

970-468-0295 • Fax 970-468-1208 qqwater@nwccog.org

**QQ** Quarterly Board Meeting

Thursday, August 30, 2018 10 AM - 3 PM Summit County North Branch Library, Blue River Room 651 Center Cir, Silverthorne, CO 80498

# AGENDA

10 AM Introductions

Colorado 80498

- 10:15 AM Gubernatorial candidates' forum on water. Senator Gail Schwartz on behalf of Congressman Jared Polis Mr. Walker Stapleton or surrogate, invited.
- 11:30 AM "Takings" ballot initiative No. 108: Potential impacts for water resource protection and local regulation Sam Mamet, Executive Director, Colorado Municipal League
- 12:00 PM Water Quality updates. Reg. 82 (401 Cert.), Reg. 84 (Reclaimed water), Molybdenum, Grand Lake Clarity & Outstanding Waters proposal, and Upper CO Basin Standards Setting hearing
- 12:30 PM Lunch
- 1:15 PM Member updates (we recommend 1-2 minutes. 2 minutes for 25 members= 50 minutes)
- 2:00 PM Policy and project updates (CO Water Plan, legislative, project updates on land use assessment, etc.)
- 2:30 PM QQ internal reviews
- 3:00 PM Adjourn

P.O. Box 2308 • Silverthorne, Colorado 80498



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# MEMORANDUM

To:QQ MembersFrom:Torie JarvisDate:August 24, 2018

Re: Ballot Initiatives for November 2018

Dear QQ Members,

The following board packet materials are for the 2018 ballot initiatives we believe are relevant to QQ and worthy of discussion at our August 30<sup>th</sup> meeting.

This includes the following initiatives:

- Initiative 108 ("takings" Initiative)
- Initiative 97 (oil and gas setback initiative)
- Initiative 167 ("Fix Our Damn Roads" transportation funding initiative)

**Re: Initiative 108, the "takings" initiative: We recommend QQ take a position of oppose**. This takings initiative has the most potential impact to water quality in the headwaters, as it would amend the constitution to require just compensation for any regulation that reduces the value of a property right, no matter how small. At minimum, the initiative is ambiguous enough to require significant litigation to develop new caselaw to understand when it would apply. At worst, government regulation will come to a near halt because of the unbearable costs associated with litigation and compensation.

QQ contract staff is working on a white paper with legal background and more specific examples of potential water-quality-related impacts to QQ members. We hope to complete this before the Aug. 30 QQ meeting and send in a separate email. Until then, we have included an impact memorandum from Conservation Colorado. The Colorado Municipal League is also preparing a memorandum, a sample resolution opposing 108, and other materials. We will share these will QQ members as soon as they are available.

Other initiatives that may impact QQ include:

- Initiative 97, Oil and Gas Setback Initiative. (Text follows in packet) A statutory amendment that would establish a 2,500 foot "buffer zone," a.k.a. setback, of oil and gas development from "occupied structures" such as homes, schools, and hospitals. There are no exceptions provided. QQ has pointed out in other setback proposals that, in the headwaters region, an inflexible 2,500 foot setback could place the only development options within sensitive environmental areas. In general, QQ has previously recommended a local approach to setbacks that allow flexibility.
- Initiative 167, Fix Our Dam Roads. (Text linked here) A statutory amendment that would allow for new CDOT bonding without a specified source of funding to pay for the bonding. Thus, this would force payments from the general fund. In turn, this could be detrimental to water funding and programs, among the many programs that would take a back seat to the bond payments like schools and other severance tax-funded programs).
  - There is another transportation initiative on the ballot: "Let's Go CO," Initiative 157 (text linked here). This would provide a statewide sales tax for 20 years with a 20% share-back to cities, 20% share-back to counties (funds are flexible to cities and counties), a new transit pool with 15% of the new revenues and the remaining 45% to CDOT. This initiative does not seem to impact QQ (let us know if you believe otherwise!).

We look forward to discussing these initiatives in more detail at our QQ Meeting.

Sincerely,

Torie

2017-2018 #97 FINAL



# Colorado Secretary of State

*Be it Enacted by the People of the State of Colorado:* 

SECTION 1. In Colorado Revised Statutes, add 34-60-131 as follows:

**34-60-131.** Mitigation of adverse oil and gas impacts to health and safety – buffer zones – legislative declaration - definitions. (1) THE PEOPLE OF THE STATE OF COLORADO FIND AND DECLARE THAT:

(a) PROXIMITY TO OIL AND GAS DEVELOPMENT, INCLUDING THE USE OF HYDRAULIC FRACTURING, HAS DETRIMENTAL IMPACTS ON PUBLIC HEALTH, SAFETY, WELFARE, AND THE ENVIRONMENT;

(b) SUCH IMPACTS ARE REDUCED BY LOCATING OIL AND GAS OPERATIONS AWAY FROM OCCUPIED STRUCTURES AND VULNERABLE AREAS; AND

(c) TO PRESERVE PUBLIC HEALTH, SAFETY, WELFARE, AND THE ENVIRONMENT, THE PEOPLE DESIRE TO ESTABLISH A BUFFER ZONE REQUIRING ALL NEW OIL AND GAS DEVELOPMENT IN THE STATE OF COLORADO TO BE LOCATED AN INCREASED DISTANCE AWAY FROM OCCUPIED STRUCTURES, INCLUDING HOMES, SCHOOLS AND HOSPITALS, AS WELL AS VULNERABLE AREAS.

(2) AS USED IN THIS SECTION, UNLESS THE CONTEXT OTHERWISE REQUIRES:

(a) "OCCUPIED STRUCTURE" MEANS ANY BUILDING OR STRUCTURE THAT REQUIRES A CERTIFICATE OF OCCUPANCY OR BUILDING OR STRUCTURE INTENDED FOR HUMAN OCCUPANCY, INCLUDING HOMES, SCHOOLS, AND HOSPITALS.

(b) "OIL AND GAS DEVELOPMENT" MEANS EXPLORATION FOR, AND DRILLING, PRODUCTION, AND PROCESSING OF, OIL, GAS, OR OTHER GASEOUS AND LIQUID HYDROCARBONS, AND FLOWLINES AND THE TREATMENT OF WASTE ASSOCIATED WITH SUCH EXPLORATION, DRILLING, PRODUCTION AND PROCESSING. "OIL AND GAS DEVELOPMENT" INCLUDES HYDRAULIC FRACTURING.

(c) "VULNERABLE AREAS" MEANS PLAYGROUNDS, PERMANENT SPORTS FIELDS, AMPHITHEATERS, PUBLIC PARKS, PUBLIC OPEN SPACE, PUBLIC AND COMMUNITY DRINKING WATER SOURCES, IRRIGATION CANALS, RESERVOIRS, LAKES, RIVERS, PERENNIAL OR INTERMITTENT STREAMS, AND CREEKS, AND ANY ADDITIONAL VULNERABLE AREAS DESIGNATED BY THE STATE OR A LOCAL GOVERNMENT.

