



February 21, 2020

Larimer County Planning Department
200 W. Oak Street, 3rd Floor
Fort Collins, CO 80521

Dear Board of County Commissioners, Planning Department Staff, and Larimer County residents:

I write to you today to announce the submission of a Land Use Application on behalf of the Northern Integrated Supply Project Water Activity Enterprise for the development of a water storage reservoir, transmission pipelines and associated features. The Enterprise, in cooperation with Northern Water, seeks a permit to address local impacts for a project of state concern, otherwise known as a 1041 Permit.

As a water provider to Northeastern Colorado, Northern Water strives to ensure that its water users have a reliable water supply. For over 80 years we have worked in collaboration with municipal and rural domestic water providers, utilities and farmers to supply water to Larimer County and Northeastern Colorado. Whether that water is being put to beneficial use by irrigating crops to grow our food or delivered to a municipality to be filtered and provided as drinking water to its customers, water is not only the backbone of our society, but life itself. At the same time, Northern Water believes that securing and providing a water supply should not come at the expense of other equal, though sometimes competing, values that we share. Of special emphasis is the preservation of our natural environment, including our rivers, wetlands, riparian areas, and the wildlife that call that area home.

The Northern Integrated Supply Project, or NISP, represents a unique opportunity to secure a needed water supply while protecting and enhancing the environment we all love and respect. Additionally, NISP will help protect and preserve portions of Northern Colorado's irrigated agriculture, provide a new water-based recreational opportunity in Larimer County, and create a positive economic impact to Larimer County.

As municipal water demands increase in Northeastern Colorado, there is an ongoing and growing threat to nearby irrigated farmland. In fact, without the construction and operation of NISP, it is projected that more than 60,000 acres of irrigated agriculture may ultimately disappear to meet the anticipated demands of the Participants in NISP. The loss of those critical lands would have a very real impact to the livelihood and economic vitality of Larimer County and to Northeastern Colorado's existing and future residents. Northern Water not only finds that impact to be unacceptable, but also avoidable through the construction of NISP.

The benefits of NISP also extend to outdoor recreation. Glade Reservoir, a key water storage component of NISP, will provide a new water-based recreational opportunity in Larimer County.

Any weekend visit to neighboring Horsetooth Reservoir, one of the Colorado-Big Thompson Project's existing reservoirs, illustrates just how important outdoor recreation is to Larimer County residents. On the other hand, it is also evidence of just how much nearby reservoirs and surrounding hiking trails have reached their capacity in providing a safe and appropriate recreational experience. Glade Reservoir will provide new opportunities for boating, camping, hiking, and fishing and help bring balance between satisfying the regions' desire for outdoor recreation and preservation of the environment. As the recreational plans progress in final details and design, the NISP Participants are committed to working collaboratively with Larimer County and the public to ensure recreation at Glade Reservoir will be consistent with the County's Parks Master Plan, while also being responsive to the public's comments for their recreational vision at Glade Reservoir.

It is recognized that large, regional projects such as NISP do have the potential of creating environmental impacts even while benefiting the public, agriculture, and recreation sectors. The Participants recognize this and have participated in extensive federal and state environmental reviews to identify related impacts and reduce, eliminate, or mitigate them. Through the environmental permitting process numerous mitigation and enhancement projects have been identified, and in the case of the Watson Lake Fish Passage project near LaPorte, have already been completed. In the recently approved State of Colorado 401 Water Quality Certification, the state concluded that no significant degradation is expected because of the Project. The 401 Certification requires ongoing monitoring, which in some cases, will continue for decades. The Participants completed a State of Colorado Fish and Wildlife Mitigation and Enhancement Plan which identifies \$60 million in mitigation and enhancements to be funded by Project Participants. In total, nearly 90% of the identified mitigation and enhancement projects will occur within Larimer County.

Northern Water embraces a core value to continually engage with the public and participate in a transparent process. It is for the public's benefit that we exist and operate, and we look not only to public officials, but also to the public itself, for comments and critique to help ensure that what we do reflects their input. To date, Northern Water has convened more than 60 public meetings related to NISP, including open house events and water user meetings. In addition, Northern Water staff have had hundreds of informal conversations with homeowners' associations, ditch and canal companies, and many other local community groups.

