

**Northern Colorado
Water Conservancy
District**

**BOOK I
OF
RULES AND REGULATIONS**

**SPECIFIC RULES AND REGULATIONS
Governing
DECLARATION OF WATER QUOTAS
And The
ORDERING AND DELIVERY OF WATER**

Adopted by Resolution
of
Board of Directors
December 14, 1956
including amendments
through
July 11, 1975

DISTRICT OFFICERS

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Gordon C. Dyekman, Vice President
Earl F. Phipps, Secretary-Manager
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DISTRICT OFFICE

1250 No. Wilson Avenue, Loveland, Colorado
(1 Mile West of Lake Loveland on Highway 34-1 Block South)
Address: P.O. Box 679, Loveland, Colorado 80537
Phone: Area Code 303/667-2437

OFFICE HOURS

Monday through Friday-7:30 a.m. to 12:00 Noon
and 1:00 p.m. to 4:30 p.m.

MAY 1 TO OCTOBER 31

Saturday and Sunday (For Water Delivery Orders Only)
7:30 a.m. to 12:00 Noon and 1:00 p.m. to 4:00 p.m.

In case of EMERGENCIES when the District Office is closed,
notice by telephone should be given to:-

R. R. Smith	Loveland	669-0632
K. L. Whitmore	Loveland	667-2507
B. L. House	Loveland	667-3167
E. F. Phipps	Ft. Collins	484-1870
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Preface

A completely new type of government agency was created when the Northern Colorado Water Conservancy District was formed in September 1937. Since it is the first District of its kind, the Directors and officers have a continual task of establishing new policies and procedures for accomplishing numerous functions legally required of conservancy districts. Thus, the District is the pioneer in a new field of operation.

Beginning in 1957, water allotment contracts between the District and water users became effective for the delivery of water and the assessment of payments. Many problems arising from the new type of operation have already been solved. No doubt there may be other new and unique problems remaining to be met.

Members of the Board of Directors, since District inception, have given careful and sincere consideration to the establishment of policies and procedures which will give adequate service with a minimum of "red tape" for the water users and with efficiency and economy on the part of the District.

Book I contains Rules and Regulations adopted by the Board of Directors of Northern Colorado Water Conservancy District for the purpose of establishing the necessary controls and procedures for delivery of water allotted, as provided by the Conservancy District Act, under Classes B, C, D, and corporate form contracts; and, further, providing certain procedures to be followed by allottees for the assurance of proper water delivery and assessment therefor, all in the interest of beneficial water use and financial stability of the District.

Book II of Rules and Regulations, available upon request to the District, relates to the procedures which govern water allotment contracts and the transfer, reallocation, release, or modification of such contracts.

In order to meet any requirements imposed by contracts with the United States, by the Conservancy District Act, or other applicable statutes, Rules and Regulations may be modified, amended, or added to, from time to time, as the Board of Directors may consider necessary or advisable.

DEFINITIONS

- (1) The **irrigation season** is defined as the period beginning April 1 and ending October 31.
- (2) An **"acre-foot unit"** of water is defined as being one-three-hundred-ten-thousandth (1/310,000) of the annual supply apportioned for distribution.
- (3) An **"acre foot"** is defined as 43,560 cubic feet, and any volume of water delivered by the District will be computed on the assumption that a flow of one cubic foot of water per second of time will equal two (2) acre-feet in twenty-four (24) hours.
- (4) **Unit 1** of the District consists of all lands within the District boundaries except those lands served by ditches having their headgates on Boulder Creek or its tributaries, on Dry Creek, or on the South Platte River above the mouth of St. Vrain Creek, all of which excepted lands are supplied with project water by releases through Boulder Reservoir on Dry Creek.
- (5) **Unit 2** of the District consists of all lands within the District served by ditches having their headgates on Boulder Creek, on Dry Creek, or on the South Platte River above the mouth of St. Vrain Creek, all of which lands are supplied with project water by releases through Boulder Reservoir on Dry Creek.
- (6) **Class B allotment contract** -- the right to use of water for supplemental supply allotted by appropriate contract to a municipality.
- (7) **Class C allotment contract** -- the right to use of water for supplemental irrigation purposes allotted by appropriate contract to an irrigation district.
- (8) **Class D allotment contract** -- the right to use of water for supplemental irrigation purposes allotted to individually described farm-land and the attachment to the described lands of a perpetual tax lien.
- (9) **Corporate form allotment contract** -- the right to use of water for supplemental supply allotted by appropriate contract to mutual irrigation companies, industries, or other corporations or entities.

RULES AND REGULATIONS

Book 1 — Section 1

DECLARATION OF QUOTAS

1. An acre-foot is defined in all allotment contracts as being one-three-hundred-ten-thousandth (1/310,000) of the quantity of water annually declared by the Board of Directors of the District to be available for delivery from the water supplies of the District. Each year the Board will determine the amount to be apportioned and will declare the same available in one or more quotas as follows:

Quotas

1st (Basic Quota)

2nd (Supplemental quota, if available and if required)

Additional quotas (if required by special conditions)

Declaration Date

On or before April 7

On such other dates as may be determined by the Board

2. Upon declaration of each quota, the District will inform contract allottees, either directly or through their Ditch Companies, of the quota of water deliverable under the allotment contracts.

