

STATE OF COLORADO

Colorado Water Conservation Board Department of Natural Resources

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TO: Colorado Water Conservation Board Members

FROM: Greg Johnson
Water Supply Planning Section

DATE: May 7, 2010

SUBJECT: **Agenda Item 30, May 18-19, 2010 Board Meeting**
Water Supply Reserve Account Change of Fiscal Agent –
Lower Willow Creek Restoration Project

Bill Ritter, Jr.
Governor

James B. Martin
DNR Executive Director

Jennifer L. Gimbel
CWCB Director

Staff Recommendation

Staff recommends granting the requested change of fiscal agent for the Water Supply Reserve Account application of the Lower Willow Creek Restoration Project.

Background

The Mineral County Fairgrounds Association received approval for a WSRA grant totaling \$250,000 at the September 2009 CWCB Board Meeting. The grant included \$50,000 from the Rio Grande Basin Account and \$200,000 from the Statewide WSRA Account. The CWCB grant will provide a critical match for a \$398,770 EPA 319 grant that has also been approved for the project. The initial project application for both applications was submitted by the Willow Creek Reclamation Committee with the San Luis Valley Resource Conservation and Development Council (SLVRC&D) serving as the fiscal agent. Due to complications with the SLVRC&D the Mineral County Fairgrounds Association (MCFA) assumed fiscal responsibilities for the WSRA grant prior to the CWCB's approval process.

However, a more appropriate fiscal agent, the City of Creede, has been identified for this project. The City of Creede and the local community share the vision to restore the highly degraded Lower Willow Creek floodplain at the entrance to the town. The Lower Willow Creek Restoration Project will restore a meandering stream channel to this area. A public meeting is scheduled to begin annexation of the property to the city, and negotiations are continuing to transfer ownership of the floodplain property to the City of Creede. As such, the City of Creede has a vested interest in the restoration project. The City of Creede has agreed to serve as fiscal agent for the CWCB grant (and EPA grant). The Willow Creek Reclamation Committee will continue to provide project management and technical assistance and supports the City of Creede's role as fiscal agent for the CWCB grant. The Mineral County Fairgrounds Association (MCFA) has not objected to changing the fiscal sponsorship to the City of Creede. In order to simplify the completion of the WSRA grant, the applicant has requested CWCB approval of changing the project's fiscal agent from MCFA to the City of Creede.