(d) "LOCAL GOVERNMENT" MEANS ANY STATUTORY OR HOME RULE COUNTY, CITY AND COUNTY, CITY, OR TOWN LOCATED IN THE STATE OF COLORADO.

(3) THE PEOPLE OF THE STATE OF COLORADO HEREBY ESTABLISH THAT ALL NEW OIL AND GAS DEVELOPMENT NOT ON FEDERAL LAND MUST BE LOCATED AT LEAST TWO THOUSAND FIVE HUNDRED FEET FROM AN OCCUPIED STRUCTURE OR VULNERABLE AREA. FOR PURPOSES OF THIS SECTION, THE REENTRY OF AN OIL OR GAS WELL PREVIOUSLY PLUGGED OR ABANDONED IS CONSIDERED NEW OIL AND GAS DEVELOPMENT.

(4) THE STATE OR A LOCAL GOVERNMENT MAY REQUIRE THAT NEW OIL AND GAS DEVELOPMENT BE LOCATED A LARGER DISTANCE AWAY FROM OCCUPIED STRUCTURES OR VULNERABLE AREAS THAN REQUIRED BY SUBSECTION (3) OF THIS SECTION. IN THE EVENT THAT TWO OR MORE LOCAL GOVERNMENTS WITH JURISDICTION OVER THE SAME GEOGRAPHIC AREA ESTABLISH DIFFERENT BUFFER ZONE DISTANCES, THE LARGER BUFFER ZONE GOVERNS.

(5) THIS SECTION TAKES EFFECT UPON OFFICIAL DECLARATION OF THE GOVERNOR AND IS SELF-EXECUTING.

(6) THIS SECTION APPLIES TO OIL AND GAS DEVELOPMENT PERMITTED ON OR AFTER THE EFFECTIVE DATE.

# 2017-2018 #108 – Final Draft

# **Colorado Secretary of State**

#### Just Compensation for Reduction in Fair Market Value by Government Law or Regulation

*Be it Enacted by the People of the State of Colorado:* 

SECTION 1. In the constitution of the state of Colorado, amend section 15 of article H as follows:

Section 15. Taking property for public use—compensation, how ascertained. Private property shall not be taken, of damaged, OR REDUCED IN FAIR MARKET VALUE BY GOVERNMENT LAW OR REGULATION for public or private use, without just compensation. Such compensation shall be ascertained by a board of commissioners, of not less than three freeholders, or by a jury, when required by the owner of the property, in such manner as may be prescribed by law, and until the same shall be paid to the owner, or into court for the owner, the property shall not be needlessly disturbed, or the proprietary rights of the owner therein divested; and whenever an attempt is made to take private property for a use alleged to be public, the question whether the contemplated use be really public shall be a judicial question, and determined as such without regard to any legislative assertion that the use is public. Conservation Colorado Impacts Memo Received via email from Jessica Goad, Deputy Director August 12, 2018

# **Conservation Colorado** MEMORANDUM: The Consequential Impacts of Initiative #108

Initiative 2017-2018 #108 is a well-funded and sweeping ballot initiative designed to completely curtail the ability of both state and local governments to adopt, implement, or enforce virtually any law or regulation that might have the direct or incidental impact of reducing – even minimally or temporarily – the market value of any property owner's private property. The breadth of the initiative is staggering, and the intent is literally to paralyze state and local governments in their capacity to protect the health and safety of citizens.

Initiative 108 is a poorly conceived measure with massive intended and unintended consequences. The immediate victims of its passage would be all of us – individuals and businesses – as taxpayers. As taxpayers, we would be required to defend and ultimately pay potentially insurmountable claims for governmentally-precipitated impacts upon someone's property value. Ultimately the consequences would be reflected in the safety and livability of our state and communities.

# Background

Initiative #108 is sponsored by the Colorado Farm Bureau but is being <u>funded</u> by oil and gas corporations– primarily Anadarko Petroleum, Noble Energy, and Extraction Oil and Gas. Initially proposed as a reaction to the proposed 2,500 foot setback initiative, these corporations now appear to be using it as an insurance policy against <u>any</u> local or state regulations they oppose. Unfortunately, the implications of Initiative 108 go far beyond oil and gas regulations.

Fundamentally, the measure would result in cities and counties being unable to eliminate specific problematic uses of property because they would be held liable for damages. If passed, Initiative 108 would constrain, if not paralyze, the ability of both our state and local governments to regulate <u>any</u> activities on private property by making such regulation prohibitively expensive for the taxpayer.

By its language, the initiative would require the government – *i.e.*, the taxpayers – to compensate any and all private property owners for virtually *any decrease whatsoever in the fair market value of their property (even if temporary or incidental)* traceable directly or indirectly to any government law or regulation. While the immediately obvious beneficiaries may be land owners and operators connected with the oil and gas and mineral extraction industries – whose operations would become essentially unregulatable – the impact and unintended consequences of Initiative 108 would be far broader. For example:

- local zoning restrictions and master planning could be rendered impossible;
- use restrictions *e.g.*, of gun shops, liquor stores, or marijuana dispensaries near schools; or water restrictions during drought would become impossible;
- neighborhood restrictions on the location and operating hours of businesses (bars, adult entertainment, casinos) would be curtailed;

Conservation Colorado Impacts Memo

Received via email from Jessica Goad, Deputy Director

August 12, 2018

- noise regulation would be impeded;
- infrastructure planning (roads, access, water projects, etc.) could be paralyzed;
- building height and density restrictions would disappear or become prohibitively expensive;
- regulation of waste storage and transport could become virtually impossible;
- environmental and natural resource protection would be severely constrained;
- public health regulations affecting businesses (*e.g.*, restaurants, hotels, rental facilities, hospitals) would be constrained;
- safety codes (fire, building, construction) would be imperiled;
- even laws incidentally affecting a business' profitability (*e.g.*, minimum wage or work safety regulations) could be argued to impact the market value of the property occupied by the business and thereby become prohibitively expensive to enforce;

Virtually any arguable impact upon fair market value of any piece of private property – however reasonable or justified or minimal or incidental or temporary – resulting from state or local government action could trigger a claim for public compensation from the property owner.

Perversely, even a law or regulation permitting or allowing a use or activity on a piece of property – such as oil and gas development – could become the basis for a monetary claim for a reduction in value of neighboring properties.

Similar "takings initiative" efforts have been attempted and defeated in other states. Although cost estimates have not been completed for Colorado, the fiscal impact for similar language in the state of Washington was estimated at \$2 billion dollars for state agencies and \$1.5 billion for county governments over the first six years. There were \$4 billion dollars in claims in Oregon before the residents repealed the takings initiative two years after its passage.