An example of this collaboration can be found in a significant Project modification which came to be known as the "refined conveyance" concept. Based on comments received during the federal environmental permitting process and associated public comment period, Northern Water made design and operation modifications that will result in 14,000 acre-feet of Glade Reservoir's water being conveyed through 12 miles of the Poudre River. With the refined conveyance, the Poudre River through Fort Collins will see an increase to its current base flows in eight out of 12 months in average years, and 10 out of 12 months in dry years. In conjunction with other mitigation and enhancement commitments, NISP will eliminate present-day dry-up locations along the Poudre River, enhance the aquatic habitat, and improve water quality. That refined conveyance modification came from a public collaboration process and ultimately makes NISP a better project.

It is for all the above reasons that we are excited to embark on the next step in the permitting process which is the submittal of this 1041 Permit application to the Larimer County Planning Department. Staff from Northern Water and Larimer County Planning Department held the required pre-application conference on December 4, 2019. Based on that meeting, the attached application has been developed to be responsive of the County's requirements. The two components of NISP to be reviewed under the 1041 process are:

1. Pipeline routes through Larimer County
2. Glade Reservoir, including proposed recreational facilities.

The other NISP components situated outside of Larimer County, the environmental effects and proposed mitigation of those impacts, and the U.S. Highway 287 realignment will be analyzed and permitted through additional federal, state, and local government regulatory processes that are outside of the 1041 Permit process. A description of other permits that have been obtained or will be obtained for the Project can be found in Section 10.1 of Technical Memo #1.

As we submit this application, we would like to highlight two important legal distinctions. Although Northern Water takes on varied projects and activities in its role as a water conservancy district, NISP is being pursued and will be operated through the Northern Integrated Supply Project Water Activity Enterprise ("NISP Enterprise"), a separate legal entity within Northern Water. It should also be noted that Northern Water's involvement in and responsibilities for the Colorado-Big Thompson (C-BT) Project are separate from NISP and operates under established procedures. Additionally, we acknowledge that the designs as presented are subject to modifications as our design efforts progress, or as federal or state requirements and permits may mandate.

Finally, as the County works with advisory committees, the Larimer County Planning Commission, and Board of County Commissioners to evaluate this application, please know that Northern Water staff and our legal team are available to answer any related questions.

Thank you for the opportunity to discuss with you the many benefits NISP has to offer Larimer County and we look forward advancing our pursuit of a Larimer County 1041 Permit.

Sincerely,

A handwritten signature in blue ink that reads "Bradley D. Wind". The signature is written in a cursive, flowing style.

Bradley D. Wind, P.E.

General Manager, Northern Water

For ease of navigating this application, the following serves both as a table of contents and as a summary for the required 1041 Permit information. The bold titles are the specific items or documents required to be submitted, the italicized text shows where you can find the complete material, and the regular text is a summary description of the item. Please consider the descriptions below 'for reference only' as the referenced materials are the official responses to the 1041 Permit requirements.

APPLICATION FORM*SEE LAND USE APPLICATION*

A completed Land Use Application has been completed and signed by Northern Water as the applicant who is also the primary Glade Reservoir property owner. Larimer County staff determined at the pre-application meeting that it is not a requirement for other individuals owning land underlying Glade Reservoir sign the application form.

PROJECT DESCRIPTION*SEE TECHNICAL MEMO #1*

NISP is a proposed water storage and distribution project that will supply 15 Northern Front Range water providers with 40,000 acre-feet of new and reliable water supplies. The two primary components of NISP are the Glade Reservoir Complex and the South Platte Water Conservation Project.

Glade Reservoir will be a new 170,000 acre-foot off-channel reservoir located in Larimer County and is the primary water supply reservoir from which all deliveries to NISP participants would be made. Diversions into Glade Reservoir will come from the Poudre River via the Poudre Valley Canal diversion structure and canal. Appurtenant facilities to Glade Reservoir include the pump station, forebay, roads for access and recreation, parking, facilities and structures needed for operation and maintenance, and electrical transmission line improvements or upgrades needed to operate the pump station. These features in coordination with the 170-acre recreation area comprise the Glade Reservoir Complex, which is also referred to as the Glade Unit or Glade Area.

