

DENVER BOARD OF WATER COMMISSIONERS

Meeting Date: 8/25/2010

Board Item: 2-B-3

**Contract with the United States Forest Service for
Forest Treatments on National Forest Land in Denver Water's Watersheds**

Action by Consent

Action

Information

The health of Colorado's forests and watersheds has a strong influence on Denver Water's municipal water supplies. In July 2010, the CEO/Manager of Denver Water (DW) and the United States Forest Service (USFS) signed an MOU to work together to improve forest and watershed health by reducing the risk of wildfires. The USFS considers this partnership a model to be emulated elsewhere in the United States. This partnership provides leadership for watershed health and sustainability and serves as a model for the emerging Colorado Watershed Protection Initiative. Efforts to reduce the risk of wildfires are particularly important in light of the serious impacts to DW's watersheds resulting from the catastrophic 1996 Buffalo Creek and 2002 Hayman wildfires.

Under the MOU, the USFS and DW agreed to develop and update annually a 5-year Operating Plan that identifies joint projects in DW's priority watersheds for the years 2011-2015. The Operating Plan calls for DW to spend \$16.5 million, and for USFS to match that expenditure with \$16.5 million of additional forestry work. The Board will determine each year whether to fund the next increment of the Operating Plan. This contract with USFS, called a "collection agreement," commits DW to spend \$1 million during federal fiscal year 2011 (October 1, 2010 – September 30, 2011) in support of the first set of projects identified in the Operating Plan. The forestry work will be conducted in the Strontia Springs Zone of Concern in the Upper South Platte Watershed.

Recommendation:

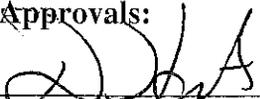
This collection agreement does not require an expenditure in 2010, but it does requires the Board to commit \$1 million during federal FY2011 for project implementation. The 2011 budget will need to include this \$1 million. Funding has been included in the 10-Year O&M Plan for potential future years of the project. Staff recommends the Board approve this collection agreement with the USFS for forest treatments on National Forest System Lands.

Budget Considerations

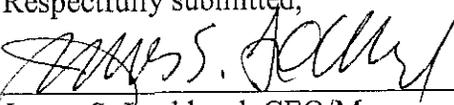
Master Plan Code(s): 4AS0003

Budgeted Item Unbudgeted Item Funds transferred from another project:

Approvals:



Dave Little
Director of Planning

Respectfully submitted,


James S. Lochhead, CEO/Manager



Patricia L. Wells
General Counsel