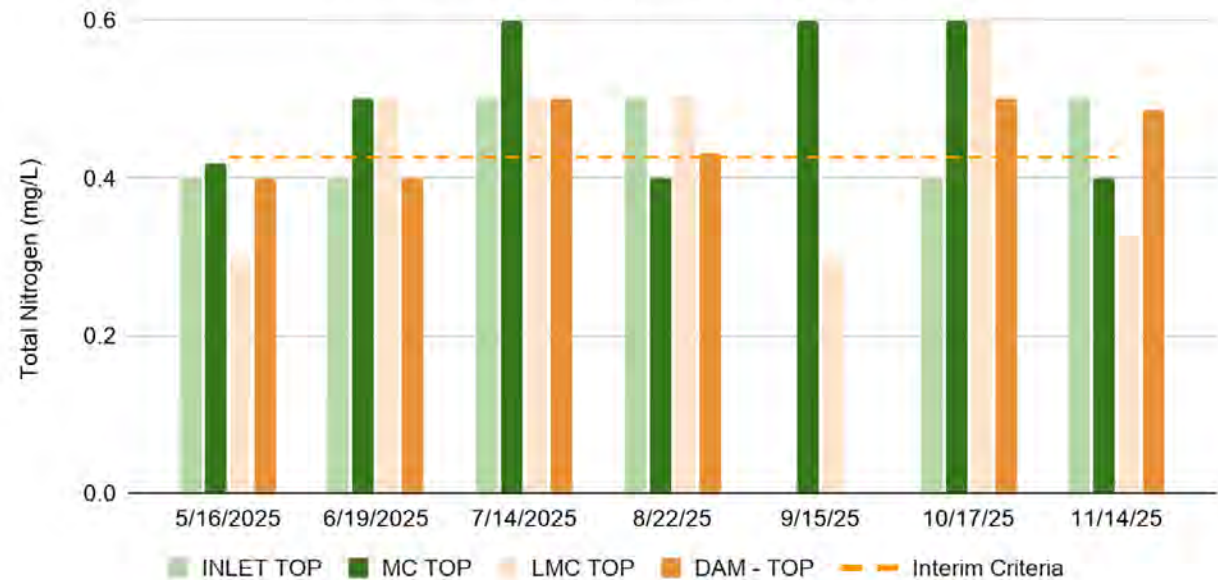
Total Nitrogen in Stagecoach Reservoir



Total nitrogen near or slightly above interim criteria near surface

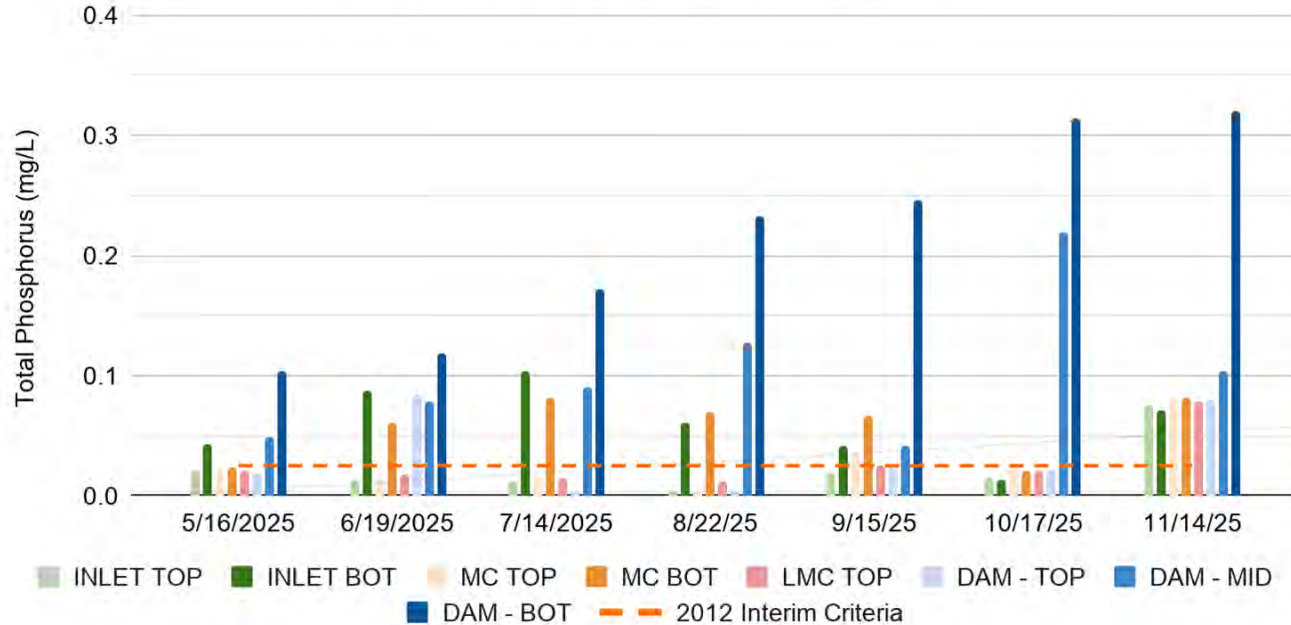
Total nitrogen elevated with depth

Total Nitrogen in Stagecoach Reservoir



STAGECOACH RESERVOIR- PHOSPHORUS

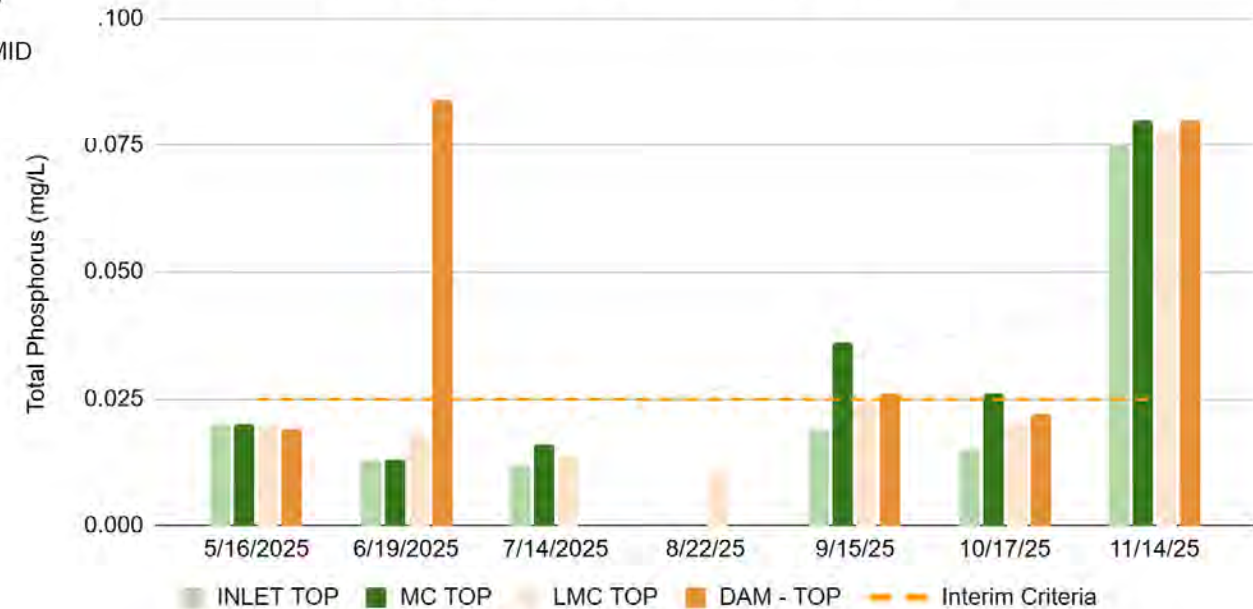
Total Phosphorus in Stagecoach Reservoir



