NOTES FOR SWEET GRASS WATER STORAGE FEASIBILITY STUDY

EXHIBIT 3
DATE 1/19/05
HB 6,8

INTRO—ROGER ENGLE

- CD's interest in sponsoring the study
- Concern for flow levels in Sweet Grass Creek
- Better relations among water users, opportunities like this are few to settle water disputes
- Pursue solutions that benefit the greatest # of people and the resource

BACKGROUND—MATT

- Size and influence of Cremer Ranch throughout the watershed; main ranch and water rights from upper creek
- Cremer Ranch water rights, other senior water rights; difficulty of having senior rights at top and bottom of watershed
- Proposed reservoir location is on Cremer land, compromises made during installation of Glaston reservoirs
- Describe Glaston system, lakes are filled throughout winter months; consistent Otter Creek flows because of Glaston Lake storage, but water is lost to another stream
- this study would look at capturing excess water during run-off events; and returning the water back to Sweet Grass

WATER USERS GROUP—TOM/PHIL

- History of water distribution problems; distance water must travel from top to bottom
- Status of water commissioner; problems with keeping people in the job, overall difficulty of keeping peace, etc.
- Situation described by the water commissioner as "unworkable"
- When water is low, even the most senior rights aren't satisfied at lower end
- Formation of group late last winter; upper one side/lower on the other—very divided group
- Accomplishments thus far; improvements of communication seems to be the biggest, better understanding of how water is distributed
- Have been able to find common ground; during a conflict at the last meeting, someone pointed out the mixed seating
- Installation of measuring devices have answered many questions of actual use
- Has made water commissioner's job easier
- The group is proposing this study to find an option that will benefit everyone

FEASIBILITY STUDY—TROY/ROGER

- Largest benefit of the study will be realized whether construction takes place or not: understanding the hydrology of the watershed
- What are the factors that influence flow; both inherent and man-caused?
- How can we improve the capabilities and function of the system?
- What is the potential of the system to store water at this and other locations?
- To repeat and expand on what Matt stated, the goal is to store water during high flows (when it would not be noticed by the system); then release it directly back into the stream when flow is lowest and all uses are most stressed
- In this way we hope to find a solution that will benefit all possible users; a dry creek benefits no one
- ...anything Roger Perkins would add

SUMMARY AND POTENTIAL PROBLEMS/SKEPTICS—JOHN

- To summarize, this is just a study to understand the watershed, better identify our challenges, and propose possible solutions
- We will admit that there are those within the system that are opposed to this study
- Their stated reasons, which have been expressed at meetings are:
- A naturally flowing, unregulated system—we have been far from that for over 100 years, ie.water lost to Otter Cr.
- This project is an attempt to rectify a situation created that long ago: opportunities for Otter Cr at the expense of the Sweet Grass
- Afraid of and unwillingness to change—a natural fear that we are confronted with daily
- There are some personal differences and neighborly disputes that will always exist
- We all agree that we have serious distribution problems; this is just a study that will move the group forward
- We are looking at this as a responsibility toward future generations; opportunities to store water are quickly disappearing—look at the Missouri

OTHER SUPPORTING COMMENTS BY:
SENATOR JOHN ESP
COUNTY COMMISSIONERS