Water Law 101: Surface Water



COSA 2013: September 9, 2013

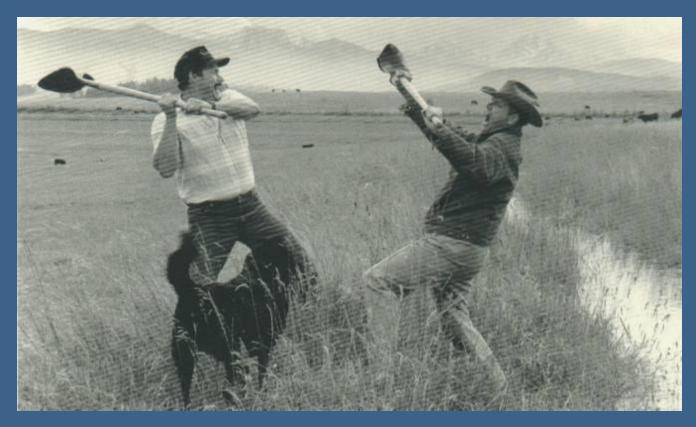
Marcus J. Lock LAW OF THE ROCKIES 525 North Main Street Gunnison, CO 81230

The 100th Meridian

- Irrigation is necessary where precipitation is less than 20 inches.
- The 100th meridian is the boundary between the moist east and the arid west
 - Approximates the twenty inch isohyet (like a topographic line, but for precipitation)
 - To the east, average annual precipitation is <u>greater</u> than 20 inches
 - To the west, average annual precipitation is <u>less</u> than 20 inches



Methods of Allocating Surface Water



Riparianism

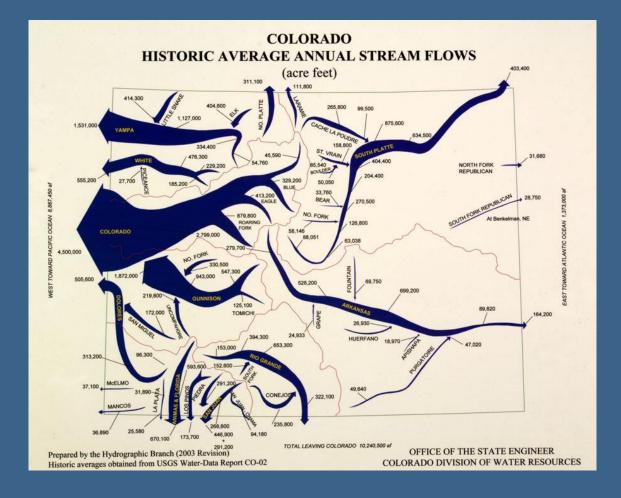
- Predominantly in the eastern U.S.
- The right to use water is derived from ownership of land adjacent to a stream
- Rule of reasonableness
- Share the shortage
- Increasing demands \rightarrow regulated riparian system

Prior Appropriation

- Western U.S.
- The right to use water is derived from beneficial use
- In times of shortage, junior uses are curtailed so that senior uses are fully satisfied
 - First in time, first in right
- No "rule of reasonableness" like riparianism, but prohibitions against waste
- Evolving

Colorado is a Headwater State

- Seven watersheds originate in the Colorado Rockies
- Nineteen states receive water from Colorado



Colorado is a Dry Place

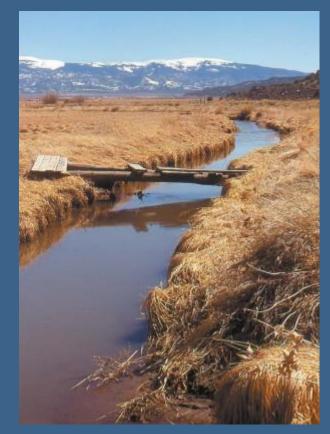
Alamosa, CO: About 7" of Precipitation Per Year