Galeton Reservoir will be a new 45,624 acre-foot off-channel reservoir located in Weld County, and its purpose is to facilitate water exchanges with Glade Reservoir to allow the full 40,000 acre-feet of NISP yield to be realized. Diversions into Galeton Reservoir will come from the South Platte River downstream of its confluence with the Poudre River. This reservoir and associated pipelines are known as the South Platte Water Conservation Project, which is a part of NISP, but is in Weld County.

Pipelines to be constructed in Larimer County include the Northern Tier Pipeline, Glade Release/Poudre Release Pipeline, Poudre Intake Pipeline, and the County Line Pipeline which are necessary for the operation of the Glade Reservoir Complex.

Glade Reservoir will inundate a portion of U.S. Highway 287 and therefore will necessitate a realignment of the highway. The U.S. Highway 287 realignment will be conducted by Colorado Department of Transportation and is not included in Larimer County's 1041 regulations though it is being paid for by NISP Participants.

VICINITY MAPS*SEE TECHNICAL MEMO # 1 ATTACHMENTS C & D*

Vicinity information such as parcel boundaries, existing buildings, land developments and municipal boundaries, and significant natural features in the vicinity of the Project has been provided.

SITE INVENTORY MAPS*SEE TECHNICAL MEMO # 1 ATTACHMENTS C & D*

Site inventory information that identifies all resources and environmental conditions potentially impacted by the proposed Project has been provided.

1041 PERMIT SITE MAPS*SEE TECHNICAL MEMO # 1 ATTACHMENTS A, C & D*

Site map information that shows the location of existing and proposed reservoir and pipeline development associated with this 1041 permit application has been provided. The recreational concept plan is also included in Technical Memo #1 Attachment A.

LEGAL DESCRIPTION*SEE TECHNICAL MEMO #5*

Conveyance pipeline alignment descriptions for the Northern Tier Pipeline, Glade Release/Poudre Release Pipeline, Poudre Intake Pipeline, and the County Line Pipeline are included in Technical Memo #5. Copies of the warranty deeds, which contain boundary descriptions certified by a licensed surveyor for the 16 parcels owed by Northern Water are also included.

WETLAND MITIGATION PLAN*SEE TECHNICAL MEMO #6*

Pinyon Environmental prepared the Wetland Mitigation Plan. This plan documents impacts to wetlands; identifies strategies for avoiding, minimizing, mitigating, and enhancing wetlands; proposes a plan to implement those strategies; and confirms that applicable requirements will be followed. The plan documents the Project's extensive coordination efforts and commitments to avoid, mitigate, and enhance wetlands that would be impacted by the Project.

WILDLIFE CONSERVATION PLAN*SEE TECHNICAL MEMO #7*

Pinyon Environmental prepared the Wildlife Conservation Plan. This plan documents impacts to wildlife; identifies strategies for avoiding, minimizing, mitigating, and enhancing wildlife; proposes a plan to implement those strategies; and confirms that applicable requirements will be followed. The plan documents the Project's extensive coordination efforts and commitments to avoid, mitigate, and enhance wildlife that would be impacted by the Project.

Note that the Project has undergone an extensive planning process in coordination with Colorado Parks and Wildlife and private stakeholders and has a Fish and Wildlife Mitigation and Enhancement Plan approved by Colorado Parks and Wildlife Commission and the Colorado Water Conservation Board.

NATURAL HAZARD MITIGATION PLAN*SEE TECHNICAL MEMO #8*

Black & Veatch and AECOM prepared the Natural Hazard Mitigation Plan. The geologic hazards analyzed include floods, landslides, rockfalls, debris flows, faults, collapsible soils, and ground subsidence. In general, the identified hazards do not pose a great risk to the Project and mitigation efforts have been identified that will further mitigate these risks. Additionally, a wildfire hazard analysis was performed which shows the Project generally falls within the "Moderate" to "Lowest" hazard range. Wildfire mitigation strategies are identified in the analysis.

TRAFFIC IMPACT STUDY*SEE TECHNICAL MEMO #9*

Black & Veatch and Dewberry prepared the Traffic Impact Study. This report analyzes the short- and long-term impacts of vehicular traffic associated with the Project. Traffic impacts during and after construction for Glade Reservoir and the Pipeline conveyance activities was analyzed and mitigation strategies are identified. It is noted that a more detailed evaluation of recreation traffic will be completed in association with the future Recreation Development Plan, and at a time when anticipated traffic generation and associated impacts can be more accurately assessed. Additionally, Chapter 4.13.3 of the Final Environmental Impact Statement, released July 20, 2018, describes traffic impacts in greater detail.