Total phosphorus increase with depth as season progresses

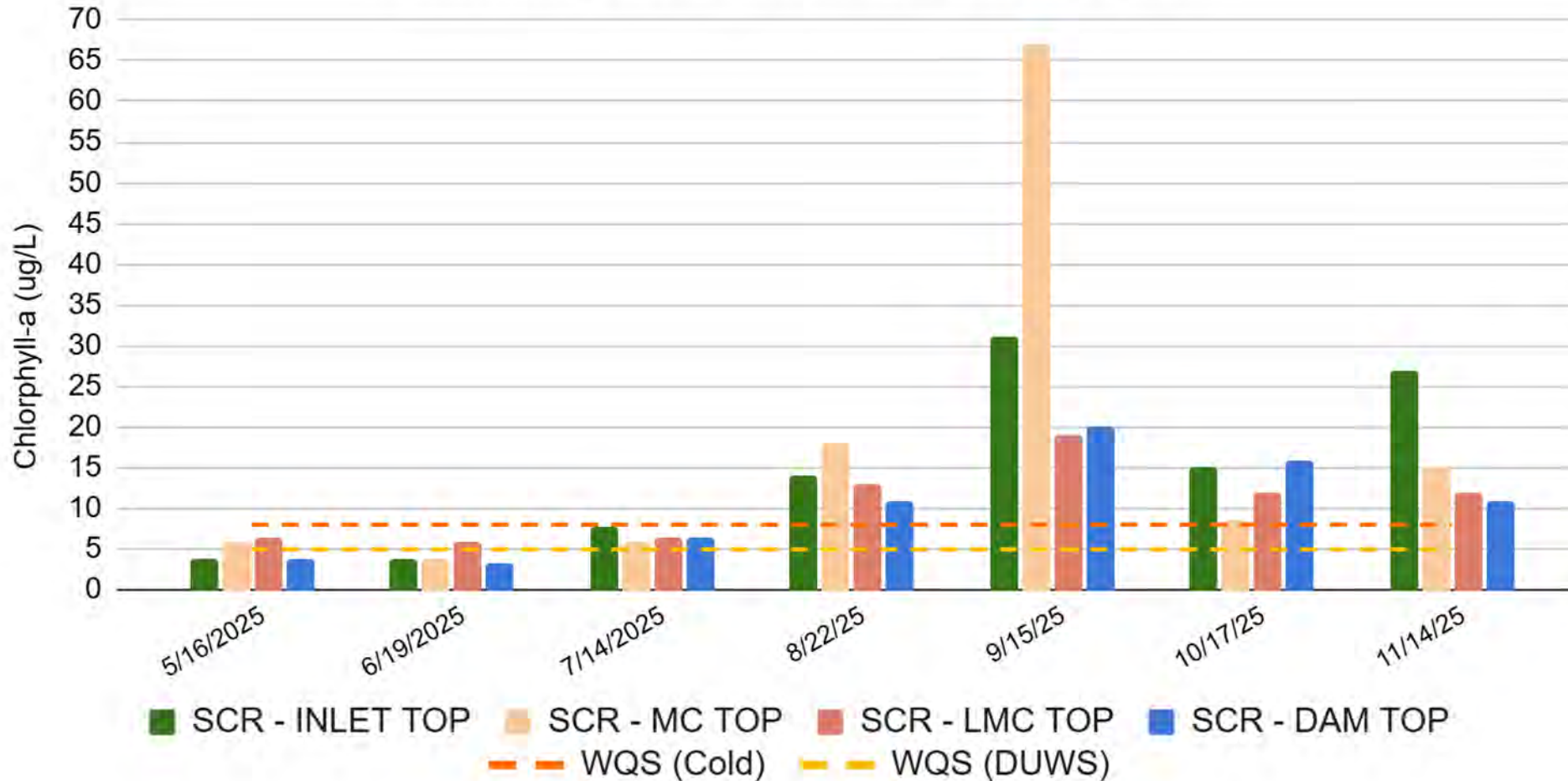
Total phosphorus near below interim criteria - except SCR - Dam in June and Nov (all sites)