Example — If the 1st or Basic Quota is 217,000 acre-feet, or 70% of 310,000, an allottee whose contract calls for 100 acre-feet will have a first quota of 70 acre-feet. If a Supplemental Quota is declared, the second quota is also computed as a percentage of 310,000 acre-feet.

3. Upon declaration of each quota, the District will forward lists, or revisions of lists, to all carrier ditches informing the ditch companies of the water quantity deliverable to each Class D allottee and the total water quota deliverable under that ditch system.
4. The Board of Directors shall not be obligated to certify for delivery by any ditch company the quota on any Class D allotment contract where the lands described in the contract have been divided in ownership and where the owners thereof have not joined in a Change Application to the Board of Directors for the reallocation or transfer of the originally allotted water supply.
Likewise, the Board shall not be obligated to certify, for water delivery, the quota of any contract allottee when
 - (1) Any contracted payment due the District is delinquent.
 - (2) Any required license or license renewal has not been executed.
 - (3) Any testing of meters or other measuring devices and the certification thereof has not been done in accord with contractual requirements.
5. Class B, Class C, and Corporate form contract allottees will be notified of their quotas immediately following the quota declarations made by the Board.

Book 1 — Section 2

ORDERING AND DELIVERY OF WATER

All water deliveries by the District will be governed by the requirements of the Colorado Water Conservancy District Act, the repayment contract between the District and the United States, and in conformance with all allotment contracts between the District and its water users. The Rules and Regulations which follow have resulted from trial and testing over the past operating period. They are designed to give the maximum possible flexibility in service to the water users at a reasonable operating cost to the District. Strict adherence to the Rules and Regulations will be necessary except in case of emergency.

- (1) Individual, or Class D, allottees are responsible for such arrangements as may be required for the carriage of allotted water by the ditch system which supplies their lands. Orders for delivery of water, as allotted by Class D contracts, must be made directly with the carrier ditch companies and in accordance with such companies' rules and regulations governing the ordering and delivery of water.
- (2) The annual quota declared available to each contract allottee, if ordered for delivery, will be delivered from the works of the District into the natural streams or specified project works.
- (3) Deliveries of water will be made upon demand between April 1 and November 1 of each year, subject to the availability of delivery capacity as determined by the District. The District will make every reasonable and diligent effort to deliver ordered quantities in accordance with requests. If, however, total amounts requested for delivery in any period exceed the capacities of the District's delivery facilities, the District will make such reasonable adjustments as may be necessary.
- (4) All portions of any annual quota which are not ordered for delivery prior to November 1 shall be cancelled and will remain in the project system as a part of the water supply to be declared available in the annual quota of the next succeeding year.
- (5) Ditch company orders for starting, modifying, or shutting off a run of water may be made by telephone to the office of the District — 667-2437. Such orders will be accepted by the District from only those ditch company representatives who have been authorized by the company, in writing, to place delivery orders.

No written confirmation of delivery orders will be required so long as no question arises as to the accuracy or validity of any order accepted by the District. The District reserves the right to require that orders be submitted or confirmed in writing should such verification be required.

- (6) Requests for commencement, modification, or shutdown of water runs which would require a change of flow at any project delivery point between the hours of 9:00 p.m. of one calendar day and 6:00 a.m. of the next calendar day will not be accepted unless emergency conditions exist which, in the judgment of the District and the concerned ditch company, justify appropriate action.

When an emergency occurs, the District will make the required adjustment in flow as soon as possible. It shall be the responsibility of the ditch company requesting the emergency change to notify the concerned Water Commissioner. Any loss of river water to any ditch company, occasioned by an emergency change, shall be the responsibility of the ditch company ordering the change.

- (7) Delivery requests by telephone or in writing may be made to the office of the District from 7:30 a.m. to 12:00 Noon and from 1:00 p.m. to 4:00 p.m. of any calendar day during the irrigation season.

(a) Cache la Poudre River

All deliveries to the Cache la Poudre River must be ordered to arrive at the river between the hours of 6:00 a.m. and 10:00 a.m. or between the hours of 5:00 p.m. and 9:00 p.m. Orders for commencing, modifying, or shutting off runs of water must reach the District office by 4:00 p.m. of any calendar day in order to be effective the next succeeding calendar day.

To preclude bank damage on Hansen Supply Canal which can result from reducing water levels at a rate of more than one vertical foot per hour, the District reserves the right to modify delivery orders upon due notice to the ditch companies whose orders will be affected.

The following special rule is applicable on the Cache la Poudre River from May 1 to July 15 each year:

To compensate for unusual river flow fluctuations which contribute to water losses or which require substantial adjustments in carrier ditch operations, the District will accept orders from the water commissioner, acting as authorized agent for the ditch companies, for changes which would be effective on shorter notice than specified above. Such orders will be accepted only when in the opinion of the District and the water commissioner the request is reasonable and justified by conditions.