Baghdad, Iraq: About 5" of Precipitation Per Year



Development of Colorado Water Law

- The oldest water right in Colorado is the 1852 San Luis People's Ditch, diverting from Culebra Creek in Costilla County
- When the Gold Rush arrived in 1859, miners brought the rules from the California gold camps: stake a claim



San Luis People's Ditch

Colorado Water Law Today

Colorado water law is a combination of state and federal laws:

Colorado State Law

- Constitution
- Statutes
- Case law
- Rules and regulations

Federal Law

- Interstate compacts
- Supreme Court cases
- Clean Water Act
- Endangered Species Act
- FLPMA
- NEPA
- McCarran Amendment

Water Rights

- Water is "property of the public"
- But, "subject to appropriation"
- Once diverted, the water becomes private property
- Water rights are usufructuary property rights
- If you do not use the water for its decreed purpose under its decreed priority, it reverts to the public

Creating a Water Right

Demonstrate intent to:

- *divert* or control
- waters of a *natural* stream
- and *apply* it
- to a beneficial use
- without speculation



Statutory Definitions

Allow for a broad array of uses

Diversion

• Removing water from its natural course or location, or controlling water in its natural course or location.

Beneficial use

• The amount of water that is reasonable and appropriate under reasonably efficient practices to accomplish without waste the purpose of the appropriation.

Priority Date

 Priority date is the ultimate date by which a water right's seniority is measured against other water rights.

Determined first by Adjudication Date

 The year in which an application is filed with the Water Court to confirm the water right

Then by Appropriation Date

- Date the owner openly demonstrates the intent to divert water and place it to beneficial use.
- Between two water rights adjudicated in the same year (same priority date), the one with the earlier appropriation date is senior. Appropriation is the tie breaker.

Abandonment

- Use it or lose it
- A water right is abandoned when there is both non-use and an intent to abandon.
- A period of non-use of at least 10 years creates a presumption of intent to abandon.
- That presumption can be overcome with evidence that the user did not intend to abandon the right, despite the non-use.
- Abandoned water rights are cancelled; water reverts to the public.
- Decennial Abandonment Process

Types of Surface Water Rights

- Ditch/Reservoir shares
- Direct flow right
- Storage right
- Conditional decree
- Absolute decree
- Instream flow right
- RICD

Other types we won't get to today:

- Augmentation plan
- Exchange
- Imported water
- Federal reserved right

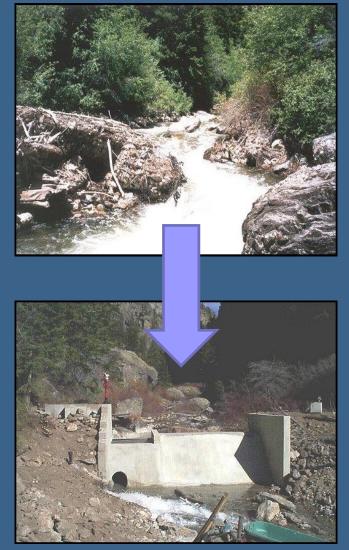
Shares in a Mutual Ditch/Reservoir Company

- Mutual ditch/reservoir companies are private associations organized to furnish water to shareholders
- Ditch/reservoir managers and personnel (like ditch riders) are responsible for maintenance of infrastructure and delivery of water throughout the system
- Ownership in a mutual ditch/reservoir company is evidenced by a stock certificate
- Owning shares entitles you to a proportional amount of water owned by the company
- By-laws govern the operation of mutual ditch/reservoir companies

Direct Flow Rights

 Right to a specific rate of flow to be diverted at the time the water is needed

- Measured in cubic feet per second ("cfs") or gallons per minute ("gpm")
- The water must be placed to use directly, which usually means within 72 hours of diversion
- Includes the right to use the land of others if necessary to put the water to beneficial use



Grizzly Creek Diversion, Glenwood Springs Colorado

Storage Rights

- Right to store water in priority for subsequent use
- On-stream or off-stream
- Right to a volume of water
- Storage is not a use of water
- Storage is typically measured in acre-feet
- One-fill rule can fill once per year



Conditional Water Rights

Holds your place in line

 Relation Back Doctrine: Allows water users to maintain the priority of their appropriation without actually diverting water.

