



**Grand Valley Water Users Association
Grand Valley Project
1147 24 Road, Grand Junction, CO 81505
Phone: 970-242-5065 Fax: 970-243-4871
www.GrandValleyWaterUsers.com**

June 26, 2020

RE: GVWUA Position on Water Development

To our shareholders:

Recently there has been a lot of discussion about Water Asset Management's (WAM) purchase of land with appurtenant water rights under the GVWUA system. Some folks are even asking what GVWUA's "position" is regarding WAM.

WAM publicly states that it "seeks to be a recognized leader in managing global water investments that solve water quality and availability issues." WAM is now the single largest shareholder on the GVWUA system. This has caused a stir statewide and West Slope legislators have called for a renewed look at Colorado's water laws on anti-speculation in water. The State legislature has passed a new statute to form a group of experts to do just that.

The water under the GVWUA system cannot be separated from the land, but we understand that what WAM is doing in the valley can be viewed positively or negatively, depending on your perspective. GVWUA recognizes that the land and the right to use water are private property rights for our shareholders to do with as they determine is best for them, subject to the limitations of GVWUA's governing documents. For some, this means placing the land in a conservation easement or leaving it to their heirs. For others, it means developing the land into the subdivisions we have seen spread across the valley. Now, for some, it may mean selling it to an entity like WAM. What a shareholder decides to do with his or her land is up to the shareholder alone and it is not a decision for GVWUA to question or second guess.

The GVWUA staff and Board of Directors are actively monitoring and participating in the statewide discussions concerning the State Water Plan, the feasibility of demand management and the role of agriculture with respect to the challenges facing the Colorado River. This effort is to protect GVWUA's shareholders and operations and possibly to create new opportunities for agriculture in the valley.

GVWUA rigorously monitors activities under the Grand Valley Project to the extent appropriate to continue to provide efficient water delivery to its shareholders and to protect the Grand Valley Project water rights.

To the best of GVWUA's knowledge, all the land purchased by WAM under the GVWUA system is currently still being farmed. While we may have no assurances that this will continue indefinitely, it is simply not GVWUA's role to tell its shareholders what they can or cannot do with their land. Therefore, GVWUA has no "position" with respect to WAM except to ensure to the extent possible that WAM's activities, now and in the future, do not negatively impact GVWUA's operations or cause injury to the Grand Valley Project water rights. This position is the same as to any other shareholder's activities under the GVWUA and we will remain steadfast in that obligation.

Sincerely,

Mark Harris
General Manager
Grand Valley Water Users Association