Total Phosphorus in Stagecoach Reservoir



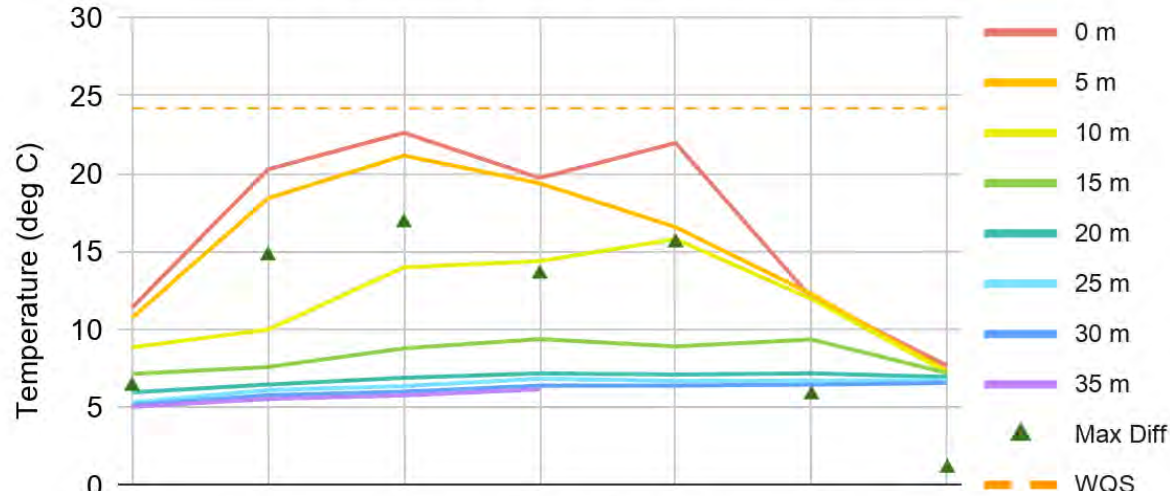
STAGECOACH RESERVOIR - CHLOROPHYLL-A

2025 Stagecoach Reservoir Chlorophyll-a



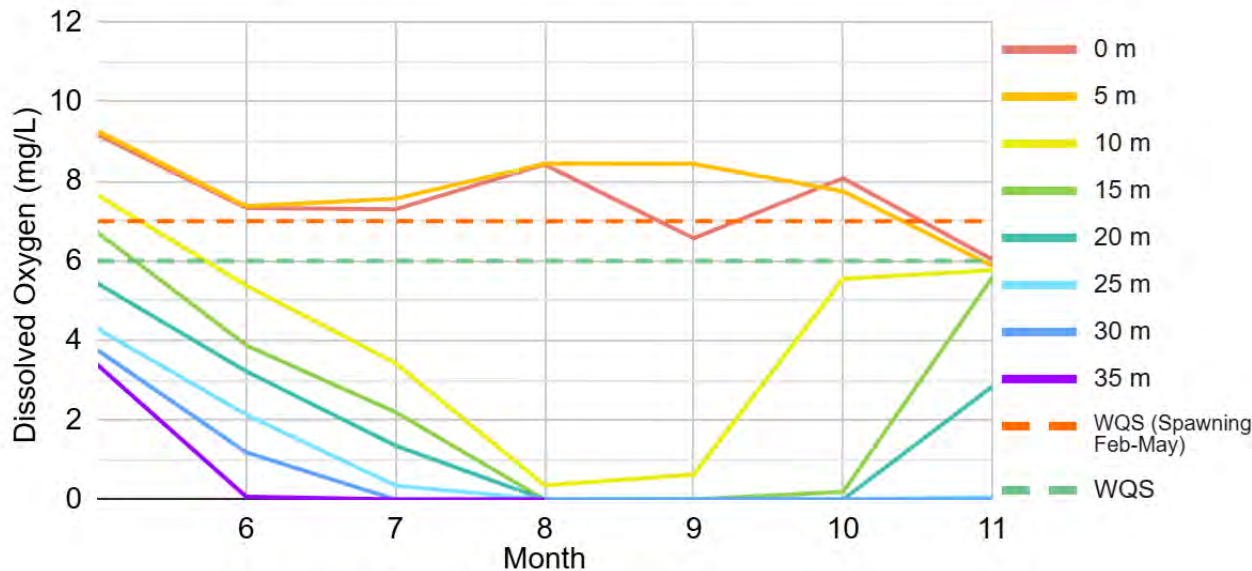
STAGECOACH RESERVOIR - PHYSICAL

Stagecoach Reservoir Temperature Profile

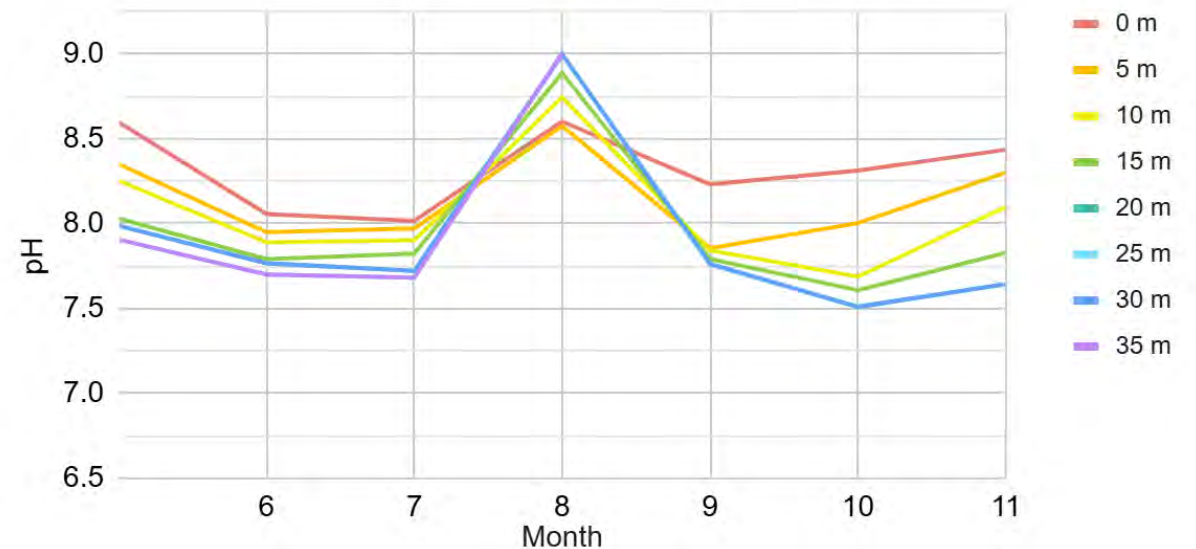


- Attained WQ Standards for Temperature and Dissolved Oxygen
 - (slight decrease in Nov. 85th%tile)
- Increase in pH with depth in August - internal loading (reduction of iron bound P)