(b) Big Thompson River

Due to the necessity of planning in advance the integrated operations of the project's power and water delivery system at Flatiron Power & Pumping Plant, delivery orders requiring changes in flow at the Big Thompson delivery point must reach the District office by 3:00 p.m. of any day in order to effect the change at 7:00 a.m. the following day.

Little Thompson River

All deliveries to the Little Thompson River must be ordered to arrive at the river at 9:00 a.m. Orders requiring changes in flow at the above delivery point must reach the District by 3:00 p.m. of one calendar day in order to effect the change at 9:00 a.m. of the next calendar day.

(c) St. Vrain River

All deliveries to the St. Vrain River must be ordered to arrive at the river at 10:00 a.m. Orders requiring changes in flow at the above delivery point must reach the District by 8:00 a.m. of one calendar day in order to effect the change at 10:00 a.m. of the next calendar day.

(d) Boulder Creek

All deliveries to Boulder Creek must be ordered to arrive at the creek at 4:00 p.m. Orders requiring changes in flow at the Boulder Creek delivery point must reach the District by 12:00 noon of one calendar day in order to effect the change at 4:00 p.m. of the next calendar day.

(e) South Platte River between Kersey and Balzac

Delivery orders to be effective at the Big Thompson River delivery point at 7:00 a.m. of any calendar day must reach the District at least 72 hours in advance and between 7:30 a.m. and 3:00 p.m.

- (8) Requests for deliveries from turnouts on project works shall be made by telephone direct to the District between the hours of 7:30 a.m. and 3:00 p.m. of any calendar day in order to effect the change on the following day.

The District will not be obligated to operate its canals for the sole purpose of making water deliveries to individual farm turnouts or pump installations; and those deliveries may, at times, be dependent upon the quantities of other water being carried in the canals.

- (9) Conditions under which unscheduled pumping from District canals can occur without adverse effect on other water deliveries vary from one project canal to another. Each pump user must abide by the operating procedures applicable for the canal from which he takes water. For specific information regarding pump operation, the applicable rules and procedures may be obtained by request to the District office.
- (10) Since the use of allotted water is not strictly limited to the lands of each allottee, transfers of water use during the course of the irrigation season may be made by rental of water from one allottee to another. Where such transfers involve a shift of water delivery from one ditch system to another, a Transfer Order (Form CD-4) showing the amount of water in acre-feet to be transferred and with the order signed by an authorized representative of the ditch system from which the water is being transferred, must be submitted to the District before the water is credited to the ditch system receiving the transfer.

The District will confirm all transfers in writing by forwarding Form CD-5 to the ditch companies concerned in any transfer of water.

The transfer of water, as herein authorized, shall be temporary and only for the season in which the transfer is made. It shall not initiate or give rise to any vested right, now or in the future, to a continuation of the same transfer and use of water for any other year.

In transferring water from Unit 1 to Unit 2 (See "Definitions"), credit to the account of the carrier ditch in Unit 2 will not be extended until payment in the amount of 50c per acre-foot unit of water so transferred has been made to the District by the transferee.

- (11) For the open-rate contracts, the District has established four basic classes of water service for which rates are annually set. Listed in order from the highest to lowest category of water rates which are applicable to open-rate contracts, the classes are:
1. Municipal and Domestic
 2. Industrial
 3. Multi-purpose (Industrial and Irrigation)
 4. Irrigation

It is not the intent of the District to limit seasonal, routine exchanges of water between carrier ditch systems whose aggregate water credit arises, in part, from the water credited to higher-rate users receiving deliveries through the carrier ditches. Further, however, the District does not intend to permit increased benefits by higher-rate users through transfer of lower-rate water to the higher uses without payment of the appropriate rate differentials. Therefore, charges will be imposed upon any higher-rate user after the close of each operating season if the quantity of water transferred during the season to the credit of such higher-rate user from lower-rate users exceeds the sum of: (1) the quantity of water transferred in the same season by such higher-rate user to the credit of lower-rate users; and, (2) the quantity of any water credit which is cancelled for non-delivery when the season closes on October 31.

The amount payable by higher-rate users for such seasonal water transfers will be computed upon audit of the water accounts of all higher-rate users after the close (October 31) of each water delivery season.

If an account reveals an excess of lower-rate credit transfers, made on a seasonal basis as hereinabove described, the charge to be imposed upon the higher-rate user will be computed as the product of that excess quantity in acre-foot units and the then current difference in assessment rates between the rates applicable to the transferors and the rate applicable to the higher-rate transferee.

If payments are due from any higher-rate user, the District will render a statement thereof after the close of the water delivery season of the calendar year in which the charges have accumulated. Payment of charges due shall be made to the District within 30 days of receipt of statement.

On a seasonal basis, water from District allotment contracts made for the higher-rate uses may be transferred to any lower rate use at the sole discretion of the transferor and without effect upon the higher-rate paid or payable to the District by said transferor.

