

NORTHERN COLORADO WATER CONSERVANCY DISTRICT

RESOLUTION

D-1154-02-09

**POLICY REGARDING TRANSFER OF COLORADO-BIG THOMPSON PROJECT
WATER ALLOTMENT CONTRACTS TO SPECIAL DISTRICTS FOR MUNICIPAL
WATER SUPPLY PURPOSES**

WHEREAS, the Colorado-Big Thompson (C-BT) Project was constructed and is operated to provide a supplemental water supply to water users within the boundaries of the Northern Colorado Water Conservancy District (Northern Water); and

WHEREAS, allotment contracts for C-BT Project water are only issued to persons or entities that have a reasonably immediate and documented beneficial use for the water; and

WHEREAS, the continuing residential and industrial development of lands within the boundaries of Northern Water has resulted in an increasing number of applications to transfer C-BT Project water allotment contracts to special districts to serve lands that have not yet been physically developed, but for which development is planned and has been approved by the land use regulatory entities which have control and authority over such development; and

WHEREAS, in order to ensure that C-BT Project water is only allocated for legitimate, planned, and documented beneficial uses, and to address the planning needs of special districts, it is necessary and desirable that the Northern Water Board of Directors adopt this policy stating the criteria that will be used to evaluate applications to transfer C-BT Project water allotment contracts to special districts to serve lands that are not yet physically developed, but for which development is planned and approved.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE NORTHERN COLORADO WATER CONSERVANCY DISTRICT, as follows:

1. The Board of Directors will only consider applications to transfer C-BT Project water allotment contracts to special districts, as defined in C.R.S. § 32-1-103(20), to serve lands that are not yet physically developed, but for which development is planned, and approved if the following criteria are met:

a. The land use regulatory entities which have jurisdiction, control, and authority over the lands to be served have approved the zoning, subdivision, and platting for the proposed development.

b. If the lands to be served are intended to be included in a municipality, those lands have already been annexed into the municipality and zoned, subdivided and platted pursuant to the municipality's land use regulations for the proposed development uses.

c. Northern Water has been provided with a projection of type(s) and quantities of water uses for the lands to be served. Water use projections must be based upon historical use patterns for the same beneficial uses either on the lands to be served or in a similar development that is reasonable and acceptable in the sole opinion of Northern Water.

d. The lands to be served will be served by the special district either through facilities owned by the special district, or through facilities owned by others and used by the special district under contractual relationships. Those contractual relationships must clearly demonstrate, in the sole opinion of Northern Water, that the special district has a contractual commitment to serve the development either directly or through facilities owned by others,

e. The special district has issued a binding commitment to serve the lands to be developed that, in the sole opinion of Northern Water, justifies the special district's need for the transfer of C-BT Project water allotment contracts.

2. All other criteria, policies, rules and regulations of Northern Water regarding transfers of C-BT Project water allotment contracts shall also be applicable to transfers to special districts to serve lands that are not yet physically developed, but for which development is planned and approved.

3. The Board of Directors reserves its right to deny or condition any transfer of C-BT Project water allotment contracts, for other reasons, even if these criteria are met.

4. If a transfer of a C-BT Project water allotment contract is approved by the Board of Directors to a special district to serve lands that are not yet physically developed, but for which development is planned and approved, and the beneficial use of water on the lands does not occur as planned or the amount of C-BT Project water necessary to serve the development is materially lower than planned, Northern Water shall have the right to require the special district to dispose of any C-BT Project water allotment contract that are excess to the needs of the development.

CERTIFICATE

I, Eric W. Wilkinson, do hereby certify that the above is a true and correct copy of a Resolution unanimously adopted by the Board of Directors of Northern Colorado Water Conservancy District at a regular meeting of said Board held in Berthoud, Colorado, on February 13, 2009.

Secretary