Stagecoach Reservoir Dissolved Oxygen Profile

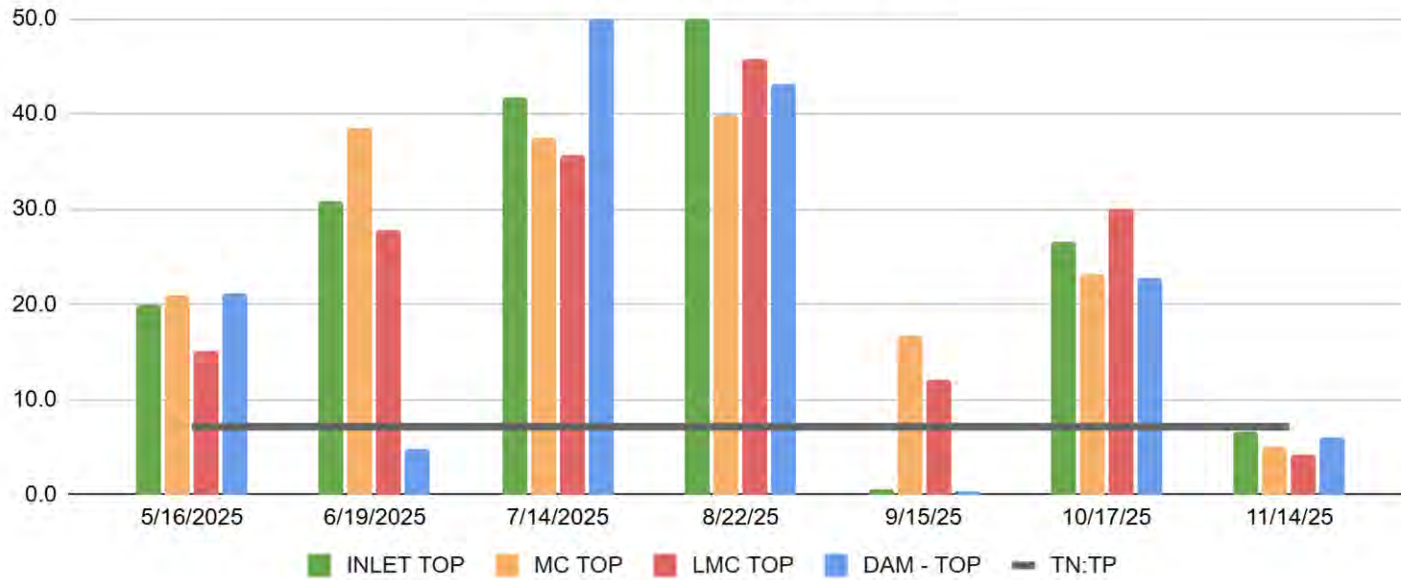


Stagecoach Reservoir pH Profile



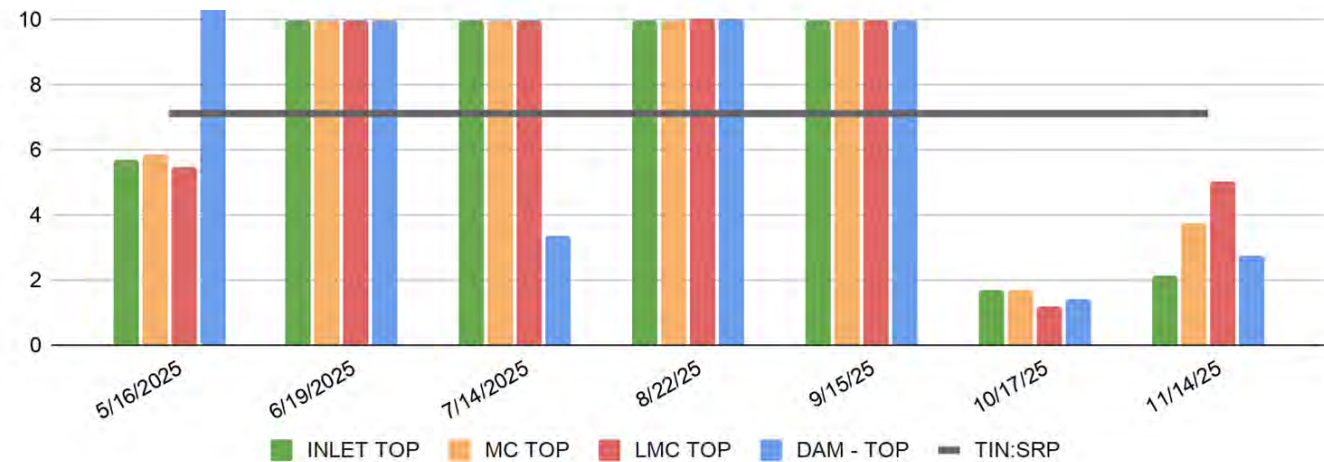
STAGECOACH RESERVOIR - NUTRIENT RATIOS

Stagecoach Reservoir Nutrient Limitation
Total Nitrogen : Total Phosphorus Ratio

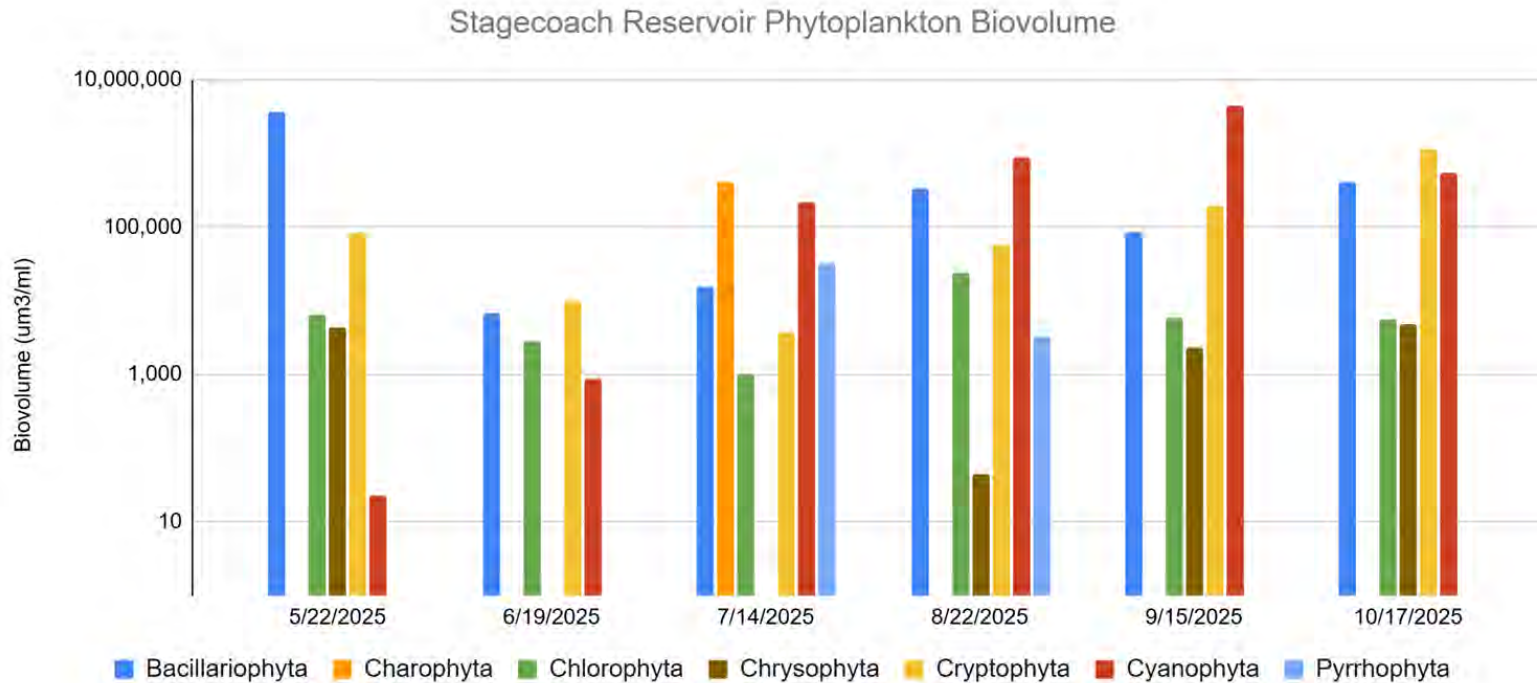


Available forms of nitrogen (nitrate/ nitrite and ammonia) limited in May, Oct and Nov.

Stagecoach Reservoir Nutrient Limitation
Total Inorganic Nitrogen : Soluble Reactive Phosphorus Ratio



STAGECOACH RESERVOIR - PLANKTON



Diatoms and green algae early in the season, then cyanobacteria populations dominated from July through the rest of the season.



- **Cyanobacteria**/ blue green algae dominant most of the year
- Increases in algae biovolume -> **“bloom”** conditions
- **Cyanobacteria** - 95% of total biovolume in Sept

WATER SUPPLY CONTRACT
(Municipal/Augmentation)

THIS WATER SUPPLY CONTRACT (“Contract”) is entered into by and between Colorado Parks and Wildlife, STATE OF COLORADO, acting by and through the Department of Natural Resources for the use and benefit of the Division of Parks and Wildlife and the Parks and Wildlife Commission (“Contractor”), and UPPER YAMPA WATER CONSERVANCY DISTRICT, a Colorado water conservancy district (“Upper Yampa”), individually each a “Party” and collectively referred to herein as the “Parties,” effective as of the Effective Date set forth below.

RECITALS

A. Upper Yampa is a Colorado water conservancy district formed under the Water Conservancy Act, C.R.S. §§37-45-101 through 153 and is the owner and operator of Stagecoach Reservoir (hereinafter referred to as the “Reservoir” or “Stagecoach Reservoir”) in Routt County, Colorado.

B. Upper Yampa has stored and expects annually to store water in the Reservoir on the Yampa River under the absolute storage water rights it owns (“Water Rights”).