- (12) All matters relating to the delivery of water shall be subject to the provisions of the Conservancy District Act, the repayment contract of July 5, 1938, and all Supplements thereto between the District and the United States and, further, subject to the provisions of all allotment contracts between the District and its allottees.
- (13) The District shall not be liable for non-deliveries, delays, or other actions occasioned by war, strikes, acts of violence, casualties of nature, failure of the United States to deliver water to the District, or by other causes beyond the reasonable control of the District.

Water Measurements and Equivalents

Measurement of water falls into two general classes -- VOLUME and RATE OF FLOW.

Common Volume Measurements

Acre-foot (A.F.) = 43,560 cubic feet = 325,872 gallons
Cubic foot (cu. ft.) = 7.48 gallons
Gallon (gal.) = .1337 cu. ft.
One million cubic feet = Approx. 23 A.F. (22.95)
One million gallons = 3.069 A.F.

Common Rate of Flow Measurements

Cubic feet per second (cfs) or second feet (sec. ft.)
Gallons per minute (gpm)
Miner's inches

Equivalents and Conversions

1 cfs for 24 hours = 2 A.F. (see Definitions)
1 cfs = 450 gallons per minute approx.
5 1 cfs = 38.4 miner's inches (in Colorado)

**NORTHERN COLORADO
WATER CONSERVANCY
DISTRICT**

**BOOK II
OF
RULES AND REGULATIONS**

GENERAL INFORMATION

Relating to:

**United States-District Relationship
District Allotment Contracts & Contract Types
Standard Provisions in All Contracts
Allotment Contracting Policy**

SPECIFIC RULES AND REGULATIONS

**Beneficial Uses
Supplemental Irrigation
Classes of Water Service
Restriction of Benefits to District Area
Withholding of Water Deliveries
Security for Payment of Assessments
Procedures for Changing Allotment Contracts**

**Procedures and Policies
for the
Implementation of Rules and Regulations
have been adopted by periodic actions
of
The Board of Directors**

**through
July 11, 1975**

DISTRICT OFFICERS

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NORTHERN COLORADO WATER CONSERVANCY DISTRICT

General Information relating to Water Allotment Contracts and Contracting Policy

BACKGROUND United States-Northern Colorado Water Conservancy District Relationship

The Colorado-Big Thompson Project was constructed by the United States Bureau of Reclamation in accordance with terms and provisions of a repayment contract, dated July 5, 1938, between the United States as the constructor and title owner and Northern Colorado Water Conservancy District as the repayment entity; the operator of certain project facilities; and distributor of the project water supply.

Project Water Supply

As title owner, the United States acquired the project water rights in a Federal District Court action in the nature of a quiet title suit, and the decrees were entered on October 12, 1955, and supplemented by a decree dated April 16, 1964.

As defined by the repayment contract, there exists a settlor-trustee relationship between the United States and the District. Although the United States is the owner of the project and its water rights, the District is granted, by contract, the perpetual right to use all water made available through construction and operation of the project for municipal, domestic, irrigation, and industrial purposes.

District Authority and Responsibility

Northern Colorado Water Conservancy District is a quasi-municipal corporation and a political subdivision of the State of Colorado. It was created by a decree of the District Court of Weld County, Colorado, on September 28, 1937, in accord with the provisions of Chapter 150-5, Colorado Revised Statutes, 1963, known as the "Water Conservancy Act of Colorado." The constitutionality of the Act was affirmed on May 2, 1938, by a decision of the Colorado Supreme Court in a quo warranto proceeding commonly known as the Letford Case.

The authority to allot, reallocate, transfer, and dispose of water by appropriate contracts is given in the statutes to the Board of Directors of the District. However, the Board is precluded, by law, from allotting water which gives rise to beneficial uses outside the boundaries of the District. Likewise, the statutes empower the Board to make and enforce all reasonable rules and regulations for the management, control, delivery, use, and distribution of water.

However, the Act, also imposes upon the Board certain specific responsibilities in reference to the form and manner in which water supplies may be contracted for use. Similarly, the right of the District to make perpetual use of project water supply is contingent upon fulfillment of numerous contractual obligations to the United States, including project repayments and the perpetual care, operation and maintenance of a large number of specifically defined project facilities.

District Water Allotment Contracts

As the trustee of water which is derived from rights belonging to the United States, the District retains the right to the use of project water by full compliance with all responsibilities and obligations arising by contract with the United States. Thus, the water allotment contracts of the District do not convey or provide to the ultimate users of water anything other than a contractual right for the use of the allotted water under specific terms and provisions which are recited in each allotment contract. In other words, the District cannot convey to its allottees any title to water rights or grant any greater right than the contractual right held by the District itself.

Types of Allotment Contracts

The Water Conservancy Act authorizes the District Board to enter into four basic types of contracts for the allotment and use of water supply.

1. Class B — (Municipal)

The statutes permit the making of contracts with municipalities and provide specific procedures which must be followed by both the District and a contracting city or town.