# Legal details

Article II, Section 15 of the Colorado Constitution – which has been a part of the Constitution since statehood in 1876 – states in pertinent part that "Private property shall not be taken or damaged, for public or private use, without just compensation." Except for the word "damaged," this provision reads similarly to and has been applied consistently with the "takings" clause in the Fifth Amendment to the United States Constitution ("nor shall private property be taken for public use, without just compensation"). A substantial amount of judicial precedent has developed over the years regarding the common sense application of these provisions.

Currently, Article II, Section 15, like its federal counterpart, requires that an interest in private property be "taken" before the government -i.e., the taxpayers - are required to pay compensation to a property owner. While a "taking" can result from a government regulation limiting or impacting activities permitted on the property, the property owner does not have a right to seek compensation from the public unless two conditions exist: (1) his investment backed expectations for the property must be substantially diminished by the regulation; and (2) he must suffer a "unique" (rather than generalized) burden or impact from the regulation. In

Conservation Colorado Impacts Memo Received via email from Jessica Goad, Deputy Director August 12, 2018 other words, the point of current "takings" law is to provide compensation only to those property owners who are uniquely forced to bear "public" burdens that, in all fairness, should be borne and paid for by the public as a whole.

# Conclusion

The intent and purpose of Initiative 108 is clearly to paralyze the ability of both our state and local governments to regulate activities on private property by making such regulation prohibitively expensive for communities and the taxpayer. This protectionist measure for the oil and gas industry will put the state and local governments in a financial bind that will make TABOR look like child's play. https://www.gjsentinel.com/opinion/editorials/two-for-the-scrap-heap/article\_87570c62-a343-11e8-a8ff-10604b9f7e7c.html

Aug 19, 2018

# Two for the scrap heap

By THE DAILY SENTINEL

Of the seven proposed citizens' initiatives that are trying to qualify for the November ballot, two stand out for their dangerous repercussions and should be rejected if voters are forced to decide the measures' fate.

If the next Colorado governor inherits either Initiative 97 or Initiative 108 or both, catastrophic results await state and local governments.

Let's start with Initiative 97. It's a statutory proposal to create a 2,500foot setback from occupied structures or other "vulnerable areas" for new oil and gas development. That's a significant increase from the 500-foot setback currently in place.

According to the Colorado Oil and Gas Conservation Commission, this initiative would eliminate new drilling on 95 percent of the surface land in the state's top five oil and gas producing counties and 85 percent of the state's non-federal land.

It would cost the state, local governments and schools proceeds from billions of dollars in lost oil and gas revenues, said Diane Schwenke, president and CEO of the Grand Junction Area Chamber of Commerce, which has joined a coalition of business groups in the state opposing the initiative.

"We are a state that already has some of the most stringent regulations on the energy industry, which are developed through a public process under the purview of the Colorado Oil and Gas Conservation Commission," Schwenke said. "That is where rules should be made, not at the ballot box."

Because it's essentially a de facto ban on new drilling, Initiative 97 is among the most contentious to arise this year, rivaled only by Initiative 108, which appears to be a counter-measure to 97's implications for the energy industry, but goes much farther. As bad as 97 is, 108 may be worse. For one thing it proposes changing the state constitution to enable property owners to seek compensation if a law or regulation reduces their land's "fair market value." Embedding policy in the state constitution is never a good idea and always rife with unintended consequences for which there are no easy fixes.

Under current law, a government has to compensate for a "total taking," either by eminent domain or when a government action leaves a property with no economic use. Switching just compensation requirements to "fair market value" is a plaintiff's lawyer's wildest dream.

The Colorado Municipal League warns Initiative 108 "could spawn countless and expensive lawsuits over a myriad of basic local land-use decisions such as zoning or the siting of municipal facilities."

It would force local governments to assess the risk of a lawsuit on any action it considers. Sam Mamet, executive director of the CML told Colorado Poltics reporter Mark Jaffe, "My advice to counties and municipalities is if this passes, don't do anything ... no zoning, no ordinances."

The cost of defending lawsuits or paying to cover a multitude of small dimunitions in property could bankrupt some municipalities or force them to cede their authority to control growth and development. That's a stiff price to pay for a measure that ostensibly seeks to mitigate the impacts of Initiative 97.

Either of these measures is terrible for Colorado. If both pass, this holy war between anti-drilling activists and industry defenders will have achieved a state of mutually assured destruction.

That's why it's important for supporters of both measures to consider withdrawing them from consideration for the ballot. We need a truce on this standoff or voters are going to decide. And if it comes to that, we'll be urging voters to reject both measures as the only sane and reasonable outcome to this madness.



# NOTICE OF PUBLIC RULEMAKING HEARING BEFORE THE COLORADO WATER QUALITY CONTROL COMMISSION

# SUBJECT:

For consideration of the adoption of revisions the 401 Certification Regulation, Regulation #82 (5 CCR 1002-82). Revisions proposed by the Water Quality Control Division, along with a proposed Statement of Basis, Specific Statutory Authority and Purpose, are attached to this notice as Exhibit 1.

In these attachments, proposed new language is shown with <u>double-underlining</u> and proposed deletions are shown with <del>strikeouts</del>. Any alternative proposals related to the subject of this hearing will also be considered.

Party status requests due	08/21/2018 5 pm	Additional information below.		
Proponent's prehearing statement due	08/23/2018 5 pm	Additional information below.		
Responsive prehearing statements due	09/18/2018 5 pm	Additional information below.		
Rebuttal statements due	10/16/2018 5 pm	Additional information below.		
Last date for submittal of motions	10/18/2018 5 pm	Additional information below.		
Notify commission office if participating in prehearing conference by phone	10/19/2018 by noon	Send email to <a href="mailto:cdphe.wqcc@state.co.us">cdphe.wqcc@state.co.us</a> with participant(s) name(s)		
<b>Prehearing Conference</b> (mandatory for parties)	10/22/2018 1:00 pm	Florence Sabin Conference Room Department of Public Health and Environment 4300 Cherry Creek Drive South Denver, CO 80246 Call-in: 1-857-216-6700, Code: 425132		
Rulemaking Hearing	11/13/2018 1:00 pm	Fremont Room Summit County Community and Senior Center 83 Nancy's Place Frisco, CO 80443		

# SCHEDULE OF IMPORTANT DATES

#### HEARING SUBMITTALS:

For this hearing, the commission will receive all submittals electronically. Submittals must be provided as PDF documents, except for raw data exhibits which may be provided as Excel workbooks. Submittals may be emailed to <u>cdphe.wqcc@state.co.us</u>, provided via an FTP site, CD or flash drive, or otherwise conveyed to the commission office so as to be received no later than the specified date.