C. Contractor operates a state fishery which operates as a flow through system to achieve optimal growing conditions and owns three single family dwellings at the hatchery where staff reside full time. (the “Water System”)

D. Upper Yampa has designated certain pools of water within the Reservoir for the purpose of administration of the storage and release of water from the Reservoir (the below-described “Contract Pools,” or individually, a “Contract Pool”). Upper Yampa has adopted a filling priority for the various Contract Pools under Upper Yampa Fill Policy as follows:

(i) 9,000 acre-feet “Municipal/Industrial Pool” – The Municipal/Industrial Pool consists of water formerly allocated to Tri-State Generation and Transmission Association, Inc. (“TriState”) under Upper Yampa’s expired contract with Tri-State or the municipal or industrial allottees of water from Stagecoach Reservoir who contract for all or part of the 7,000 acre-feet formerly allotted to TriState; and 2,000 acre-feet allocated for municipal use pursuant to existing contracts between Upper Yampa and such contracting entities or the municipal or industrial allottees of water from Stagecoach Reservoir who contract for all or part of the 2,000 acre-feet allotted to such contracting municipal users if Upper Yampa’s current or former contracts with any such municipal user for water from Stagecoach is terminated or released or amended in whole or in part;

(ii) 2,000 acre-feet “Augmentation Pool” – The Augmentation Pool consists of water allocated for augmentation use pursuant to the decree of the Water Court entered in Case No. 06CW49, Water Division 6;

(iii) 4,000 acre-feet “General Supply Pool” – The General Supply Pool consists of water formerly under contract to Tri-State and deliverable out of Yamcolo Reservoir pursuant to an exchange agreement which expired and was not renewed; the General Supply Pool water is not subject to any exchange obligation or right or limitations on storage and use other than Upper Yampa Fill Priority;

(iv) 3,164 acre-feet “Raise Pool” – The Raise Pool consists of water that represents the increase in capacity of the Reservoir resulting from the raise in the level of the spillway completed in 2011; the Raise Pool water is not subject to any right or limitations on storage and use other than Upper Yampa Fill Priority, but is called the “Raise Pool” only for definitional purposes;

(v) 3,125 acre-feet “Preferred Remainder Pool” – The Preferred Remainder Pool consists of water not currently under contract, which represents a defined quantity of water in the Reservoir not allocated to the Contract Pools described in paragraphs D (i) through D(iv) above; the Preferred Remainder Pool water is not subject to any right or limitations on storage and use other than Upper Yampa Fill Priority, but is called the “Preferred Remainder Pool” only for definitional purposes; and

(vi) 15,000 acre-feet, approximately, is the “Emergency Remainder Pool” – The Emergency Remainder Pool consists of water that represents the remaining capacity of the Reservoir not allocated to the Contract Pools described in paragraphs D(i) through D(v) above.

E. Upper Yampa and the Contractor desire to enter into this Contract for Upper Yampa to store and release unto Contractor 2 acre-feet of water stored in Stagecoach Reservoir to augment out-of-priority diversions from the Municipal/Industrial Pool for beneficial uses by the Contractor on an annual basis during the Term of this Contract (the “Contracted Water”).

F. Subject to the terms of this Contract, Contractor will pay Upper Yampa for the use of Contracted Water.

NOW THEREFORE, in consideration of the mutual agreements contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Contractor and Upper Yampa agree as follows:

USE OF WATER RIGHTS

1. Contract Price and Payment Procedure.

1.1 The purchase price for the Contracted Water from the Reservoir storage water allocated to the Contractor for Water Year 2026 under this Contract (the “First Water Year”) shall be \$ 155.72 (the “Base Price”) for each acre-foot of such Contracted Water stored in the Reservoir and available for release to the Contractor in such First Water Year.

1.2 The annual price per acre-foot for the Contracted Water stored in the Reservoir and allocated and available for release to the Contractor in the next Water Year after the First Water Year, and in each Water Year thereafter during the Term of this Contract, shall be an amount equal to the greater of (i) the price per acre-foot charged to the Contractor for the Contracted Water the prior Water Year, or (ii) the product obtained by multiplying the Base Price by a fraction, the denominator of which is the Consumer Price Index for All Urban Consumers, Denver-Boulder-Greeley Metropolitan Area, "All Items" (1982 – 84 = 100), published by the Bureau of Labor Statistics of the United States Department of Labor (the "CPI") for the semi-annual period ending December 31 in the Water Year prior to the First Water Year and the numerator of which is the CPI for the semi-annual period ending December 31 of the prior Water Year. In the event the Bureau of Labor Statistics discontinues publication of the CPI in the format existing as of the Effective Date, then Upper Yampa shall select a reasonably comparable price index, which index shall be substituted for the CPI in this paragraph. If the base year used in computing the CPI is changed, the adjustment to the purchase price shall be changed accordingly, so that all applicable increases in the CPI are considered, notwithstanding any such change in the base year. For purposes of this Contract, a "Water Year" shall be the 12-month period from March 1 in a year through February 28 of the subsequent year, unless the beginning and end of such Water Year is changed by the Division Engineer for Water Division 6.

1.3 The annual payments for the Contracted Water shall be made by Contractor to Upper Yampa on or before August 1st of each year during the term of this Contract, beginning August 1, 2026. Any annual payment not made within thirty (30) days after the due date shall bear interest at the rate of twelve percent (12%) per annum until paid. Payments due are based on the amount of Contracted Water and shall be made regardless of the amount of water delivered to Contractor and there shall be no abatement or setoff against any such payment, nor shall Contractor be permitted to withhold any payment required for any reason whatsoever, except only in the event the full Contracted Water has not been stored in the Reservoir by July 15 as described in Section 2.5 below.

1.4 If the duration of this Contract exceeds 20 years, Upper Yampa reserves the right and authority to increase, at its sole discretion, the annual base contract pricing per acre foot of water, in the 2042 Water Year of such Contract, up to a price then competitive with the market for similar municipal water supplies in similar quantities in the Yampa River Basin, such competitive pricing to include reference to contracts from Upper Yampa to others for municipal water supplies which have been executed after this Contract, and thereafter during each year of such Contract beyond the 2042 Contract Year such annual price shall continue to be adjusted by the CPI as provided in Subsection 1.2 above.

2. Storage and Delivery of Contracted Water.

2.1 Upper Yampa agrees, subject to physical water supply conditions, terms of the license issued by the Federal Energy Regulatory Commission, the administration of water rights by State of Colorado water officials, and the terms of this Contract, to store the Contracted Water in Stagecoach Reservoir prior to July 15th of each calendar year for release for Contractor's beneficial use, upon request between July 15th and March 1st of the then current

Water Year. Contractor shall be entitled to one use of the water delivered hereunder to extinction but shall not be entitled to the reuse or successive uses of such water. Contracted Water may only be used during the then current Water Year and no unreleased Contracted Water will be booked over to the succeeding Water Year. Unreleased Contracted Water does not carry-over from one Water Year to the next.

2.2 The Contracted Water shall be stored as part of the _____Municipal/Industrial_____ Pool of Upper Yampa, to be stored in the priority of such Contract Pool under the Stagecoach Fill Policy.

2.3 Except in times of emergency, Contractor shall give at least forty-eight (48) hours' advance written notice to Upper Yampa specifying the time and quantity of the Contracted Water requested to be released out of the Reservoir. The point of delivery of the Contracted Water shall be the discharge of the outlet works of the Reservoir. Responsibility for transportation and delivery of such Contracted Water after the point of delivery, and for all transit and transportation and carriage losses sustained in such delivery, shall be borne solely by Contractor. Upper Yampa shall maintain records of all releases of water from storage in the Reservoir and shall maintain records of water levels in the Reservoir measured not less frequently than once per week. Contractor shall be entitled to inspect such records and copies shall be furnished to Contractor upon written request.