Annual assessments, determined by the quantity of water acquired by a municipality and the annual rate per acre-foot set by the District Board, may be derived from revenues legally available to the municipality or by a property tax levy sufficient for the purpose.

2. Class C — (Irrigation District)

Ordinary irrigation districts may contract for use of water supplied by a conservancy district under specific procedures which are set forth by the statutes and which are somewhat similar to the provisions covering municipalities.

3. Corporate Form Contracts

The District Board may contract for the use of water by persons, public or private corporations, mutual ditch companies, and water user associations for irrigation, domestic, or commercial uses. Such contracts may provide for use of water for a specified term or may grant a perpetual right of contractual use. In either case, the right to use of water is contingent upon the allottee's compliance with District rules and regulations and subject to the Water Conservancy Act and the United States-District repayment contract.

4. Class D (Allotments to land for irrigation use)

Contracts for allotment of water use may be made to specifically described lands in such amounts as will, together with the existing water supplies available to the described lands, make an adequate supply for irrigation purposes.

In other words, such allotment contracts provide the use of water for supplemental irrigation. While a landowner may apply for the quantity of water which he believes to be needed for supplemental supply, the final amount allotted for such use is dependent, as provided by statute, upon the judgment of the Board. In order to make that judgment, the Board utilizes a fixed procedure for examination of the described lands and determination of present water supply and other physical data pertinent to the application.

As security to the District, the statutes provide that a contract allottee must agree that annual contract payments and charges due the District become tax liens against the lands described in the allotment contract. Thus, the District's annual charges are special assessments against the land.

Standard Provisions in all Allotment Contracts

Irrespective of the type of contract under which the District has allotted the use of water, certain contractual terms and provisions are standard in all contracts.

1. The quantity of water allotted for use under any contract is shown, in acre-feet, in the Order of the Board of Directors which appears on the face of each contract application or petition. All contracts are made for quantities in whole acre-feet. As no fractions are permitted, there are no contracts for less than one acre-foot.
2. An acre-foot is defined in each and every contract as being 1/310,000 of the quantity of water annually declared by the Board of Directors to be available for delivery from the water supplies of the District.
3. The water delivery obligation of the District is defined in each contract as terminating at any delivery point from which water is released from the works of the District.
4. Every contract provides that the applicant for a water allotment contract agrees to be bound by the provisions of the Water Conservancy Act of Colorado; by the Rules and Regulations of the Board of Directors of the District; and by the repayment contract of July 5, 1938, between the District and the United States and all amendments thereof and supplements thereto.
5. Each contract provides the terms, manner, and rate of payment to be made annually per acre-foot of water allotted. However, payment provisions vary with the type of contract involved.
6. Every contract provides that security be given to secure the annual payments due under such contract.
7. The annual use of water is not restricted by contract to the lands, areas, or services defined in each allotment contract. Thus, allottees may seasonally rent and transfer water from one area of the District to another or from one class of service to another. The temporary or seasonal transfer procedure provides the allottee with operational flexibility without affecting the basic provisions of the allotment contract.

History of Allotment Contracting Policy

As Colorado-Big Thompson Project was designed to deliver an anticipated water supply of 310,000 acre-feet per year, the Board adopted, in 1939, application forms for contract allotments in which the acre-foot was defined as previously noted. From 1939 until 1953, the District processed contract applications which led to the allotment of about 220,000 acre-feet of water for irrigation, municipal, and industrial uses at a fixed rate of \$1.50 per acre-foot per annum. In June 1953, in anticipation

of the inclusion of the City of Boulder and some 30,000 acres of agricultural land adjacent to Boulder Creek and construction of Boulder Reservoir as a regulatory basin, the Board divided the District into two divisions to be known as Unit 1 and Unit 2. Thereafter, all allotment contracts made to lands, municipalities, or other entities which receive water through use of Boulder Reservoir, provided for a fixed rate of \$2.00 per acre-foot per annum.

In the spring of 1955, the Board completed the contracting of the entire District water supply of 310,000 acre-foot units. The term "acre-foot units" is here used to emphasize and clarify the fact that the District's annually available water supply, whatever the actual quantity may be, is divided into 310,000 equal parts which are contractually defined as "acre-feet."

By 1959, it became evident that the growth of municipal and urban areas; the creation of rural domestic water districts; and the expansion of industries would require changes in character of water use and, thereby, necessitate the amendment or change of many District water allotment contracts. Additionally, the Board recognized the need for provision of the funds which will be required to meet the much higher annual payments that must be made in the final 10 years of the construction repayment period. Although the Board had already adopted procedures, rules and regulations for releasing, reallocating, or transferring allotted water, a substantially revised procedure was established by the Board upon adoption of new rules and regulations on April 3, 1959. Briefly, the new rules ended the making of water allotment contracts containing a fixed rate per acre-foot per annum. Thus, the Board provided the means of acquiring added revenues whenever the need therefor is clearly evident. In other words, any change and revision requested in any application by any allottee now results in a substantially modified allotment contract within which the applicants agree to pay for the amount of water contracted "at a rate to be fixed annually by the Board for each acre-foot so contracted."