#### PARTY STATUS:

Party status requests must be in writing and must provide:

- the organization's name,
- one contact person,
- a mailing address,
- a phone number, and
- email addresses of all individuals associated with the party who wish to be notified when new submittals are available on the commission's website for review.

In accordance with section 25-8-104(2)(d), C.R.S., any person who believes that the actions proposed in this notice have the potential to cause material injury to his or her water rights is requested to so indicate, along with an explanation of the alleged harm, in their party status request.

#### PREHEARING AND REBUTTAL STATEMENTS:

Each party must submit a prehearing statement: parties that have proposed revisions attached as exhibits to the notice must submit a proponent's prehearing statement. All other parties must submit a responsive prehearing statement. Proponents may also submit responsive prehearing statements when there are multiple proposals attached to the notice.

Each prehearing and rebuttal statement must be provided as a separate PDF document from any accompanying written testimony or exhibits.

Following the rebuttal statement due date, no other written materials will be accepted from parties except for good cause shown.

Oral testimony at the hearing should primarily summarize written material previously submitted. The hearing will emphasize commission questioning of parties and other interested persons about their written prehearing submittals. Introduction of written material at the hearing by those with party status will not be permitted unless authorized by the commission.

#### PREHEARING CONFERENCE:

Attendance at the prehearing conference is mandatory for all persons requesting party status. Parties needing to participate by telephone are encouraged to notify the commission office prior to the prehearing conference. Remote participants can call 1-857-216-6700 and enter the conference code 425132.

Following the cut-off date for motions, no motions will be accepted, except for good cause shown.

#### PUBLIC PARTICIPATION ENCOURAGED:

The commission encourages input from non-parties, either orally at the hearing or in writing prior to the hearing. Written submissions should be emailed to <u>cdphe.wqcc@state.co.us</u> by October 31, 2018.

#### SPECIFIC STATUTORY AUTHORITY:

The provisions of sections 25-8-202(1)(d) and 25-8-501 to 25-8-504, C.R.S., provide the specific statutory authority for consideration of the regulatory amendments proposed by this notice. Should the commission adopt the regulatory language as proposed in this notice or alternative amendments, it will also adopt, in compliance with section 24-4-103(4) C.R.S., an appropriate Statement of Basis, Specific Statutory Authority, and Purpose.

Dated this 11<sup>th</sup> day of July, 2018 at Denver, Colorado.

WATER QUALITY CONTROL COMMISSION

Trisha Oeth, Administrator

# IN THE MATTER OF REVISIONS TO THE 401 CERTIFICATION REGULATION, REGULATION #82 (5 CCR 1002-82)

# **REQUEST FOR PARTY STATUS FOR THE NORTHWEST COLORADO COUNCIL OF GOVERNMENTS** WATER QUALITY/ QUANTITY COMMITTEE

Northwest Colorado Council of Governments ("NWCCOG") and NWCCOG Water Quality/Water Quantity Committee ("QQ"), by and through the undersigned counsel, respectfully request they be given party status to participate in the hearing in the above referenced matter.

The facts that entitle QQ to be admitted as a party are as follows:

1. NWCCOG is the designated water quality planning entity for Region XII and as such has an interest in the outcome of this rulemaking.

2. QQ's purpose is to protect or improve regional water quality conditions and interests in the headwaters of the Gunnison, Colorado, Yampa, and South Platte basins, while also providing assistance to member entities impacted by such actions.

3. QQ comprises 45 member local governments who are interested in the proposed changes the 401 Certification Regulation #82, as our members rely on the 401 Certification to ensure water quality protection in the permitting of major water projects in the QQ region. QQ membership is provided as Attachment 1.

Respectfully submitted this 21<sup>st</sup> day of August, 2018.

Dorie Janis

Torie Jarvis, #46848 NWCCOG Water Quality/Water Quantity PO Box 2308 Silverthorne, CO 80498 Phone: 970-596-5039 qqwater@nwccog.org Barbara J. B. Green, #15022 Sullivan Green Seavy, LLC 3223 Arapahoe Ave., Suite 300 Boulder, CO 80303 Phone: 303-355-4405 barbara@sullivangreenseavy. com Ashley Bembenek Alpine Environmental Consultants LLC PO Box 3351 Crested Butte, CO 81224 Phone: 970-251-0029 abembenek@yahoo.com

# ATTACHMENT 1

# Northwest Colorado Council of Governments Water Quality/ Quantity Committee Membership 08/21/18

# **Counties**

Eagle County Grand County Gunnison County Park County Pitkin County Summit County

# **Municipalities**

Aspen Basalt Breckenridge Carbondale **Crested Butte** Dillon Eagle Fraser Granby Grand Lake Gvpsum Hot Sulphur Springs Kremmling Minturn Red Cliff Silverthorne **Steamboat Springs** Vail Winter Park Yampa

# Water and Sanitation Districts

**Basalt Sanitation District** Bellyache Ridge Metro District Copper Mountain Metro Consolidated District Dillon Valley Metro District Eagle River Water and Sanitation District East Dillon Water District Fraser Sanitation District **Granby Sanitation District** Grand County Water and Sanitation District Hamilton Creek Metro District Kremmling Sanitation District Mid-Valley Metro District Silverthorne Dillon Joint Sewer Authority Silver Creek Water District **Snowmass Water and Sanitation** White Horse Springs Water & Sanitation Winter Park West

# **Conservation and Conservancy Districts**

Colorado River Water Conservation District Upper Gunnison River Water Conservancy District P.O. Box 2308 • Silverthorne, Colorado 80498 970-468-0295 • Fax 970-468-1208 qqwater@nwccog.org

Submitted via email to cdphe.wqcc@state.co.us

July 25, 2018

Water Quality Control Commission Attn: David Baumgarten, Hearing Chair 4300 East Cherry Creek Avenue Denver, CO 80226

# **Re: Water Quality Control Commission Rulemaking Hearing for the Reclaimed Water Control Regulation #84 (5 CCR 1002-84)**

COUNCIL OF GOVERNMENT

WATER QUALITY / QUANTITY COMMITTEE

Dear Commissioners,

The Northwest Colorado Council of Governments Water Quality/Quantity Committee (QQ) offers the following comments in support of Denver Water's proposed changes to the Water Quality Control Commission (WQCC) Regulation 84 to allow reclaimed water to be used for indoor fixture flushing (toilets & urinals) and to create a framework for localized reclaimed water systems separate from existing centralized municipal reclaimed water systems.

QQ's purpose is to enhance the region's water quality while encouraging its responsible use for the good of Colorado and the environment. QQ members include headwater municipalities, counties, and water and sanitation districts located in Grand, Summit, Eagle, Pitkin, Park, and Gunnison counties; and the Colorado River Water Conservation District and the Upper Gunnison River Water Conservatory District.