2.4 Upper Yampa shall allocate and charge any evaporation losses from water stored in the Reservoir against the Emergency Remainder Pool, and if there is insufficient water stored in the Emergency Remainder Pool, against the next most senior of the Contract Pools in ascending order of priority until all evaporation is accounted for and charged. If evaporation is charged against the Contract Pool in which the Contracted Water is stored (*i.e.* either the General Supply Pool or the Municipal/Industrial Pool), then Upper Yampa shall first charge the evaporation against the unallocated water in that Contract Pool, and only if there is evaporation that still needs to be accounted for, then against the Contractor's storage account on a pro rata basis with other water that is stored and allocated to other water users in that Contract Pool.

2.5 In any calendar year when insufficient water is stored in the Reservoir to supply the full Contract Pools as measured at time of peak annual storage as reasonably determined by Upper Yampa, then the amount of water captured by Upper Yampa to fill the Reservoir shall be allocated for filling purposes to the Contract Pools in descending order of priority so that each Contract Pool is filled before allocation of any storage water to the next lower Contract Pool. Parties holding water from a Contract Pool that does not completely fill due to insufficient water available to that Contract Pool shall abate and share proportionately in any shortfall of stored water in that Contract Pool. If any part of the water allocated to Contractor by this Contract is reduced by such abatement, Upper Yampa shall notify Contractor in writing of such fact, and of the amount of the reduction in such water, by July 25th of that year, and in the absence of such notice the full amount of water for Contractor shall be deemed to have been in storage on or prior to July 15th of that year. The Contractor will be credited against that Water Year's contract purchase price for the amount of such abatement shortage in acre-feet allocated to the Contractor, multiplied by that year's purchase price per acre-foot.

2.6 The Contracted Water shall only be beneficially used by Contractor to augment out-of -priority diversions utilized by Contractor to supply water to the Water System.

2.7 The Parties acknowledge that the turbine capacity to release stored water through the outlet works of Stagecoach Reservoir is 105 cfs, and that Upper Yampa may diminish the instantaneous rate of release of the Contracted Water after a request from Contractor, proportionally with diminishment of rates of releases of stored water to other contractees without discrimination, to the extent that, in conjunction with other adjusted required release rates by Upper Yampa for such other contractees, the maximum safe release rate of stored water and required bypasses through the outlet works is not exceeded.

3. Contractor's Water Use Obligations of the Contracted Water.

3.1 **Carriage and Transit Losses.** Contractor shall bear carriage and transit losses in the Contracted Water released by Upper Yampa, in such amounts as are determined by the Division Engineer for Water Division 6, from the point of delivery of Contracted Water to Contractor's point(s) of use and/or exchange or augmentation.

3.2 **Use per Contract and Law.** Contractor's use of Contracted Water shall in all instances be in accordance with the terms of this Contract, the permits and decrees of Upper Yampa's Water Rights, Upper Yampa's adopted Policies and Procedures, as they may change from time to time, and in accordance with applicable law and all decrees related to the Contracted Water. Upper Yampa warrants and represents to Contractor that the Contracted Water may be used by Contractor for the augmentation purposes herein described, subject to (a) transit losses after release from Stagecoach Dam, (b) the terms of Section 3.3 below and any plan of exchange or augmentation obtained by Contractor to which Upper Yampa has consented, and (c) administration of the Yampa River at and above Contractor's point(s) of use and/or exchange or augmentation. Upper Yampa does not, however, warrant or represent that any augmentation plan of Contractor is sufficient, adequate, effective, or lawful to accomplish its objectives or to protect the continued diversion of the Contracted Water during administration of the Yampa River. Contractor is not authorized to apply for or secure any change in the Water Rights of Upper Yampa for or associated with any of the sources of supply of the Contracted Water.

3.3 **Legal Approvals.** If Contractor requires a plan of augmentation or SWSP to utilize the Contracted Water, Contractor shall at its sole expense adjudicate such plan of augmentation, or obtain approval of such SWSP, needed for Contractor to use its Contracted Water. Upper Yampa may in its discretion become a co-applicant or opposer in the prosecution of any such applications, or submit comments regarding any SWSP, for the purpose of protecting its Water Rights and related policies and the operation of the Reservoir by Upper Yampa. If a Water Court decree is required for Contractor to use the Contracted Water, Contractor shall cause to be included in any final decree of the Water Court a provision conditioning Contractor's use of the Contracted Water on the existence of an Upper Yampa contract.

3.4 **Limitation on Disposition.** Contractor shall not sublet, sell, donate, loan, or otherwise dispose of any of its rights to Contracted Water without prior written notice to, and the written approval of, Upper Yampa, and the payment of a transfer fee at the prevailing rate set

forth by Upper Yampa, which approval may be given, withheld or conditioned by Upper Yampa in its sole discretion.

3.5 **Assignment.** This Contract shall not be assigned or otherwise transferred by Contractor without the prior written consent of Upper Yampa, such consent to be given, withheld, or conditioned by Upper Yampa in its sole discretion.

3.6 **Nondiscrimination.** Contractor and its employees shall not discriminate in the availability of or charges for any water service or water supply made available pursuant to or based upon the Contracted Water on account of race, color, religion, sex, disability, national origin, or any other criteria prohibited under state or federal law.

3.7 **Accounting of Use.** Contractor shall maintain an accounting of its use of all water used or supplied by Contractor on form(s) acceptable to Upper Yampa specifically to enable Upper Yampa to prove the use of the Water Rights and to administer and operate the Reservoir and water right decrees and/or administrative approvals related to Contractor's use of Contracted Water. Contractor shall submit its accounting forms and records to Upper Yampa promptly upon request and shall assist Upper Yampa as it may reasonably request in presenting and/or verifying such evidence of use in court or before administrative agencies by testimony of Contractor or its authorized and informed officers or agents.

3.8 Section 404 of the Clean Water Act (33 U.S.C. 1344) regulates the discharge of dredged or fill material into the waters of the United States. Contractor shall consult with the Army Corps of Engineers if construction of facilities necessary to use the Contracted Water requires Section 404 compliance, which may include obtaining a permit. Further consultation and approval by the United States Fish and Wildlife Service may be required to ensure compliance with the Endangered Species Act (16 U.S.C. 1531, et seq.) if Contractor proposes physical alterations to the designated critical habitat of the Colorado River endangered fish species.

4. **Term.**

4.1 **Term.** Except in the event of an early termination as provided in Section 5 below, the term of this Contract shall commence effective March 18, 2026 (the "Effective Date") and shall end on February 28, 2042 (the "Term").