Open-rate contracts obviously require the annual setting of rates. Therefore, the Board established a rate structure by class of service; set the second Friday of each December as the usual date for rate setting; and provided for due notice and public hearing on the date of the rate setting. The four basic service classes for which rates are annually set on all open-rate contracts are as follows:

1. Municipal and domestic
2. Industrial
3. Multi-purpose (Industrial & Irrigation)
4. Supplemental Irrigation

In order to retain the same fifty-cent (50c) differential as between the old fixed rates established in Units 1 and 2, the Board created Units 3 and 4 in which the rate set for any service class in Unit 4 (served by water releases from Boulder Reservoir) will be 50c greater than those set for the open-rate contracts in Unit 3 which is comprised of the remainder of the District.

Allotment contracts made to permit the use of water on lands or properties which are exempt from taxation or do not appear on the tax rolls also carry an additional 50c annual charge per acre-foot as a fee in lieu of ad valorem tax contribution.

General Policy

It seems apparent that continued, or perhaps accelerated, urban growth and industrialization along the Frontal Range of the Rockies will require additional shifts in pattern and purpose of water use. The Board of Directors of the District has consistently tried to devise and, when necessary, revise its procedures, rules, and regulations to provide as much flexibility as possible for the movement of water between users and for the change of water uses as the needs therefor arise. As the District's prime purpose is water service to its contract users, the Board will obviously continue to retain the already devised flexibilities and improve and simplify its procedures whenever possible.

The purpose of the remainder of this publication is to set forth, in addition to specific rules and regulations, the various conditions which require alterations or changes in water allotment contracts. As a convenience to contract allottees, it also describes the methods and procedures which must be used to accomplish allotment contract changes which may be desired.

A separate publication, entitled "Book I of Rules and Regulations," sets forth the specific rules and regulations governing the declaration of water quotas; the procedures for seasonal or temporary transfers of water between ditch systems; and the methods and timing which govern the placing of water delivery orders. The rules in Book I primarily concern the relationship between the District and the persons responsible for the operations of canal systems, municipal and domestic systems, or other delivery facilities which carry District water supplies to the ultimate allottee users.

SPECIFIC RULES AND REGULATIONS

The Board of Directors derives its authority for establishment of rules and regulations from the Water Conservancy Act, Chapter 150-5, C.R.S. 1963. Therein is set forth — "The board shall have the following powers . . .

"To make and enforce all reasonable rules and regulations for the management, control, delivery, use, and distribution of water."

(150-5-29 (1) (a) & (b), C.R.S. 1963)

Numerous sections of the Water Conservancy Act contain provisions that are, in and of themselves, rules with which the Board must comply.

Rule I: Water must be used for beneficial purposes

"The Board shall have power on behalf of the District:

To appropriate and otherwise acquire water and water rights; . . . to provide, sell, lease, and deliver water for municipal and domestic purposes, irrigation, power, milling, manufacturing, mining, metallurgical, and any and all other beneficial uses . . ."

(150-5-13 (10), C.R.S. 1963)

Beneficial uses can only be those permitted by the Constitution and statutes of Colorado

Rule II: Water allotted for irrigation must be a supplemental supply.

"The board shall make an allotment of water to petitioning owners of land in the district upon which water can be beneficially used . . . in such amount as will in the judgment of the board, together with the present supply of water for irrigation purposes on such lands, make an adequate water supply for irrigation of such lands . . ."

(150-5-20 (1) C.R.S. 1963)

(A) Interpretations made by the Board:—

- (1) “. . . the present supply of water for irrigation purposes on such lands, . . . ” may be water supply or water rights from any and all sources of water and may be owned, leased, or rented by the petitioning landowner so long as the lands involved have had a consistent, although not necessarily uninterrupted, history of being irrigated land.
- (2) The combination of present or basic supply and water allotted by the Board shall not be in excess of the need as determined by the Board.

RULE III: All water allotted shall be classed by types of service and different rates of payment may be applied against each class of service.

In addition to supplemental irrigation allotments, “. . . water not allotted to lands . . . shall be sold, leased, or otherwise disposed of; provided, that rates shall be equitable, although not necessarily equal or uniform, for like classes of service throughout the district.”
(150-5-13 (7), C.R.S. 1963)

(A) Interpretations and policies of the Board:—

- (1) From the numerous beneficial uses named in the statute, the Board grouped such uses into four classes of service:
 1. Municipal and domestic
 2. Industrial
 3. Multi-purpose (Industrial and Irrigation)
 4. Supplemental irrigation
- (2) The rate of payment by each class of service shall be fixed annually at a rate hearing to be held on a date fixed by the Board and ordinarily set for the second Friday of each December. The rates so fixed are applicable only to those amended allotment contracts whose provisions contain the language “. . . at a rate to be fixed annually by the Board.”
- (3) A change in the character or type of use of allotted water requires a change to a different form of allotment contract in order that the actual use of the water will be made within the appropriate class of service and at the rate applicable to that class.

Rule IV: The beneficial uses of water supply allotted by the District shall be restricted to the area lying within the District.