QQ supports expanded options for reclaimed water as a method to ensure transmountain diversion water can be re-used to extinction to the extent allowed by law, in line with QQ policies. QQ supported bills in the 2018 Legislative Session that expanded the allowable uses of reclaimed water, including toilet and urinal flushing (HB 18-1069), as consistent with QQ policies.

Encouraging expanded uses for reclaimed water is also consistent with the Colorado River Cooperative Agreement, the historic, cross-divide agreement between Denver Water and the Western Slope. Many QQ member organizations are signatories to this agreement. To minimize the need for additional diversions from the headwaters, Denver Water agreed "to develop, for use within the Service Area . . . an additional 10,000 acre-feet on an average annual basis through reuse, including use of reusable sources of water for augmentation, and/or conservation measures."<sup>1</sup> Denver Water also agreed that any expansions of its service area "will maximize using best efforts the reuse or successive use of reusable water available to them."<sup>2</sup>

Further, these proposed changes are in line with goals of Colorado's Water Plan (CWP) to increase reuse to address water supply and demand gaps. During the formulation of the CWP, QQ worked with local government signatories to develop a set of West Slope Principles for the CWP that supported the inclusion of increased reclaimed water use as an element of the CWP.<sup>3</sup>

The revisions to Regulation 84 proposed by Denver Water in its rebuttal (see DenverWaterEx31-84\_DW Revised Rebuttal Proposal) help advance the requirements and goals for water re-use established in the CRCA and CWP. For these reasons, QQ supports Denver Water's proposed changes to Regulation 84. We applaud the on-going work between Denver Water and the Water Quality Control Division to resolve outstanding issues regarding the proposed changes to Regulation 84 and appreciate the opportunity to comment on this rulemaking hearing.

Respectfully,

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Torie Jarvis, #46848 NWCCOG Water Quality/ Quantity Committee PO Box 2308 Silverthorne, CO 80498 970.596.5039 qqwater@nwccog.org

<sup>1</sup> CRCA, Article II, Section C at 10, available at <u>https://www.coloradoriverdistrict.org/wp-</u> content/uploads/2018/06/colorado-river-cooperative-agreement-4 05 2012-addendum-bookmarked-1.pdf.

<sup>2</sup>*Id.* at Art. I, Section B.2.e.iii. at 3; *see also*, Section B.1.d. at 2 and Section B.4.c. at 6.

<sup>3</sup> The West Slope Principles for the Colorado Water Plan, signed by 30 local governments on the West Slope, include the following relevant principles:

- 3.1 Transmountain diversion water should be re-used to extinction to the extent allowed by law, before any proposed new supply development focuses on further west slope water supply.
- 3.3 Front Range infrastructure and water should be shared to meet future demands (e.g. WISE). Laws and regulations that improve such sharing should be considered.
- 3.4 New Front Range in-basin projects should be pursued to fully utilize in-basin supplies (e.g. Chatfield Reallocation, SDS, Arkansas Conduit, indirect and direct re-use, gravel pit storage projects), including maintaining and enhancing existing storage facilities.

The West Slope Principles are available at http://nwccog.org/wp-content/uploads/2015/04/Principles-100614.pdf.

# Memo:

# To: Jon Stavney From Lane Wyatt Regarding: Background on Climax's proposed changes to water quality standards Date: May 2, 2018

Climax has proposed changes in stream standards for molybdenum to the Colorado Water Quality Control Commission (WQCC). Specifically, Climax has proposed to change the statewide standard for protection of streams designated for water supply and agricultural use from 210 ug/L to 9,000 ug/L and 300 ug/L to 1,000ug/L, respectively. Initially this proposal was made for a WQCC Rulemaking scheduled for December 2017, however Climax withdrew from that hearing and the matter has been rescheduled for November 2019.

There are only a few stream segments in Colorado with water quality standards for molybdenum, including Ten Mile Creek (designated for water supply use) and the Williams Fork (designated for agricultural use).

Climax contracted to have toxicology studies done to develop their proposal through the International Molybdenum Association and Colorado State University and those studies form the basis of their proposal. EPA has no guidance or criteria for protection of water supply and agriculture from molybdenum.

There is general agreement among parties involved that the scientific basis for the current standards is not particularly sound. Climax has repeatedly indicated that their purpose in undertaking these toxicology studies is to improve the science and have more defensible standards. Climax has been very transparent and open throughout this process providing any information parties have requested and sponsoring several outreach efforts to answer questions.

Climax cannot meet the current water supply standard on Ten Mile Creek on a regular basis. They have indicated that a new treatment facility to remove molybdenum to achieve those standards may cost in the range of \$20Million due to the volume of water treated. They do not discharge into the Williams Fork, although when Henderson mill closes down it is possible this may change.

# Local Response

Local stakeholders recognized we did not have the expertise to evaluate Climax's toxicology studies and its use to define new water quality standards. To better evaluate the potential risks associated with the Climax proposal to change the molybdenum standards, the Stakeholders engaged experts to provide them with an independent assessment. Those two experts are Dr. Joseph Cotruvo on the water supply side and Dr. Jenifer Heath on the agriculture side. The stakeholders have split the cost of the toxicologists' assessment of the Climax studies equally.

The stakeholders are: Town of Frisco, Copper Mountain Consolidated Metropolitan District, Copper Mountain Resort, Grand County, Denver Water, Clinton Ditch and Reservoir Company, Eagle River Water and Sanitation District, Upper Eagle Regional Water Authority, Eagle Park Reservoir Company, Northwest Colorado Council of Governments, and Summit Water Quality Committee.

Based upon the analyses by the stakeholders' experts, the stakeholders were prepared to ask that the Commission decline to adopt Climax's proposed changes to the statewide molybdenum standards and deny Climax's proposed changes to molybdenum standards for Williams Fork and Ten Mile Creek. Stakeholders concluded that Climax's proposed standards include unacceptable levels of uncertainty and risk. In general the stakeholder sense was that Climax's science was very good, but there was disagreement with Climax on the level of safety factors and assumptions that should be used to translate the study results to form the basis of statewide water quality standards.

Jon, I can provide you with a much more detailed description of the stakeholder's findings if you would like.

# **Current Situation**

Ten Mile Creek has a" temporary modification" on the current molybdenum standard that allows for current water quality to be maintained with no risk to Climax's discharge permit while this issue is resolved. As part of agreeing to continue this situation the WQCC requested several items from Climax prior to hearing this matter again in November 2019. Those additional items include

Publication through peer review of the International Molybdenum Association study, results from an ongoing publication of the ATSDR revised Toxicological Profile for Molybdenum, continued water quality monitoring of effluent and Tenmile Creek, source identification, potential additional monitoring, and updates to stakeholders.

