



Water, Jobs and the Economy

Economic Impacts of the Northern Integrated Supply Project

Water and Economic Health

The availability of water and the economic health of a community are intrinsically, inextricably linked. Having an adequate water supply is critical to attracting and retaining jobs.

The Northern Integrated Supply Project (NISP) will provide 40,000 acre feet of reliable, high quality water to 15 municipalities and water districts in Northern Colorado (one acre foot of water serves about 2 ½ families of four for one year).

Because each water district serves multiple communities, NISP will actually serve businesses and residents water in close to 30 towns and cities located within four Northern Colorado counties, including:

Larimer County	Weld County	Morgan County	Boulder County
<ul style="list-style-type: none"> • Loveland • Fort Collins • Windsor • Timnath 	<ul style="list-style-type: none"> • Erie • Fort Lupton • Windsor • Frederick • Firestone • Eaton • Severance • Kersey • Evans • Gilcrest • Platteville • Milliken • Dacono 	<ul style="list-style-type: none"> • Wiggins • Weldona • Orchard • Goodrich • Fort Morgan • Brush • Hillrose • Snyder • Log Lane Village 	<ul style="list-style-type: none"> • Lafayette • Erie • Niwot

The Northern Colorado economy is interconnected through housing, jobs, shopping and education. The strength of the communities that will receive their water through NISP will impact the entire region. Availability of water will directly affect their ability to serve existing and future populations as well as to attract businesses to the area and retain jobs. Many large employers in Northern Colorado are located in the communities that will use NISP water to serve their local residents and businesses.

A number of these communities offer affordable housing for people who work in higher cost-of-living communities such as Fort Collins, Boulder and Greeley. Many residents commute to work in a business located

in a NISP community. Currently 18 percent of Fort Collins residents get their water from the Fort Collins-Loveland Water District, (FCLWD) a NISP participant, and in the future about one-quarter of Fort Collins residents would receive NISP water from FCLWD. By providing water to Fort Collins residents, NISP will help serve the needs of this regional economic hub.

The North Front Range Metropolitan Planning Organization reports that employment in the North Front Range area is expected to grow by 71.4 percent from 2005 to 2030, faster than either Denver or Colorado Springs, which would make the area the fastest growing region by employment and population along Colorado's Front Range.

Water for Business

The water NISP will provide agricultural businesses in the region, along with the “dry-up” it will slow down, will have a direct economic impact. NISP will support irrigated agriculture businesses in Weld, Larimer and Morgan counties. Weld County, for example, is Colorado’s leading producer of beef cattle, grain, sugar beets, and dairy products. Weld is among the top 10 agricultural producing counties in the country and the only one not located in California. The county’s agricultural products annually create over \$1 billion of market value.

Leprino Foods is building its second largest U.S. plant in Greeley, slated to add 500 jobs. Many of the ranchers who raise the some 80,000 additional cows required for the milk production to make cheese will benefit from NISP water to grow crops, feed cows and produce milk.

Without NISP, more than 60,000 acres of farmland could dry up because cities may have to buy agricultural water rights instead of using the water that will be available through NISP. The value of NISP to agricultural business has generated endorsements from every major farm organization in the region and their statewide affiliates, including: Colorado Farm Bureau, Colorado Corn Growers Association, Colorado Cattlemen’s Association, Colorado State Grange, Rocky Mountain Farmers Union, Colorado Livestock Association, Colorado Dairy Producers, Colorado Pork Producers Council, Colorado Egg Producers, Colorado Sugarbeet Growers Association, Rocky Mountain Agribusiness Association and Western Sugar Cooperative.

While the water rights secured by early visionaries support agricultural business, the availability of water today and tomorrow makes Northern Colorado a favorable competitive environment for non-ag business development. Over time, a diverse variety of employers has recognized the benefits of Northern Colorado, including several companies with national and international credentials: Halliburton, IBM, Anheuser-Busch, Exempla Good Samaritan Medical Center, JBS Swift & Company, Eastman Kodak, Owens-Illinois, Medical Center of the Rockies, and State Farm Insurance.

