

**Testimony to Members of House Committee on
Natural Resources Subcommittee on Water and Power
The Honorable Tom McClintock, Chairman**

From: David Costlow, Colorado River Outfitters Association

Title of Hearing: *Oversight Hearing on "Federal Impediments to Water Rights, Job Creation and Recreation: A Local Perspective"*

Date: 4/25/13

I am David Costlow, the Executive Director of the Colorado River Outfitters Association (CROA), an organization representing approximately 45 commercial rafting and float fishing outfitters in the State of Colorado. To give you a little background, river outfitters in Colorado took rafters and anglers on trips that accounted for 496,000 user days in 2011. Rafting days primarily occur during the months from mid-May to August. The rafting season in Colorado is short so it is imperative for outfitters to be planned, trained and ready for business come May. If we consider that in 2011 each boat had a guide and that there was an average of 6 customers per raft, 2011 produced a total of 83,000 guide days, which is a considerable number of work days.

Based on data compiled annually by Joe Greiner and Jody Werner (2013), the economic impact of commercial river rafting in Colorado is approximately \$151 million. In comparison, in 1988, the data indicate the impact to be \$36 million so there has been tremendous growth in the industry over 23 years. River rafting in Colorado is big business.

Over the last few years, the industry has been affected by declines in consumer spending, changes in market segments, changes in tourism travel, forest fires, and drought conditions. This past 2012 season, Colorado experienced a severe drought. Whereas previously mentioned, 2011 had 496,000 user days, 2012 saw a 17% reduction to 411,000 user days. This was a significant hit for most outfitters and affected job opportunities for guides, reservationists, bus drivers, etc. I have included Table 1 showing the number of user days by river. Please look at the cell for the 2012 column and the Poudre River row. You will see a dramatic decrease in user days compared to 2011. The full name of this river is the Cache la Poudre and it is the only federally designated Wild and Scenic River in Colorado. This is the river corridor that suffered from the highly publicized High Park fire last June. The river was closed for 3 weeks. It reopened right at the peak of the July 4th tourist season, but because no one knew when it would reopen outfitters were continuously turning away customers. Once the river opened they had few reservations on the books and had to quickly ramp up efforts to regain their market. Then, just a few weeks later, they experienced the effects of drought as the reservoirs ran low and river levels dropped. They again began turning away customers.

The Arkansas River, one of the most rafted rivers in the world, had an almost 19% decrease in business due to decreased water flows. Water in rivers is important to the recreation industry.

In Colorado, most all raftable rivers are located near the smaller mountain towns not the metropolitan areas. Businesses in these rural towns benefit greatly from the boating industry by

way of expenditures and the towns themselves gain through the receipts of sales tax dollars. When flows are down so are revenues.

Returning to Table 1 you will notice a few interesting things. For the row labeled Colorado-Glenwood you will see that user days rose from approximately 44,000 in 2011 to 64,000 in 2012. For the row Colorado-Upper a similar pattern appears. This is a result of outfitters shifting business to rivers with predictable water flows due to reservoir releases. If you look at the row labeled Clear Creek you will see a drop in user days from over 60,000 in 2011 to just over 35,000 in 2012. Clear Creek has no appreciable water releases to aid the rafting season.

To help maintain predictable water flows, CROA has engaged in negotiations on a number of fronts. About 7 years ago, the Bureau of Land Management (BLM) was considering stretches of the Upper Colorado River for designation under the National Wild and Scenic Rivers Act. A local stakeholders group was formed to consider alternative approaches. The local group includes the entities shown in Table 2. You will see that this list encompasses a number of trans-mountain water diverters, county governments, Vail Resorts, Trout Unlimited, American Whitewater (representing private boating interests), and CROA, among others. This group has attempted to resolve a number of competing issues for use of the river's resources. The overall goal is to protect the Outstanding Remarkable Values (ORVs) that have been identified in the Eligibility Reports for the BLM. I think you will find this approach will quickly become the preferred alternative for local communities struggling to manage limited water resources. If the Stakeholder Plan is adopted by the BLM as the preferred alternative in its upcoming Management Plan revisions, a Governance Committee consisting of 6 interest groups will manage for the ORVs. A more detailed Briefing Paper for the Upper Colorado River Stakeholder Group Management Plan (Alternative Wild & Scenic Stakeholders Group, 2012) is attached.

Another cooperative agreement exists on the Arkansas River. On this river there is a voluntary program in place to coordinate water releases aimed at moving water to benefit recreational boating and the fishery. The voluntary flow program simply tries to maintain some predictable consistency in the flow to avoid the wild fluctuations that might otherwise occur. The Arkansas River Outfitters Association (AROA), Trout Unlimited, Southeastern Water Conservancy District, Colorado Parks and Wildlife, Aurora Water, Colorado Springs Water and the Bureau of Reclamation, among others are participants in these voluntary flow efforts.

This concludes my testimony before this committee. I invite any questions you might have.

Wild & Scenic Alternative Management Stakeholders Group. (2012). *Upper Colorado River Wild & Scenic Rivers Act Process, Briefing Paper for the Upper Colorado River Stakeholder Group Management Plan*. Lafayette, CO: Rob Buirgy.

Greiner, J. & Werner, J. (2013). *Commercial River Use in the State of Colorado 1988-2012*. Buena Vista, CO: Colorado River Outfitters Association.