A background on the GLIC system

What is GLIC? GLIC stands for the Greeley Loveland Irrigation Company which is a shareholder owned Company that was incorporated in 1900. GLIC's original predecessors began in 1881 although many of the ditches within our system began construction in the 1860's. GLIC manages and operates the Lake Loveland and Boyd Lake.

GLIC is partnered with the Seven Lakes Reservoir Company and four lateral ditch Companies. This collaborative approach between the six Companies is what has kept this Company functioning since the inception. The Seven Lakes Reservoir Company owns and operates Horseshoe Lake as well as the following smaller lakes that serve as a delivery mechanism: Heinricy, Westerdoll, Upper Hoffman, and Lower Hoffman Lakes.

GLIC is primarily a reservoir driven irrigation company meaning most of the water supply is delivered from the reservoirs. The GLIC system starts in West Loveland at the Big Barnes ditch located at US-34 and Rossum Drive and ends at the University of Northern Colorado in Greeley. Together with the lateral ditches, the Company manages over 60 miles of ditch and over 69,000-acre feet of reservoir water.

To understand the current water conditions, a brief understanding of Colorado water law is necessary. Colorado water law is directed by the prior appropriation system which means "first in time, first in right." In simple terms, the older the water right, the more senior the right, this results in the most senior right holder being able to take use of the water when it's available. Colorado water rights date back to the mid 1800's and water rights are still being decreed today. When a water right is decreed to the water right owner, the owner receives what is called a priority date. The earlier the priority date, the more senior water right.

There are two main types of surface water rights, direct and storage. A direct water right, is water that is diverted from the river and is put to a beneficial use right away. Whereas storage water is water diverted from the river and stored in a reservoir for a later use.

Direct water rights are more senior and take a priority over storage rights. The direct irrigation season is from April 1 through October 31 of each year. The storage season begins on November 1 of each year, and the end date is variable and depends on a couple of factors, weather, snowpack & snowmelt, water availability in the streams, and direct irrigation demand. Generally, along the Big Thompson, our fill season ends early June. By early to mid June, peak snowmelt has occurred, and direct irrigation demand is high to the point that there is not enough water available within the stream to allow for the continuation of reservoir storage.

The administration of water rights is also an important piece of the puzzle. GLIC is governed by the Colorado Division of Water Resources (DWR). The DWR regulates the water rights and makes decisions on river diversions based on the decreed water rights.

How does this affect GLIC? When there is not enough water in the stream (South Platte) depending on the river commissioners call, GLIC may have to decrease or completely stop all river diversions. This has been the case for the 2025 storage fill season. There are senior storage right owners that have been diverting their lawful amounts during the fill season and GLIC's earliest water right has only come into priority for 6 calendar days when

this memo was written on May 27th. This is a small fraction of time compared to recent years when GLIC has been in priority to fill for an average of 60 days.

The cumulation of the senior reservoirs starting capacity were lower than average, the mild and dry spring, and the senior direct irrigators calling for water is how we've ended up here. Most if not all, reservoirs in Northern Colorado were below their average capacity when the storage season began (Nov. 1, 2024), which resulted in it taking longer to fill the reservoirs. The mild and dry spring has played a role as well, typically, March and April are the snowiest months in the Rocky Mountain region. This year, that wasn't the case and the mild to warm weather meant snowmelt began earlier for our basin. Lastly, with the direct irrigation season starting in April, and the combination of mild and dry weather, this increased the irrigation demand and those direct water right owners called for their water. All these factors were the case this spring, which has left a small inflow of water into our reservoirs.

How does GLIC combat these issues? Efficiency and conservation. The Company has completed over a half dozen capital projects to improve the system and to improve the efficiency of the delivery of water. GLIC has worked over the last handful of years to remove many trees along our ditches and improve the ditch by removing sediment deposits so we can deliver any water that is lawfully available to our shareholders. Additionally, the Company has and is currently investing more funds towards technology by implementing more flow measurement devices throughout our system. This allows the Company to proficiently deliver water to our shareholders and decreases water shrink and waste.