DRAINAGE AND EROSION CONTROL REPORT AND PLAN*SEE TECHNICAL MEMO #10*

These reports gauge stormwater impacts associated with the Project. The reports document the Project's extensive coordination efforts and commitments to avoid, minimize, and mitigate construction-related stormwater impacts by the Project in accordance with Larimer County's Land Use Code.

Black & Veatch prepared the drainage narrative for Glade Reservoir. The document analyzes the 16.3 square-mile drainage basin above the reservoir and the 3.8 square mile drainage basin above the forebay in order to identify the inflow design flood and probable maximum precipitation event. The analysis shows that improvements downstream of Glade Reservoir will be implemented to safely convey spillway flows under State Highway 14. Those improvements are included as part of the Glade Reservoir design for NISP. The report identifies the need for additional stormwater analysis and design to be completed as recreation infrastructure design progresses. That additional design will also be completed in compliance with Larimer County Stormwater Design Standards.

Pinyon Environmental prepared the drainage narrative for the pipeline conveyances. The document identifies major rivers, streams, named ditches, and reservoirs that the pipeline will be adjacent to or will cross. The analysis also identifies control measures to minimize possible impacts from erosion or other nonpoint source pollutants during construction. After construction, disturbed areas will match pre-existing conditions through regrading and revegetation efforts to mitigate long-term effects.

FLOODPLAIN HYDRAULIC/HYDROLOGIC MODELING REPORT*SEE TECHNICAL MEMO #11*

This report identifies floodplain impacts associated with the Project and identifies improvements necessary to mitigate any impacts. Black & Veatch prepared the report for the Glade Reservoir Complex. The analysis determined the only facilities in the Poudre River floodplain is the existing Poudre Valley Canal diversion structure. This structure will be replaced as a part of the Project. The new diversion will be at the same elevation as the existing structure and will be improved to provide small boat and fish passage. The preliminary design indicates that the new diversion structure is not anticipated to cause a rise in the existing floodplain. This will be confirmed as final design progresses.

Dewberry prepared the report for the pipeline conveyances. Its analysis identifies floodplains that are crossed by the pipelines and identifies best management practices to reduce impacts to the floodplain as well as floodplain impacts to the pipeline.

GROUNDWATER MODELING REPORT*SEE TECHNICAL MEMO #12*

Dewberry prepared the Groundwater Modeling Report which presents an overview of the anticipated groundwater levels, construction methodologies, and best management practices to mitigate impacts to groundwater associated with conveyance pipeline construction. Detailed geotechnical exploration and site-specific groundwater issues will be addressed during final design.

SIMULATION OF THE APPEARANCE OF THE FACILITY*SEE TECHNICAL MEMO #13*

A two minute virtual flyover video of the Glade Reservoir Complex with descriptions about its features and NISP operations is provided here: <https://www.youtube.com/watch?v=kCEol8NujxE>.

Included in this application are three renderings of Glade Reservoir's proposed dam. The 1041 Permit does not require visual simulations of the pipeline conveyance as there will be no structures 40-feet or greater in height.

NOISE ANALYSIS*SEE TECHNICAL MEMO #14*

This report identifies Larimer County's current Noise Level Policy in relation to the conveyance pipeline system. Noise effects from construction activities will be temporary and be subject to the County noise ordinance. Permanent noise increases from pump stations will be minimized as the construction design will maintain noise levels below action thresholds. No permanent adverse noise impacts will result from this Project for residential and commercial properties adjacent to the pipe alignment and pump station locations.

AIR QUALITY IMPACT AND MITIGATION REPORT

SEE TECHNICAL MEMO #15

Pinyon Environmental prepared this report which documents potential sources of air emissions, identifies strategies for minimizing emissions, proposes a plan to implement those strategies, and confirms all applicable state and federal requirements will be followed. NISP will comply with all applicable air quality standards and will follow through with the mitigation commitments.

ADJACENT PROPERTY OWNERS LIST

LARIMER COUNTY TO PREPARE

As agreed at the pre-application meeting, Larimer County will prepare this list and invoice the applicant.

APPLICATION FEE

A check in the amount of \$7,704.75 has been submitted to the Larimer County Planning Department.