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MEMORANDUM

To: Yellow Jacket Water Conservancy District Board of Directors

From: Andie Hall Date: May 19, 2023

Re: Wolf Creek Reservoir Environmental Impact Statement

The Rio Blanco Water Conservancy District ("RBWCD") proposed constructing the Wolf Creek Reservoir for water storage and recreation. The project is primarily on Bureau of Land Management ("BLM") land, which triggers National Environmental Policy Act ("NEPA") compliance. BLM will assess the impact of the proposed project on the physical, cultural, and human environments through an Environmental Impact Statement ("EIS"). Cooperating Agencies ("CA") provide additional expertise to assess potential impacts. The Yellow Jacket Water Conservancy District ("District") is a CA.

BLM has held two CA meetings, most recently on May 9, and scheduled monthly meetings and technical working groups for recreation and water modeling. Balcomb & Green will attend as appropriate. At the May 9 meeting, BLM and the CAs discussed project alternatives, which are analyzed in the NEPA process, including constructing a smaller reservoir and expanding Lake Avery. BLM referenced the District's recent decree in Case No. 19CW3017 in the discussion about expanding Lake Avery. Alternatives for recreation were also discussed and range from developed recreation sites on the west and east sides of the reservoir to no developed sites. BLM is coordinating this project with others to streamline analysis of Greater Sage Grouse habitat.

BLM distributed preliminary issue statements that describe why the project is needed. Balcomb & Green will review and submit comments by the deadline on May 31. Next steps include: (1) the Army Corps of Engineers reviewing RBWCD's purpose and need statement to develop its own; (2) BLM developing the Analysis of the Management Situation; and (3) RBWCD revising the Plan of Development and creating a plan of operations. Although RBWCD has a conditional water right for the reservoir, the Army Corps must develop a Purpose and Need statement for water supplies because the conditional right shows potential demand, whereas the Army Corps needs to show water need in and around the RBWCD.

Balcomb & Green will continue to participate and monitor the process overall, paying particular attention to the intersection of the federal requirements and state water rights. As a CA, the District has access to the draft documents before they are made public; we are happy to share any document of interest with you.