Furthermore, in order to resolve the uncertainty as to whether attainment of the existing standard for Ten Mile Creek is feasible, Climax will conduct investigations for molybdenum including identification of sources, influent control measures, potential treatment alternatives and treatment optimization, and available blending. Climax shall identify treatment options, source control and water management alternatives, the expected effluent quantity and quality that could be achieved with each alternative, and an estimated cost for each alternative.

Climax is currently undertaking these measures and also monitoring drinking water at various locations in Summit County to assess molybdenum concentrations in those sources. In addition Climax has just initiated a new CSU study taking place both in Ft Collins and the Williams Fork to evaluate the impacts of molybdenum on foraging range cattle and offspring, not just feedlot cattle given molybdenum in their drinking water as was done in their previous study. Much of this work is done in response to comments from stakeholders, WQCD, and EPA in their

assessment of previous studies. Dr. Heath has been contracted again to evaluate the scope of work for this study, so NWCCOG will act as the fiscal entity on the billing and reimbursement of her work.



# NOTICE OF PUBLIC RULEMAKING HEARING BEFORE THE COLORADO WATER QUALITY CONTROL COMMISSION

# SUBJECT:

For consideration of the adoption of new temporary modifications and revisions to current temporary modifications of water quality standards expiring on or before December 31, 2020, and new site specific standards that allow for the deletion of current temporary modifications expiring on or before December 31, 2020, for multiple segments in the Classifications and Numeric Standards for:

- Arakansas River Basin, Regulation #32 (5 CCR 1002-32);
- Upper Colorado River Basin and North Platte River, Regulation #33 (5 CCR 1002-33);
- San Juan River and Dolores River Basins, Regulation #34 (5 CCR 1002-34);
- Gunnison and Lower Dolores River Basins, Regulation #35 (5CCR 1002-35);
- Rio Grande Basin, Regulation #36 (5 CCR 1002-36);
- Lower Colorado River Basin, Regulation #37 (5 CCR 1002-37); and
- South Platte River Basin, Laramie River Basin, Republican River Basin, Smoky Hill River Basin, Regulation #38 (5 CCR 1002-38).

Proposed revisions and proposed Statements of Basis, Specific Statutory Authority and Purpose have been submitted by the following:

- Exhibit 1 Regulation #32, Water Quality Control Division (division);
- Exhibit 2 Regulation #33, division;
- Exhibit 3 Regulation #34, division;
- Exhibit 4 Regulation #35, division;
- Exhibit 5 Regulation #36, division;
- Exhibit 6 Regulation #37, division;
- Exhibit 7 Regulation #38, division;
- Exhibit 8 Regulation #38, Plum Creek; and
- Exhibit 9 Regulation #38, Black Hawk.

In these attachments, proposed new language is shown with <u>double-underlining</u> and proposed deletions are shown with <del>strikeouts</del>. Any alternative proposals related to proposed new temporary modifications or current temporary modifications identified in Exhibits 1 through 9, with expiration dates on or before December 31, 2020, will also be considered.

SCHEDOLE OF IMPORTANT	DATES	
Proponent's prehearing statement due	09/19/2018 5 pm	Additional information below.
Party status requests due	10/03/2018 5 pm	Additional information below.
Responsive prehearing	10/17/2018	Additional information below.

# SCHEDULE OF IMPORTANT DATES

statements due	5 pm	
Rebuttal statements due	11/19/2018 5 pm	Additional information below.
Last date for submittal of motions	11/26/2018 5 pm	Additional information below.
Notify commission office if participating in prehearing conference by phone	11/26/2018 by noon	Send email to <u>cdphe.wqcc@state.co.us</u> with participant(s) name(s)
<b>Prehearing Conference</b> (mandatory for parties)	11/27/2018 3:00 pm	Florence Sabin Conference Room Department of Public Health and Environment 4300 Cherry Creek Drive South Denver, CO 80246 Call-in: 1-857-216-6700, Code: 425132
Rulemaking Hearing	12/10/2018 10:00 am	Florence Sabin Conference Room Department of Public Health and Environment 4300 Cherry Creek Drive South Denver, CO 80246

#### HEARING SUBMITTALS:

For this hearing, the commission will receive all submittals electronically. Submittals must be provided as PDF documents, except for raw data exhibits which may be provided as Excel workbooks. Sumbittals may be emailed to <u>cdphe.wqcc@state.co.us</u>, provided via an FTP site, CD or flash drive, or otherwise conveyed to the commission office so as to be received no later than the specified date.

# PARTY STATUS:

Party status requests must be in writing and must provide:

- the organization's name,
- one contact person,
- a mailing address,
- a phone number, and
- email addresses of all individuals associated with the party who wish to be notified when new submittals are available on the commission's website for review.

In accordance with section 25-8-104(2)(d), C.R.S., any person who believes that the actions proposed in this notice have the potential to cause material injury to his or her water rights is requested to so indicate, along with an explanation of the alleged harm, in their party status request.

#### PREHEARING AND REBUTTAL STATEMENTS:

Each party must submit a prehearing statement: parties that have proposed revisions attached as exhibits to the notice must submit a proponent's prehearing statement. All other parties must submit a responsive prehearing statement. Proponents may also submit responsive prehearing statements when there are multiple proposals attached to the notice.

Each prehearing and rebuttal statement must be provided as a separate PDF document from any accompanying written testimony or exhibits.

Following the rebuttal statement due date, no other written materials will be accepted from parties except for good cause shown.

Oral testimony at the hearing should primarily summarize written material previously submitted. The hearing will emphasize commission questioning of parties and other interested persons about their written prehearing submittals. Introduction of written material at the hearing by those with party status will not be permitted unless authorized by the commission.

#### **PREHEARING CONFERENCE:**

Attendance at the prehearing conference is mandatory for all persons requesting party status. Parties needing to participate by telephone are encouraged to notify the commission office prior to the prehearing conference. Remote participants can call 1-857-216-6700 and enter the conference code 425132.

Following the cut-off date for motions, no motions will be accepted, except for good cause shown.

#### PUBLIC PARTICIPATION ENCOURAGED:

The commission encourages input from non-parties, either orally at the hearing or in writing prior to the hearing. Written submissions should be emailed to <u>cdphe.wqcc@state.co.us</u> by November 28, 2018.

#### SPECIFIC STATUTORY AUTHORITY:

The provisions of sections 25-8-202(1)(a), (b), and (2); 25-8-203; 25-8-204; and 25-8-402, C.R.S., provide the specific statutory authority for consideration of the regulatory amendments proposed by this notice. Should the commission adopt the regulatory language as proposed in this notice or alternative amendments, it will also adopt, in compliance with section 24-4-103(4) C.R.S., an appropriate Statement of Basis, Specific Statutory Authority, and Purpose.