4.2 **Contract Renewal.** If Contractor has not defaulted during the Term, and provided Contractor is in compliance with the requirements of Section 2.6 above, Contractor may request in writing to Upper Yampa during the last year of the Term that the Contract be renewed for a renewal Term (a) ending at the end of forty (40) years from the date of execution, if the Term is less than (40) years, or (b) in the event that the Term is for forty (40) years, then up to 35 years, in either case for an annual supply up to but not exceeding the maximum amount of the Contracted Water amount upon such terms and conditions as the Upper Yampa is offering at that time. If such request is made during the final year of the Term and if Contractor otherwise agrees with the pricing, limitations, principles, and form for such new municipal water supply

contract under the policies of Upper Yampa in effect at that time (other than any duration limitation), then the Board during such final year of the Term shall enter into such new municipal water supply contract with such Contractor on the then-approved form of Contract and then-prevailing municipal supply pricing, for the term requested by such municipal user but not exceeding 35 years, for the amount of annual supply requested by such municipal user not exceeding the amount contracted for under the expiring Contract. It is expected that this policy and the pricing, limitations, principles and forms for new water supply contracts of Upper Yampa will be changed from time to time in the future by the Board of Directors to adapt to changing conditions, including (but not limited to) changes in law and regulation, hydrologic changes, the financial condition of Upper Yampa, availability of water sources, interstate conditions of the Colorado River system, environmental requirements or policies, water quality changes, or changes in the master planning of Upper Yampa Board of Directors.

5. Contract Termination.

5.1 Termination by Upper Yampa.

5.1.1 Upper Yampa may terminate this Contract for a material breach of the terms of this Contract by Contractor, including Contractor's failure to pay timely any amount due under this Contract, provided that Upper Yampa has first given at least 60 days' prior written notice specifying in detail such material breach and giving Contractor the right within such 60-day period to cure and remedy such material breach.

5.1.2 Upper Yampa may also terminate this Contract if it reasonably believes that any judicial or administrative proceedings initiated by Contractor as contemplated in Section 3 above materially threaten or interfere with Upper Yampa's authority to contract for delivery of Contracted Water or in any other way may injure Upper Yampa's Water Rights, permits, or other interests associated with Upper Yampa's Water Rights or the Reservoir or Reservoir operations.

5.1.3 Upper Yampa may terminate this Contract if its legal ability to deliver Contracted Water is materially impaired or is eliminated because of the termination or adverse modification of permits, decrees or other authorizations which are needed to deliver the Contracted Water.

5.1.4 Upper Yampa may terminate this Contract, in its sole discretion, upon written notice to Contractor prior to its stated termination date without liability of any kind to the Contractor if Contractor physically uses the stored water to replace water lawfully available to Contractor from direct flow water rights or other storage supplies and Contractor or its affiliates obtains economic benefits from the absence of use of lawfully available direct flow water rights or other storage supplies in an amount exceeding the pricing paid or payable by Contractor hereunder.

5.2 Termination by Contractor.

5.2.1 Contractor may terminate this Contract ~~only~~ in whole and not in part, for any material breach of the terms of this Contract by Upper Yampa, including Upper Yampa's failure or inability to deliver Contracted Water for an extended period of time, provided that Contractor has first given at least 60 days' prior written notice from Contractor to Upper Yampa specifying in detail such material breach and giving Upper Yampa the right within such 60-day period to cure and remedy such material breach.

5.2.2 Early Termination in the Public Interest: Contractor is entering into this Contract to serve the public interest of the State of Colorado as determined by its Governor, General Assembly, or Courts. If this Contract ceases to further the public interest of the state, the Contractor, in its discretion, may terminate this Contract in whole or in part. A determination that this Contract should be terminated in the public interest shall not be equivalent to a Contractor right to terminate for convenience. This subsection shall not apply to a termination of this Contract by the Contractor for breach by Contractor, which shall be governed by §5.2.1.

5.2.2.1 Method and Content: Contractor shall notify Upper Yampa of such termination in accordance with §8.6. The notice shall specify the effective date of the termination and whether it affects all or a portion of this Contract, and shall include, to the extent practicable, the public interest justification for the termination.

5.2.2.2 Obligations and Rights: Upon receipt of a termination notice for termination in the public interest, Upper Yampa shall be subject to the rights and obligations set forth in §10.

5.2.2.3 Payments: If Contractor terminates this Contract in the public interest, Contractor shall not be entitled to recover any payments made to Upper Yampa for the then current water year and Upper Yampa shall fulfill any delivery obligations for which Contractor has already paid. Contractor shall not be obligated to make any additional payments and Upper Yampa shall not be obligated to deliver any water not paid for.

5.2.3 Available Funds-Contingency-Termination: The state is prohibited by law from making commitments beyond the term of the current State Fiscal Year. Payment to Upper Yampa beyond the current State Fiscal Year is contingent on the appropriation and continuing availability of contract funds in any subsequent year (as provided in the Colorado Special Provisions). If federal funds or funds from any other non-State funds constitute all or some of the Contract Funds the state's obligation to pay Contractor shall be contingent upon such non-state funding continuing to be made available for payment. Payments to be made pursuant to this Contract shall be made only from contract funds, and the State's liability for such payments shall be limited to the amount remaining of such contract funds. If state, federal or other funds are not appropriated, or otherwise become unavailable to fund this Contract, the state may, upon written notice, terminate this Contract, in whole or in part, without incurring further liability. The state shall, however, remain obligated to pay for water that are delivered and accepted prior to the effective date of notice of termination, and this termination shall otherwise be treated as if this Contract were terminated in the public interest as described in §5.2.2.

5.2.24 Except as provided in these preceding sections, Contractor has no right to terminate or unilaterally reform or rescind this Contract.

5.3 **Notice of Termination to Affected Officials.** Either Party may notify the Division Engineer and any other appropriate governmental officials of any termination of this Contract.

6. **Force Majeure.** Upper Yampa shall not be responsible for any losses or damages incurred as a result of Upper Yampa's inability to perform pursuant to this Contract due to the following causes if beyond Upper Yampa's control and when occurring through no direct or indirect fault of Upper Yampa, including without limitation: acts of God; natural disasters; actions or failure to act by governmental authorities; unavailability of supplies or equipment critical to Upper Yampa's ability to perform; major equipment or facility breakdown; and changes in Colorado or federal law, including, without limitation, changes in any permit requirements.

7. **Inspections.** Upper Yampa grants to the managerial staff of Contractor and any of its professional consultants, access to Stagecoach Reservoir and Stagecoach Dam subject to this Contract at reasonable times and under reasonable protective terms and conditions.

8. **Miscellaneous Provisions.**

8.1 Upper Yampa may assign this Contract without necessity of Contractor's consent or approval to any entity which succeeds Upper Yampa in the ownership of Stagecoach Reservoir, and Upper Yampa or such successor may collaterally assign the proceeds of this Contract to any entity providing financing to Upper Yampa or its successor.

8.2 This Contract does not and is not intended to confer any rights or remedies upon any person or entity other than the Parties.

8.3 The Parties agree to communicate, coordinate and cooperate, if needed, on any required or desired water use accounting.

8.4 It is expressly acknowledged that Upper Yampa shall be solely responsible for operating, repairing, maintaining, enlarging, permitting, changing, renovating, or modifying the Reservoir, and that Upper Yampa shall be the sole owner of the Water Rights and the dam and all facilities and all lands used in connection with the construction, operation, repair, maintenance, enlarging, permitting, changing, renovating, or modifying the Reservoir and all facilities in which Upper Yampa has ownership or rights which providing supplies of water for storage in the Reservoir.