• Can and Will Doctrine

 You must show that you "can and will" develop the water right within a "reasonable" amount of time and put it to beneficial use.

Reasonable Diligence

 A water right is made "absolute" when it is put to beneficial use.

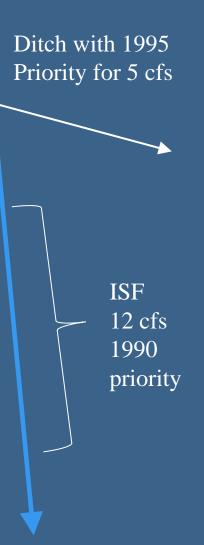
Absolute Water Rights

A water right that has been placed to a beneficial use

Instream Flow Water Rights

A water right for a minimum flow between specific points on a stream (or specific levels in a lake) as is required to preserve the natural environment to a reasonable degree

- "Appropriation" despite no diversion
- Administered within the priority system
- May only be appropriated by the CWCB on behalf of the people of the State of Colorado
 - May not be unilaterally modified by the CWCB without court approval
 - May not be appropriated by private parties
- May be original appropriations by the CWCB, or water rights purchased, leased or borrowed by the CWCB.



Recreational In-Channel Diversion Rights (RICDs)

"The minimum amount of stream flow as it is diverted, captured, controlled, and placed to beneficial use between specific points defined by control structures...for a reasonable recreational experience..."

- a/k/a kayak parks
- Not instream flow rights
- Held by government entities



- April 1 to Labor Day
- CWCB review
- Controversial

Preserving and Protecting Water Rights

- USE YOUR WATER RIGHT!!
- Place a call
- File a Statement of Opposition
- Prevent Abandonment
 - Non-use + intent to abandon
 - Can arise in any water court case
 - Decennial abandonment list
- Prevent Adverse possession
 - Only "behind the headgate"
 - 18 years of adverse use

Transferring Ownership

- Conveyed like real property
- Separate property interest
- May be appurtenant to land, or not
- Title insurance

Changing Water Rights

- For example, a change in:
 - type of use
 - place of use
 - point of diversion
- Why? Preserve the priority
- Must be adjudicated in water court
 - Diverting water at a new location or for a new use without water court approval is not a change; it's a new right.

Standards for Changes

No injury to other water rights

- New use limited to historic quantity of water consumed by the old use
- A junior water right holder is entitled to the maintenance of the stream conditions existing at the time of the junior's appropriation
 - Amount, location, and timing of return flows must be maintained
 - One user's return flow is another user's supply

Return Flows

The water that is not consumed through beneficial use and returns to the river through percolation through the soil or surface runoff.

- Presumed tributary and available for use by others
- Are re-diverted and re-used over and over—one user's return flow is another's water supply!
- Vary with the beneficial use and manner of beneficial use
- Vary with the geology of the area

Water Courts

• One for each of the seven water divisions



Water Court Cases

- Application = Complaint
- "Resume notice"
- Statement of Opposition = Answer
- Referral to Water Referee
- Re-referral / protest Ruling of Referee
- Judge's order = decree
- Most cases settle before trial
- Complex cases are expensive and lengthy

Water Rights Decrees

- Water Courts don't grant water rights, they confirm them
 - Water rights are perfected by beneficial use, but are <u>not</u> enforceable against other users until you get a court decree
 - Courts adjudicate a water right by confirming the priority date, the amount, the source, the point of diversion, and the uses
- So, why go to Water Court to get a decree?
 - Avoid postponement
 - Allows for enforcement—a water court decree protects the owner of the right against the claims of others with more junior priorities
 - The priority confirmed by the water court is the primary benefit of adjudication