While the statute authorizes the Board to provide, sell, lease, or otherwise dispose of water for beneficial purposes, it does so — “. . . provided the sale, leasing, and delivery of water . . . shall only be made for use within the District.”
(150-5-13 (10), C.R.S. 1963)

(A) Interpretations and policies of the Board:—

- (1) The Directors believe the intent of the water allotment restriction to District lands was to confine the benefits to the taxpayers and allottees who are the financial supporters of the project and its operations.

Hence, the Board will not allot water to any organization unless there is included within the District boundaries all lands provided with water service through the water systems or subsidiary systems owned, controlled, or operated by such organization and whether such water delivery service is provided directly, by exchange, or otherwise.

- (2) Since the Water Conservancy Act specifically provides procedures for the inclusion or exclusion of lands, the Board must adhere to the statutory procedures for petition, notice, and hearing.

However, the granting of any petition for inclusion or exclusion is a matter for determination by the Board. Further, the Board must obtain the written assent of the Secretary of the Interior for any boundary change, whether it arises by inclusion or exclusion, in compliance with Article 35 of the repayment contract with the United States. The Board's determination in regard to action on any petition is guided by the content of policy resolutions adopted by the Board which set forth specific limitations and conditions for the governing of boundary changes.

(NOTE:) The office of the District will furnish, upon request, copies of the inclusion policy resolutions; rules and regulations in regard to inclusion of lands; or inclusion petition forms for use in areas eligible for inclusion under the adopted policies of the Board.

Rule V: Delivery of water shall be withheld from any allottee or allotment contract beneficiary in case of:—

- (1) default or delinquency of payment of any assessments or charges due the District;
- (2) non-compliance with provisions of any contract or agreement with the District; and
- (3) non-compliance with or violation of the rules and regulations of the Board.

"The Board shall have the following powers

To withhold the delivery of water upon which there are any defaults or delinquencies of payment;

To provide for and declare forfeitures of rights to the use of water upon default or failure to comply with any order, contract, or agreement for the purchase, lease, or use of water and to resell, lease, or otherwise dispose of water upon which forfeiture has been declared."

(150-5-29 (1) (a), (c) & (d), C.R.S. 1963)

Rule VI: All water use contracts must provide that adequate security be given to the Board to insure the annual payment of all contractual charges due the District.

"The Board may sell, lease, or otherwise dispose of the use of water by term contracts or by contracts for perpetual use . . . and . . . shall require that security be given to secure the payments to be made under such contracts."

(150-5-26, C.R.S. 1963)

"To levy and collect special assessments upon lands under Class D, the Board shall make an allotment of water to petitioning owners of land . . . which petition shall contain, inter alia, the following:—

(150-5-20 (1) & (2) (a), C.R.S. 1963)

Descriptions of lands upon which the water will be used and attached
(150-5-20 (2) (d), C.R.S. 1963)

Agreement that the annual installments and the charges for maintenance and operating shall become a tax lien upon the lands for which such water is petitioned and allotted . . . "

(150-5-20 (2) (g), C.R.S. 1963)

Procedures for Changing Allotment Contracts

Class B, Class C, and Corporate Form Contracts

As the Water Conservancy Act sets forth specific requirements for Class B (Municipal) contracts and Class C (Irrigation District) contracts and as corporate entities have variable requirements which can only be met by direct negotiation with the District, any amendment or change of such contracts automatically becomes a matter for mutual consideration between the District and the contracting entity. Hence, no outline nor discussion of procedure is herein required.

Class D (Allotments to land for irrigation use)

The individual contracts allotting water to specifically described tracts of irrigated land number over 2,600 and account for about 60% of all water allotted by the District. Therefore, required or desired contract changes of Class D allotments are the concern of the greatest number of District allottees.

It is not the purpose of this publication to describe the details of procedures available to allottees for changing Class D contracts by removing, dividing, or transferring all or part of a water allotment and its accompanying tax lien. Appropriate application forms, explanatory materials, instructions, and the aid of the District staff are available at the District office. Necessary information and help will be provided to any allottee in person, by telephone, or upon written request.

There are, however, several important characteristics of Class D allotment contracts which every practicing attorney, realtor, and owner of irrigated land should keep in mind.

1. A water allotment attaches to **land**, as specifically described in each contract and recorded on the public record of the county in which said land is located.
2. A tax lien accompanies the allotment and is held by the District **against** the **same** specifically described **land** as set forth in the allotment contract.
3. As the tax lien, by contract, attaches to and becomes a perpetual lien upon the lands described in the contract agreement between the District and the owner of the land, the lien security **cannot be altered or changed** by deed, contract or other agreement **without application to and consent of the District Board.**

(150-5-20 (2) (g) and 150-5-20 (5), C.R.S. 1963)

Therefore, any agreement between an allottee landowner and other parties which would remove, partially remove, reallocate, redistribute, or transfer all or any part of an allotment and accompanying lien cannot be accomplished without application to and consent of the Board.
(150-5-29 (i) (e) and (f); and 150-5-26, C.R.S. 1963)

Transactions involving lands with attached allotments require various actions by the landowners. Listed below are the land transactions; the action which should be taken by or for the landowners involved; and the effect upon the existing allotment contract.