8.5 No amendment, modification, or novation of this contract or its provisions and implementation shall be effective unless documented in writing which is approved and executed by both parties with the same formality as they have approved and executed this Contract.

8.6 Any notice required or permitted to be given by a party under or in connection with this Contract shall be in writing and shall be deemed duly given when personally delivered or sent by (i) registered or certified mail, return receipt requested, postage

prepaid, (ii) expedited courier service, or (iii) email with confirmation of receipt, to the following addresses:

If to Contractor: Colorado Division of Parks and Wildlife

Regional Water Specialist _____Attention: Ben Kraus,
[Ben: Fill in] _____

Email: _____

With a copy to: Colorado Division of Parks and Wildlife

Water Rights Program Administrator _____Attention: Pete Conovitz,
6060 Broadway _____
Denver, Colorado 80216 _____
Email: _____pete.conovitz@state.co.us

If to Upper Yampa: Upper Yampa Water Conservancy District
Attention: General Manager
PO Box 775529
Steamboat Springs, Colorado 80477-5529
Email: UYWCD@upperyampawater.com

Each party may change its address or contact information for notices under this Contract upon written notice to the other party in accordance with this paragraph.

9. Limited Representations by the Parties. Upper Yampa represents and warrants that it has full power and authority to execute this Contract, allocate and deliver the Contracted Water, and perform its obligations hereunder during the Term. Contractor represents and warrants that it has full power and authority to execute this Contract, receive Contracted Water at the delivery point and cause it to be delivered to Contractor's point and locations of use, and pay for and perform its obligations hereunder during the Term.

10. Enforcement of this Contract; Remedies on Default.

10.1 Before commencing any action for enforcement of this Contract, the Party alleging a material breach of this Contract shall first give at least 60 days' prior written notice to the other Party specifying in detail such material breach and giving the other Party the right within such 60-day period to cure and remedy such material breach.

10.2 Specific performance and/or restraining orders and/or injunctive relief shall be the exclusive remedies for the violation or default by a Party in any provision of this Contract, ~~except that Upper Yampa shall have all remedies at law for collection of sums required to be paid by Contractor hereunder which are not paid when due, including interest and attorneys' fees.~~

~~10.3 In the event of litigation between the Parties with respect to this Contract or any alleged material breach of the terms of this Contract, the Party substantially prevailing in such litigation shall recover from the other Party all reasonable attorneys' fees and costs of discovery and suit incurred by the substantially prevailing Party.~~

11. Colorado Special Provisions (Colorado Fiscal Rule 3-3)

These Special Provisions apply to all contracts except where noted in italics. Statutory approval. §24-30-202(1), C.R.S.

11.1 This Contract shall not be valid until it has been approved by the Colorado State Controller or designee. If this Contract is for a Major Information Technology Project, as defined in §24-37.5-102(2.6), C.R.S.; then this Contract shall not be valid until it has been approved by the State's Chief Information Officer or designee.

11.2 Fund availability. §24-30-202(5.5), C.R.S. Financial obligations of the State payable after the current State Fiscal Year are contingent upon funds for that purpose being appropriated, budgeted, and otherwise made available.

11.3 Governmental Immunity. Liability for claims for injuries to persons or property arising from the negligence of the Parties, its departments, boards, commissions committees, bureaus, offices, employees and officials shall be controlled and limited by the provisions of the Colorado Governmental Immunity Act, §24-10-101, et seq., C.R.S.; the Federal Tort Claims Act, 28 U.S.C. Pt. VI, Ch. 171 and 28 U.S.C. 1346(b), and the state's risk management statutes, §§24-30-1501, et seq. C.R.S. No term or condition of this Contract shall be construed or interpreted as a waiver, express or implied, of any of the immunities, rights, benefits, protections, or other provisions, contained in these statutes.

11.4 Independent Contractor. Upper Yampa shall perform its duties hereunder as an independent contractor and not as an employee. Neither Upper Yampa nor any agent or employee of Upper Yampa shall be deemed to be an agent or employee of the state. Upper Yampa shall not have authorization, express or implied, to bind the state to any agreement, liability or understanding, except as expressly set forth herein. Upper Yampa and its employees and agents are not entitled to unemployment insurance or workers compensation benefits through the state and the state shall not pay for or otherwise provide such coverage for Upper Yampa or any of its agents or employees. Upper Yampa shall pay when due all applicable employment taxes and income taxes and local head

taxes incurred pursuant to this Contract. Upper Yampa shall (i) provide and keep in force workers' compensation and unemployment compensation insurance in the amounts required by law, (ii) provide proof thereof when requested by the state, and (iii) be solely responsible for its acts and those of its employees and agents.

11.5 Compliance With Law.

Upper Yampa shall comply with all applicable federal and State laws, rules, and regulations in effect or hereafter established, including, without limitation, laws applicable to discrimination and unfair employment practices.

11.6 Choice of Law, Jurisdiction, and Venue.

Colorado law, and rules and regulations issued pursuant thereto, shall be applied in the interpretation, execution, and enforcement of this Contract. Any provision included or incorporated herein by reference which conflicts with said laws, rules, and regulations shall be null and void. All suits or actions related to this Contract shall be filed and proceedings held in the State of Colorado and exclusive venue shall be in the City and County of Denver.

11.7 Prohibited Terms.

Any term included in this Contract that requires the state to indemnify or hold Upper Yampa harmless; requires the state to agree to binding arbitration; limits Upper Yampa's liability for damages resulting from death, bodily injury, or damage to tangible property; or that conflicts with this provision in any way shall be void ab initio. Nothing in this Contract shall be construed as a waiver of any provision of §24-106-109 C.R.S.

11.6 Software Piracy Prohibition.

State or other public funds payable under this Contract shall not be used for the acquisition, operation, or maintenance of computer software in violation of federal copyright laws or applicable licensing restrictions. Upper Yampa hereby certifies and warrants that, during the term of this Contract and any extensions, Upper Yampa has and shall maintain in place appropriate systems and controls to prevent such improper use of public funds. If the state determines that Upper Yampa is in violation of this provision, the state may exercise any remedy available at law or in equity or under this Contract, including, without limitation, immediate termination of this Contract and any remedy consistent with federal copyright laws or applicable licensing restrictions.

11.7 Employee Financial Interest/Conflict of Interest. §§24-18-201 and 24-50-507, C.R.S.

The signatories aver that to their knowledge, no employee of the state has any personal or beneficial interest whatsoever in the service or property described in this Contract. Upper Yampa has no interest and shall not acquire any interest, direct or indirect, that would conflict in any manner or degree with the performance of Upper Yampa's services and Upper Yampa shall not employ any person having such known interests.

14.2. **Effective Date.** The effective date of this Contract shall be the last date below it is executed by all Parties.

IN WITNESS WHEREOF, Contractor and Upper Yampa have executed this Contract on the dates set forth below.

CONTRACTOR:

Signature

Name

Title

State Controller
Robert Jaros, CPA, MBA, JD

By: [Name of Agency or IHE Delegate]

Effective Date:

In accordance with §24-30-202, C.R.S., this Contract is not valid until signed and dated above by the State Controller or an authorized delegate.

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**UPPER YAMPA WATER
CONSERVANCY DISTRICT:**

BY: _____
_____, President

DATE: _____

ATTEST: _____

_____, General Manager and Secretary