

**MOFFAT TUNNEL COLLECTION SYSTEM PROJECT  
MITIGATION AND ENHANCEMENT PLAN AGREEMENT  
February 27, 2014**

- Denver Water currently diverts water from the Fraser and Williams Fork basins through an extensive network of tunnels and pipes that funnel water to the Moffat Tunnel for delivery and use in the Front Range. Water funneled through the Moffat Tunnel is stored in Gross Reservoir. It is estimated that over 60 percent of the native flows of the Fraser River are currently diverted through the Moffat Tunnel on an annual average basis. The proposed Moffat Project would triple the size of Gross Reservoir, allowing Denver water to increase its diversions.
- The Fraser River Valley streams support valuable trout fisheries that attract thousands of anglers annually and help support the local economy. Trout Unlimited and the Fraser River Landowners have fought long and hard, for measures to ensure that, if built, the project will not further degrade these valuable fisheries. Of primary concern to Trout Unlimited and the Landowners has been the potential for the project to worsen already high stream temperatures and to exacerbate existing sediment problems by reducing available peak flows. Above all, Trout Unlimited and the Landowners are concerned that the models used cannot properly predict impacts in a stream system that is already so depleted. As a result, we have focused our efforts to secure a monitoring and adaptive management program capable of detecting and preventing unanticipated impacts. (See notes of October 2012 Meeting).
- Our efforts and those of Grand County are paying off. After years of refusing to negotiate mitigation of the Moffat Project, Denver Water has agreed to a package of measures that will not only prevent impacts from the proposed Moffat Project but will also pave the way to improve existing stream conditions.
- The measures, embodied in the Grand County Mitigation and Enhancement Coordination Plan (MECP), include both “mitigation” measures, specifically designed to prevent Moffat Project impacts identified in the US Army Corps of Engineers’ (Corps) final Environmental Impact Statement, and “enhancement” measures – measures that Denver Water has voluntarily committed to undertake to improve existing conditions. A list of these measures is provided below.
- At the heart of the MECP is Learning by Doing (LBD), a form of monitoring and adaptive management program to be implemented by a committee that includes Grand County, Trout Unlimited, Denver Water, and Colorado Parks and Wildlife. The LBD Committee would implement an extensive monitoring program to assess stream health based on specific

parameters including stream temperature, aquatic life, and riparian vegetation health. Water and financial resources committed by Denver Water (listed below) would be deployed to prevent declines and improve conditions where needed. Denver Water also commits to operate its extensive water diversions system so as to minimize impacts to the streams. LBD would also be the vehicle through which mitigation measures imposed by the Corps would be implemented.

- Given its importance, Denver Water will ask the Corps to include LBD in the 404 permit. If for any reason LBD ceases to function, Denver Water commits to implementing the mitigation and enhancement measures embodied in the MECP through an alternative mechanism approved by the Corps. **It should be noted that inclusion of this “fail-safe” permit condition is critical to the agreement. Without it, Trout Unlimited cannot support either the MECP or the Moffat Project.**
- Trout Unlimited and the Fraser Landowners have fought hard to protect the Fraser River basin. When included as a condition to the 404 permit, the MECP not only provides the tools needed to protect and even improve stream conditions, it puts us in a position to influence their future.

#### Mitigation Measures include:

- Measures to address stream temperature issues:
  - Monitor stream temperatures and bypass up to 250 AF of water annually if stream temperatures reach state standards
  - Bypass sufficient additional flows to reach defined minimum flows if stream temperature problem persists
  - Contribute \$1 million to LBD for projects if temperature problems persist
- Measures to address sediment issues:
  - Allow flushing flows as recommended in Grand County’s Stream Management Plan
  - Operate and maintain sediment pond that catches highway sand
  - Contribute \$1 million to LBD for projects if sediment problems persist
- \$750,000 for fish habitat restoration projects

#### Enhancement Measures include:

- Through LBD, implement an extensive monitoring program including stream temperature, sediment transport, benthic macroinvertebrates, and riparian areas and wetlands
- Use Denver Water’s system operation flexibility to address identified problems
- Provide in-kind contributions of people, equipment and material to benefit LBD
- \$3.75 million for aquatic habitat improvement projects (\$1.25 million available before the project is built)
- \$2 million for water quality projects (available before the project is built)

- \$1 million to pump water at Windy Gap to Granby for release for the benefit of the Colorado River below Granby and below Windy Gap Reservoir
- \$2 million for stream improvement projects in the Colorado River
- \$1 million for the Colorado River Wild and Scenic Stakeholder effort in the Colorado River
- 1000 AF of water each year released from Denver Water's Fraser collection system for the benefit of Fraser basin streams
- 1000AF of water each year released from Williams Fork reservoir (including up to 2,500AF of storage) for the benefit of the Colorado River below its confluence with Williams Fork

Denver Water commits to implement both mitigation and enhancement measures through LBD. If LBD ceases to function, Denver Water commits to implement these measures through an alternative process to be approved by the Corps. Denver Water has asked to include these commitments as a term and condition of its 404 permit.