Transactions	Action Required of Landowner	Effect upon Allotment Contract
Conveyance of entire tract of land described in contract.	Notify District of name and address of land purchaser.	Allotment and lien accompany the land. Contract terms remain unchanged.
Division of the land described in contract by conveyance of some part or parcel to another party.	File "Application for Change of Class D Allotment" with the District. Application forms and procedures to be followed may be obtained from District office.	Water cannot be certified for delivery until the contract has been changed to show the quantity of water that should attach to each parcel of land. Annual payments will be at rates set by the District Board.
Desire of landowner to release all or part of an allotment for transfer to another landowner; to a City; to some other agency; or to another class of water service than that for which the allotment was originally made.	File "Application for Change of Class D Allotment" with the District. Application forms and procedures to be followed may be obtained from District office.	Existing contract will be replaced by appropriate new Contracts which fit the purposes required and reflect any change in Class of Service. Annual payments will be at rates set by the Board.
Conveyance of a part of the land described in contract to a public entity for right-of-way or public use purposes.	Advise the District of the exact legal description of land taken or to be taken by condemnation or by negotiation with the taking entity.	If the Board determines that there is justifiable need for the water on the land remaining after the taking, the District may file, on the public record, an affidavit correcting the description of lands to which the allotment and lien will attach. Contract terms remain unchanged.
Conveyance of all or part of the land described in contract to tax exempt entities.	File "Application for Change of Class D Allotment" with the District.	A new and different contract form is required since the lands are removed from the tax roll.
Changing the use of water from irrigation to some other type of usage.	File "Application for Change of Class D Allotment" with the District.	A new and different contract form is required to reflect the character of water use and apply the appropriate rate for the class of water service.

A primary function of the District staff is the provision of services to the allotment contract holders and to the taxpayers of the District. Therefore, every landowner and any organization having questions or requiring aid in the preparation of applications for allotment contract changes are invited to contact the District office in person, by letter, or by telephone whenever information may be needed or desired. The same invitation, of course, is likewise extended to all practicing attorneys who may represent contract allottees of the District.

ADDITIONAL INFORMATION

DECLARATION OF QUOTAS

1. An acre-foot is defined in all allotment contracts as being one-three-hundred-ten-thousandth ($1/310,000$) of the quantity of water annually declared by the Board of Directors of the District to be available for delivery from the water supplies of the District. Each year the Board will determine the amount to be apportioned and will declare the same available in one or more quotas.
2. Upon declaration of each quota, the District will inform contract allottees, either directly or through their Ditch Companies, of the quota of water deliverable under the allotment contracts.
3. Upon declaration of each quota, the District will forward lists, or revisions of lists, to all carrier ditches informing the ditch companies of the water quantity deliverable to each Class D allottee and the total water quota deliverable under the ditch system.
4. The Board of Directors shall not be obligated to certify for delivery to any ditch company the quota on any Class D allotment contract where the lands described in the contract have been divided in ownership and where the owners thereof have not joined in a Change Application to the Board of Directors for the reallocation or transfer of the originally allotted water supply.
5. Class B, Class C, and Corporate form contract allottees will be notified of their quotas immediately following the quota declarations made by the Board.

DEFINITIONS

- (1) The **irrigation season** is defined as the period beginning April 1 and ending October 31.
- (2) An **"acre-foot unit"** of water is defined as being one-three-hundred-ten-thousandth ($1/310,000$) of the annual supply apportioned for distribution.
- (3) An **"acre foot"** is defined as 43,560 cubic feet, and any volume of water delivered by the District will be computed on the assumption that a flow of one cubic foot of water per second of time will equal two (2) acre-feet in twenty-four (24) hours.
- (4) **Unit 1** of the District consists of all lands within the District boundaries except those lands served by ditches having their headgates on Boulder Creek or its tributaries, on Dry Creek, or on the South Platte River above the mouth of St. Vrain Creek, all of which excepted lands are supplied with project water by releases through Boulder Reservoir on Dry Creek.
- (5) **Unit 2** of the District consists of all lands within the District served by ditches having their headgates on Boulder Creek, on Dry Creek, or on the South Platte River above the mouth of St. Vrain Creek, all of which lands are supplied with project water by releases through Boulder Reservoir on Dry Creek.
- (6) **Class B allotment contract** — the right to use of water for supplemental supply allotted by appropriate contract to a municipality.
- (7) **Class C allotment contract** — the right to use of water for supplemental irrigation purposes allotted by appropriate contract to an irrigation district.
- (8) **Class D allotment contract** — the right to use of water for supplemental irrigation purposes allotted to individually described farm land and the attachment to the described lands of a perpetual tax lien.
- (9) **Corporate farm allotment contract** — the right to use of water for supplemental supply allotted by appropriate contract to mutual irrigation companies, industries, or other corporations or entities.