

I. Project Title: Steamboat Lake Water Lease

II. Principal Investigator:

George Smith

P.O. Box 25486, Denver, CO 80225-0486

E-mail: george\_smith@fws.gov

Phone: (303) 236-5322, ext. 235

Fax: (303) 236-4224

III. Project Summary:

In 1992, the Recovery Program identified a need to secure storage water in the Yampa River Basin for late summer flow augmentation. Colorado Division of Parks (Parks) secured a change of the water right decree for Steamboat Lake in 1997, which recognized the use of water for instream flows. With the change decree in place, the last obstacle to leasing water from Steamboat Lake was surmounted, and a lease was executed on April 17, 1997, between Parks, Colorado Water Conservation Board, and the U. S. Fish and Wildlife Service (Service). A lease price of \$16.00 per acre-foot for 2,000 acre-feet of water was negotiated for the 5-year term of the lease. When the original lease expired in 2000 Parks notified the Recovery Program that they were willing to negotiate a 10-year lease but the cost would be increased to \$32 per acre-foot of water. Negotiation began in 2000 but when no agreement had been reached by late summer of 2001 Colorado Department of Natural Resources and the Recovery Program extended the original agreement 1 year with a simple letter agreement. Unfortunately 2002 turned out to be an extremely dry year and with no base flows for the Steamboat Lake water to ride on, there was considerable doubt that any of the Steamboat Lake water would get to Critical Habitat so no releases were request or contracted from Steamboat Lake in 2002.

IV. Study Schedule: Initial year - 1997, Final year - 2013.

V. Relationship to RIPRAP: Yampa River Action Plan I.B.2.a.(1)(b)  
Lease 3,300 acre-feet to augment later summer flows.

VI. Accomplishments of FY 2002 Tasks and Deliverables, Discussion of Initial Findings and Shortcomings:

Water year 2002 was one of the lowest years of record on the Yampa River and throughout the entire State of Colorado. Because the flows in the Yampa were so low by the end of July, the Recovery Program staff began to think that the purchase of Steamboat Lake water would

be a waste of water and Recovery Program funds. The low flow situation in the Yampa was discussed at the July 24 Biology Committee meeting and the committee agreed that the late summer flows in the Yampa should be monitored closely and the Program Directors' office made a call on the efficacy of providing flow augmentation from Steamboat Lake. By mid-August flows in the Yampa River at Deerlodge Park had dropped significantly to a point where the gage was hardly able to measure any flow. At this point the Recovery Program staff made a determination that nothing would help restore flows and a decision was made not to lease water out of Steamboat Lake in 2002.

VII. Recommendations:

The Service/Recovery Program should continue lease discussions with Parks to a point where a decision is made as to the various components of what the Yampa River Management Plan. Lease discussions should be terminated if determined that the water from Steamboat Lake is not needed. Until these discussions are completed, any further discussions of a long-term lease beyond the current draft should be put on hold.

VIII. Project Status:

The negotiations with Parks continue a draft lease has been circulated and several areas of concern have not been resolved with Parks. A formal review of the lease by the Solicitors Office has not been determined necessary or request at this time. If a lease is found to be needed, the process including solicitor review should be completed by July of 2003.

IX. FY 2002 Budget Status:

A. Funds Provided:	\$64,000
B. Funds Expended:	<u>\$ 0</u>
C. Difference:	\$64,000

X. Status of Data Submission: Not applicable

XI. Signed: George Smith December 10, 2002  
Principal Investigator Date