Dated this 6<sup>th</sup> day of August, 2018 at Denver, Colorado.

WATER QUALITY CONTROL COMMISSION

An Angellett

Trisha Oeth, Administrator

# EXHIBIT 2 WATER QUALITY CONTROL DIVISION

#### DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT

Water Quality Control Commission

#### REGULATION NO. 33 - CLASSIFICATIONS AND NUMERIC STANDARDS FOR UPPER COLORADO RIVER BASIN AND NORTH PLATTE RIVER (PLANNING REGION 12)

5 CCR 1002-33

. . . .

#### 33.61 STATEMENT OF BASIS, SPECIFIC STATUTORY AUTHORITY AND PURPOSE; DECEMBER 10, 2018 RULEMAKING; FINAL ACTION JANUARY 14, 2019 EFFECTIVE DATE JUNE 30, 2019

The provisions of C.R.S. 25-8-202(1)(a), (b) and (2); 25-8-203; 25-8-204; and 25-8-402; provide the specific statutory authority for adoption of these regulatory amendments. The Commission also adopted in compliance with 24-4-103(4) C.R.S. the following statement of basis and purpose.

#### **BASIS AND PURPOSE**

Pursuant to the requirements in the Basic Standards (at 31.7(3)), the commission reviewed the status of temporary modifications scheduled to expire before December 31, 2020 to determine whether the temporary modification should be modified, eliminated, or extended.

For the temporary modifications set to expire after the effective date of this hearing, the commission reviewed progress toward resolving the uncertainty in the underlying standard and/or the extent to which conditions are a result of natural or anthropogenic conditions, and evaluated whether the temporary modifications were still necessary. The commission took no action on the following temporary modifications:

Blue River Segment 14: temporary modification of the chronic molybdenum standard (expires 6/30/2020). Climax Molybdenum Company continues to make progress to resolve the uncertainty. The commission made no change to the expiration date, as the original time allotment was deemed adequate to resolve the uncertainty.

# COLORADO DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT

# WATER QUALITY CONTROL COMMISSION

# 5 CCR 1002-33

# REGULATION NO. 33 CLASSIFICATIONS AND NUMERIC STANDARDS FOR <u>UPPER COLORADO RIVER BASIN AND</u> NORTH PLATTE RIVER (PLANNING REGION 12)

APPENDIX 33-1 Stream Classifications and Water Quality Standards Tables

Effective 06/30/20182019

# REGULATION #33 STREAM CLASSIFICATIONS and WATER QUALITY STANDARDS Blue River Basin

COUCBL14	Classifications	Physical and	Biological		Metals (ug/L)		
Designation	Agriculture		DM	MWAT		acute	chronic
Reviewable	Aq Life Cold 1	Temperature °C	CS-I	CS-I	Aluminum		
	Recreation E		acute	chronic	Arsenic	340	
	Water Supply	D.O. (mg/L)		6.0	Arsenic(T)		0.02
Qualifiers:		D.O. (spawning)		7.0	Beryllium		
Other:		pН	6.5 - 9.0		Cadmium	TVS(tr)	TVS
Temporarv M	odification(s):	chlorophyll a (mg/m2)		150*	Chromium III		TVS
Arsenic(chron	( )	E. Coli (per 100 mL)		126	Chromium III(T)	50	
Expiration Dat	e of 12/31/2021				Chromium VI	TVS	TVS
Molybdenum( conditions	chronic) = current	Inorgani	ic (mg/L)		Copper	TVS	TVS
	e of 6/30/2020		acute	chronic	Iron		WS
*chlorophyll a (mg/m2)(chronic) = applies only above the facilities listed at 33.5(4). *Phosphorus(chronic) = applies only above the facilities listed at 33.5(4).	Ammonia	TVS	TVS	Iron(T)		1000	
	Boron		0.75	Lead	TVS	TVS	
	Chloride		250	Manganese	TVS	TVS/WS	
	Chlorine	0.019	0.011	Mercury		0.01(t)	
	Cyanide	0.005		Molybdenum(T)		210	
	Nitrate	10		Nickel	TVS	TVS	
	Nitrite		0.05	Selenium	TVS	TVS	
	Phosphorus		0.11*	Silver	TVS	TVS(tr)	
	Sulfate		WS	Uranium			
	Sulfide		0.002	Zinc	TVS	TVS/TVS(sc)	

NOTE: For the August 30<sup>th</sup> meeting, the below guidelines are for a discussion item only. We recommend discussing the recommendations laid out in this document, allowing members time to comment on this after the meeting, and finalizing the document a month or so after our Aug. QQ Meeting.

# Process and guidelines for selection of QQ Leadership

This document outlines the process and timeline for new QQ leadership selection or the confirmation of existing leadership, describes the duties of QQ leadership, and desirable qualities for those serving in each position. This document is intended to compliment the QQ Bylaws, as revised most recently in 2011, which state in relevant part:

# <u>OFFICERS</u>

The membership shall elect a Chair and Vice Chair to oversee meetings and serve as day to day contact for consultants as necessary.

# **DECISION MAKING**

QQ encourages decision making by consensus. If a vote is deemed appropriate, a majority vote is required to pass any measure. No vote shall be taken unless a quorum is present. A quorum shall consist of seven members.

# Selection and Affirmation of QQ Leadership

- QQ will affirm current QQ leadership during its fall budget and contracting meeting on even numbered years. If QQ leadership has been selected within the same calendar year, QQ may skip this affirmation process .
- The selection of new leadership can occur at any regularly scheduled QQ meeting, given sufficent time for nominations, as outlined below.
- QQ leaders do not have term limits.

# Process for Nomination

- To apply, email current leadership or contract staff ahead of time.
- Nominations can be submitted by other QQ board members, interested member, or a nomination from the floor.
- QQ leadership will vet the willingness and time availability to serve in leadership.
- Once vetted, nominations will be distributed to members in advance of board meeting to review candidates.
- If a vote is necessary, the QQ board will vote according to its bylaws: QQ encourages decision making by consensus. If a vote is deemed appropriate, a majority vote is required to pass any

measure. No vote shall be taken unless a quorum is present. A quorum shall consist of seven members.