As a growing energy hub in the state, Northern Colorado is attracting both traditional and renewable energy firms. NISP participant community Windsor houses Vestas Blades A/S, which will employ close to 850 people at its Windsor plant and Louisville R&D facility.

Local economic development organizations recognize the importance of water and the economy. When companies are looking at potential sites, the availability of water is one of the key issues they research.

A number of local economic groups have endorsed NISP as well, including the chambers of commerce of Berthoud, Carbon Valley, Evans, Fort Lupton, Greeley, Lafayette, Longmont, Mead and Windsor and regional and statewide organizations, including Colorado Association of Commerce & Industry, Club 20, Progressive 15 and Upstate Colorado Economic Development.

The Larimer and Weld economic development plan, which has been submitted as a part of the State of Colorado’s plan, strongly supports water storage projects, including NISP, as important for jobs and the economy. Water storage was one of the top priorities for both counties.

Meeting the Water Shortage Gap

Two counties in which NISP communities reside – Larimer and Weld – increased in population by 119,000 residents (19 percent Larimer; 40 percent Weld) during the last decade and are slated to double in size by 2040. Much of the growth will occur from residents’ children and grandchildren who will choose to stay in the area to raise their own families.

The recently published Statewide Water Supply Initiative study conducted for the state’s leading water policy board estimates that there will be a water supply gap of between 190,000 and 630,000 acre feet statewide by 2050. The lower estimate requires a host of local projects, including NISP, to be built. Without NISP, the gap will be much higher. In the South Platte Basin alone, the demand “gap” is estimated to be between 36,000 and 170,000 acre feet by 2050.

In order to meet the needs of future residents and area employers, the availability of water and well planned water storage projects are essential for the region and the state’s economic well being.

Even with strong conservation programs, water storage projects such as NISP are necessary. All NISP participants have active conservation programs in place, but conservation alone is not enough to meet the future water supply gap.

Local Construction Jobs and Goods and Services Procurement

NISP is expected to cost \$490 million to construct and could take about four to eight years to complete. As one of the largest capital projects in the region, construction of NISP reservoirs and related infrastructure will create hundreds of construction jobs for local contractors and suppliers and pump millions of dollars into Northern Colorado's economy. Procurement of local goods and services will be needed to support NISP construction.

The project will employ trades and skills ranging from designers and engineers, excavation companies, pipe fitters, electricians, concrete providers, fabricators, landscape companies, equipment rental, etc. Given the state's high unemployment rates, the project could not come at a better time for many Northern Colorado businesses and residents.

The timing of project construction may allow NISP communities to take advantage of competitively priced goods and services due to the down economy.

Recreation

NISP will create two new reservoirs to store excess water. The Glade Reservoir site, located northwest of Fort Collins, would be slightly larger than nearby Horsetooth Reservoir. The new reservoir will provide a variety of recreational opportunities that may include boating, sailing, fishing, wildlife viewing, camping and hiking trails, etc. Galeton Reservoir would be northeast of Greeley and would be about one-quarter the size of Glade.

The Environmental Impact Statement for NISP indicated that there could be \$17 million annually in recreation impacts from NISP reservoirs. In a recent survey, 40 percent of Larimer and Weld counties' residents indicated they would use Glade Reservoir for recreation. The recreational amenities from the two new reservoirs will be a boost to local businesses that support boating, fishing and other water sports.

Planning Ahead

Business and industry need water to operate and provide jobs. We need adequate water to support current businesses and attract new jobs in the future. Communities that fail to plan ahead of water shortages experience serious economic and environmental consequences. NISP will provide water that is critical for the quality of life and economic health of a number of Northern Colorado communities.

For More Information:

Northern Integrated Supply Project (NISP)

Northern Water

220 Water Avenue

Berthoud, Colorado 80513

Phone: 1-800-369-RAIN (7246)

E-mail: bwerner@ncwcd.org

Website: www.gladereservoir.org