



**Larimer County 1041 Permit
Technical Memorandum No. 4
Glade Reservoir Recreation
Voluntary Permit Conditions**

Prepared for:
Larimer County

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Water Activity Enterprise**

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1.0 Purpose

This memo outlines voluntary permit conditions being offered by the Northern Integrated Supply Project Water Activity Enterprise (NISP WAE) for including public recreation at Glade Reservoir that is conducive to its primary purpose as a water supply facility. These voluntary conditions are offered as commitments to be included in the Larimer County Board of County Commissioners' (County) 1041 Permit for the Northern Integrated Supply Project (NISP or Project). This memo supplements the description of the voluntary recreation commitments and Recreation Concept Master Plan and the discussion of the benefit these commitments provided in Tech Memo No. 1.

2.0 Fundamental Principles for Recreation Development

The proponents and applicants for NISP (NISP Participants) are voluntarily proposing to include certain fundamental principles regarding recreation development at Glade Reservoir as Voluntary Permit Conditions within the 1041 Permit for NISP.

The fundamental principles for recreation development at Glade Reservoir address the financing, construction and management of recreation at Glade Reservoir, and will commit both parties to the joint development of a Recreation Development Plan that will be prepared subsequent to issuance, and acceptance by NISP Participants, of the 1041 Permit. These fundamental principles honor more than a year of discussions with staff in the County's Planning and Natural Resources Departments and are included in the following Voluntary Permit Conditions.



This figure shows a May 2018 field trip to visit and coordinate the development of recreation areas.

2.1. Voluntary Permit Conditions

2.1.1 Recreation Development Plan

NISP Enterprise and the County will jointly develop a Recreation Development Plan that:

- a) Utilizes consultant cost estimates to prioritize a list of recreation facilities to be constructed using the money jointly contributed by the parties
- b) Meets the identified recreation commitments actions and strategies of the NISP Fish and Wildlife Mitigation and Enhancement Plan (FWMEP), including the identified Glade Reservoir Recreation and Wildlife Adaptive Management Program
- c) Meets recreation goals and objectives jointly agreed to by the parties in consideration of public comment leading up to and at the 1041 Permit hearings

The parties will begin development of this plan after the issuance of, and acceptance by the NISP Participants, of the 1041 Permit. The Recreation Development Plan must be complete before start of construction of Glade Reservoir to incorporate recreation facilities as part of reservoir construction efforts.

This plan will be similar in scope and design to the Recreation Concept Master Plan.

Northern Water shall have the right to modify a recreation facility design or location at any time if, in its sole discretion, it determines it is necessary to comply with NISP operations or maintenance, NISP permit conditions, or other issues that present a conflict with the primary water supply purposes of the Project. In this event, 30-day notice will be provided to Larimer County before such change becomes effective.

2.1.2 Recreation Scope and Funding Limits

The parties agree to a total cost commitment of \$21.8 million. This includes but is not limited to funding for:

- a) The cost of recreation commitments set forth in the FWMEP
- b) NISP WAE's purchase price for the existing KOA property adjacent to the reservoir site
- c) NISP WAE's cost associated with bringing the existing KOA facilities into compliance with County regulations
- d) The costs incurred by the parties to develop the Recreation Development Plan

- e) Any transportation upgrades identified by the County as being needed to safely transport recreation traffic to the recreation area

2.1.3 Funding Sources

The parties will share the total \$21.8 million cost of recreation construction, with NISP WAE contributing 75% and the County contributing 25%.

Of the NISP's WAE's 75%, \$5.5 million will be escalated per a construction price index (CPI) to the year construction starts. The remaining costs are expenses already committed or to be committed for recreation development at Glade Reservoir that are fixed costs, which include the visitor center, paved road with guardrails to dam crest, boat ramp, camping rough grading, parking lots, and the development of a cool water fishery and expanded fish-hatchery capacity.

The County can provide lump sum payment or annual payments to cover the 25% funding commitment. Alternatively, the Recreation Development Plan will identify a priority list of recreation facilities and will also include contingency facilities that would not be built if County funding is not available

Both parties agree to actively pursue grants or other outside funding sources. Any outside funding contributions would be attributed to meeting the County's 25% funding commitment.

2.1.4 Project Accounting

By the start of construction of Glade Reservoir, parties agree to transfer 50% percent of its total contribution to an interest-bearing account to be held in escrow for NISP WAE to draw upon during construction of those facilities agreed upon in the Recreation Development Plan. Transfer of the remaining funds shall occur on a yearly basis to meet the next year's, or any remaining, construction costs.

During construction, NISP WAE will draw funds for construction of recreation facilities from the escrow account and separately account for, and report to, the County the costs of recreation facility construction.

2.1.5 Excess Funding

Any funding remaining after construction of recreation facilities identified in the Recreation Development Plan would be dedicated for future development of additional recreation facilities, as agreed to by the County and NISP WAE.

2.1.6 Facility Ownership

NISP WAE shall own all facilities constructed under the Recreation Development Plan. For the term of the lease agreement, the County shall own all revenue it generates as the managing entity of public recreation at Glade Reservoir.

2.1.7 Construction and Timing

Construction of Glade Reservoir and associated recreation facilities will commence after NISP Participants receive and accept all final, post-litigation permits.

NISP WAE will construct recreation facilities at Glade Reservoir. Construction of facilities will occur concurrently with construction of the dam, reservoir, and appurtenant facilities at Glade Reservoir to allow for the most efficient and safe work environment. No areas shall be open to the public during this construction period.

2.1.8 Water Supply

Water supply to the facility will be limited to the supply available from West Fort Collins Water District water taps purchased with the KOA and one three-quarter-inch West Fort Collins Water District water tap presently owned by the Northern Colorado Water Conservancy District.

2.1.9 Glade Reservoir Recreation Facility Management

The County has indicated a desire to manage recreation at Glade Reservoir. Unless the County decides to defer management, the County and NISP WAE will enter into a 25-year lease agreement for the County to act as the managing entity to manage recreation at Glade Reservoir. Such lease agreement shall be entered into between the parties within one year prior to Project start-up, but not later than 90 days prior to Project start-up. Project start-up shall mean final completion of reservoir construction activities.

Management and public recreation may begin upon notice to the County from NISP WAE of Project start-up.

2.1.10 Operations and Maintenance

NISP WAE agrees to pay for security at Glade Reservoir and appurtenant structures, and capital improvements maintenance costs for infrastructure owned by NISP WAE.

Pursuant to the terms of the lease agreement, the County will be responsible for all other operations and maintenance costs including but not limited to

- a) Monthly service and utility costs
- b) Equipment, vehicles, staffing, and operational materials costs

The County, as managing entity, may determine the recreation fee structure to address funding needs. NISP WAE shall not be responsible for addressing recreation management funding shortfalls.