#### Leadership Positions & Duties

Chair. Duties include:

- Communicate with and advise QQ contract team
- Support development of agenda for QQ quarterly meetings
- Facilitate meetings and gain consensus
- Represent the QQ leadership through meetings, testimony before General Assembly and various boards and commissions (e.g., COGCC, CWCB, WQCC)
- Edit and sign formal QQ letters

# Vice-Chair. Duties include:

- Communicate with and advise QQ contract team
- Support development of agenda for QQ quarterly meetings
- Facilitate meetings in Chair's absence or at times when Chair is is acting in member advocacy position.
- When Chair is unavailable, edit and sign formal QQ letters

# Secretary. Duties include:

- Communicate with and advise QQ contract team
- Support development of agenda for QQ quarterly meetings
- Serve as back-up faciltator in Vice- and Chair's absence or at times when Vice- or Chair is is acting in member advocacy position
- When Chair is unable, represent the QQ leadership through meetings, testimony before General Assembly and various boards and commissions (e.g., COGCC, CWCB, WQCC)

# **Desirable qualities**

#### For all leadership positions:

- Has the time and staff support necessary to serve in leadership position with QQ
- Can represent the broader regional interest of QQ
- Has long term perspective and deep knowledge of headwaters region
- Understands QQ history
- Listener and problem solver
- Solid base of knowledge of water
- Three positions represent three different governmental entities

#### Chair

• County Commissioner

#### Vice-Chair

• Representative from member organization (staff or elected official)

#### Secretary

• County Commissioner

# **BYLAWS**

OF

# THE NORTHWEST COLORADO COUNCIL OF GOVERNMENTS WATER QUALITY/QUANTITY COMMITTEE

Date: June 29, 2011

The purpose of these bylaws is to formalize the internal affairs of Northwest Colorado Council of Governments Water Quality/Quantity Committee and provide definition and consistency to its structure and operation.

# ORGANIZATION

The Northwest Colorado Council of Governments Water Quality/Quantity Committee ("QQ") is a group of local governments in the headwaters of the Colorado River Basin dedicated to protecting the region's water quality and quantity. The group funds and oversees litigation and advocacy support, monitoring of legislative activities, policy formulation and analysis, and provides technical assistance to members. QQ directs a team of consultants to carry out these activities. The consultants are guided by policies adopted by QQ members. QQ also maintains and oversees a legal defense fund.

QQ was first established by a subset of Northwest Colorado Council of Governments ("NWCCOG") members in 1978 as a way to coordinate and fund legal and technical activities among headwater local governments related to transmountain diversions. Since that time, its membership has expanded to include counties and municipalities outside the NWCCOG region, as well as water and wastewater providers. QQ is governed by its members, these bylaws and its policies.

# **MEMBERSHIP**

QQ members may include counties, municipalities, and special districts within the headwaters of the Colorado River Basin, and any other entities as approved by the membership. The QQ members may also allow non-voting associate members to join.

# **FINANCIAL ADMINISTRATION**

QQ funds and expenditures shall be administered by the membership in accordance with an annual budget. Revenues shall consist of annually-levied dues from members, grants, and other sources identified and approved by QQ. QQ funds shall be maintained in any type of account as determined by the members.

#### MEETINGS

QQ shall meet quarterly or as needed. Notice of the date time and place of any meeting shall be given to all members at least one week before the meeting is convened. All meetings shall be open to the public. The members may vote to go into executive session to receive legal advice and for other matters allowed by law. Meetings may be attended by the elected officials and staff of QQ members.

#### **OFFICERS**

The membership shall elect a Chair and Vice Chair to oversee meetings and serve as day to day contact for consultants as necessary.

#### **DECISION MAKING**

QQ encourages decision making by consensus. If a vote is deemed appropriate, a majority vote is required to pass any measure. No vote shall be taken unless a quorum is present. A quorum shall consist of seven members.

#### AMENDING THE BYLAWS

A two-thirds vote of those members present at meeting is required to amend the bylaws.

# LEGAL DEFENSE FUND

QQ shall maintain a legal defense fund. The purpose of the legal fund is to fund unanticipated professional services such as legal counsel, engineering consultation, or other experts to conduct work that goes beyond the annually-approved scope of services and budget. Challenges to land use authority, transmountain diversion proposals, state rulemaking proceedings, and other unanticipated legal actions may create the need for these increased professional services.

Expenditures from the legal defense fund shall be approved by the QQ members.

#### **POLICIES**

QQ may adopt various policy statements on matters of concern to guide the consultants' work and to provide a unified focus for its members. The existing policy statements are attached and incorporated as Exhibit A. QQ will periodically review its policies and make changes as needed.

# Exhibit A

# **QQ** POLICIES

#### I. PROTECT AND IMPLEMENT LOCAL GOVERNMENT AUTHORITY TO PROTECT WATER RESOURCES

- A. Defend against attacks on 1041 and other local government regulatory authority.
- B. Strengthen and implement water quality provisions of municipal and county land use codes.
- C. Support legislation or policies designed to minimize impacts of transmountain diversions.

#### II. BUILDING COALITIONS AND EDUCATION

- A. Advocate the headwater communities' water quality and quantity interests throughout the State. Identify and work with other groups statewide that share QQ's concerns.
  Develop educational tools for varied audiences.
- B. Coordinate with elected officials, private sector and other decision-makers on water quality issues. Develop working relationships with governmental entities, the private sector and others where appropriate.
- C. Foster cooperative regional management of water resources. Minimize redundant systems.
- D. Seek support of other local governments and organizations in efforts to protect headwaters interests.

# III. TRANSMOUNTAIN DIVERSION OVERSIGHT

- A. Transmountain diversion projects will not be supported by QQ unless all socioeconomic and environmental impacts are mitigated to the satisfaction of the affected governmental units.
- B. Existing water projects should be operated to minimize local impacts where possible.
- C. Transmountain diversion water should be re-used to extinction to the extent allowed by law.
- D. Cooperate to determine water quality and quantity impacts caused by new or expanded transmountain diversion; identify measures and conditions that would help mitigate those impacts; and assist the local government with 1041 permitting of water projects.

- E. Implement intergovernmental agreements among member jurisdictions to extend regulatory oversight beyond individual jurisdictional boundaries so that the impacts of water diversion projects can be fully addressed.
- F. Educate Front Range elected officials on transmountain diversion impacts in the headwaters communities.

#### IV. WATER QUALITY

- A. Water development activities should not have an adverse effect on the quality of water resources.
- B. Local wastewater facilities should be protected from increased operational costs caused by hydrologic modifications and transmountain diversions.
- C. Regional water quality interests should be protected during rulemaking hearings before the Water Quality Control Commission and the Colorado Water Conservation Board that affect the upper Colorado River Basin.
- D. Defend and update the regional Water Quality Management Plan (208 Plan).
- E. Coordinate local governments' efforts to adopt Water Quality Protection Standards and other measures to protect local water quality.

# V. STATEWIDE WATER POLICY

- A. West Slope consumptive and non-consumptive needs should be integral to state-wide water policy.
- B. Oppose water policies that protect east slope interests at the expense of headwater water quality and quantity.
- C. Water conservation and efficiency measures in Colorado should be increased.
- D. Instream flow programs should be protected.
- E. Programs that allow agricultural users to transfer water to municipal uses on a temporary basis should be implemented.