Administration

- The State Engineer administers water rights based on their respective decreed priority.
- A water right "call" means to administer (i.e., shut-off or curtail) other water rights when rights with senior priorities are short of supply.
- Division Engineers assist the State Engineer (1 per division)
 - The local water commissioner (1 per district) does the Engineer's dirty work of shutting down ditch headgates.
- 7 divisions; 80 districts



Denver Public Library Archive

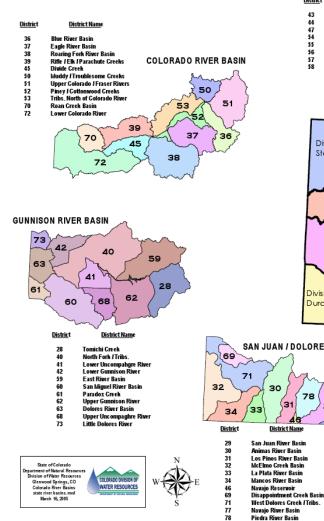
Administrative Units

78

31

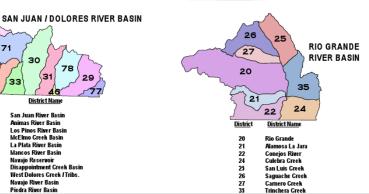
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COLORADO BASINS









Colorado Map scale: 1:5,000,000 Individual District scale: 1:3,500,000



10

11

12

13

14

15

16

Fountain Creek

Saint Charles

Cucharas River

Wet Mountain Valley

Arkansas: Headwaters to Salida

Arkansas: Salida to Portland

Arkansas⁻ Portland to Fowle

17 Arkansas: Fowler to Las Animas Apishapa River 18 19 Purgatoire River 66 Cimarron River Basin 67 Arkansas: Las Animas to Stateling 79 Huerfano River

The Future: Enhancing Supplies and Optimizing Use

- Changes of water rights
- Exchange rights
- Plans for augmentation
- Imported water

Hypo: Who's on first?

- Farmer A diverts water and puts it to beneficial use in 1900.
- Farmer B diverts water and puts it to beneficial use in 1910. In 1912, she obtains a decree confirming her right.
- Who has the senior priority?
- Who has the senior appropriation?

Farmer A has the senior appropriation.

 Farmer A diverted water and put it to beneficial use in 1900, ten years earlier than Farmer B, who diverted water and put it to beneficial use in 1910.

Farmer B has the senior priority.

In 1912, Farmer B obtained a decree confirming her right.
 Farmer A never got a decree to confirm his right.

Now Who's on First?

Early on, the courts adjudicated water rights as part of "general adjudications" where a large number of water users would receive their decrees in the same court order.

- Farmer A diverts water and puts it to beneficial use in 1900. He adjudicates his right in 1920's general adjudication.
- Farmer B diverts water and puts it to beneficial use in 1910.
 Farmer B adjudicates her right in 1920's general adjudication.
- Who has the senior appropriation date?
- Who has the senior priority?

Farmer A has the senior appropriation date.

 Farmer A diverted water and put it to beneficial use in 1900, ten years earlier than Farmer B, who diverted water and put it to beneficial use in 1910.

Farmer A has the senior priority.

 Both Farmer A and Farmer B have the same adjudication date –1920. But because Farmer A has the senior appropriation date, Farmer A has the senior priority.

Hypo:

Α

Evapotranspiration 40 AF

Diversion at headgate of 100 AF

Ditch loss 10 AF

Diverter A has decided to retire and sell his water right.

- If Diverter A does sell his water rights, what water is conveyable after a change case?
- If the change is approved by the water court, what will the buyer be required to do?

10 AF Percolation into confined aquifer 10 AF Percolation into water table of river 20 AF В

Crops

Surface

Runoff

10 AF

Conusme

- If Diverter A does sell his water rights, what water would he actually be conveying?
 - Argue for 60 AF.
- If the change is approved by the water court, what will the buyer be required to do?
 - Maintain return flows so as to not injure downstream users

Questions?