## STATE OF COLORADO

## **Colorado Water Conservation Board Department of Natural Resources**

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TO: Colorado Water Conservation Board Members

FROM: Chris Sturm, Stream Restoration Coordinator

Watershed and Flood Protection Section

DATE: September 2, 2010

SUBJECT: Agenda Item 31, September 13-15, 2010 Board Meeting

Water Supply Reserve Account – De-authorization of Funds for Alamosa River Watershed Restoration Project



Bill Ritter, Jr. Governor

Mike King DNR Executive Director

Jennifer L. Gimbel CWCB Director

## **Staff Recommendation**

Staff recommends de-authorization of Water Supply Reserve Account funds for the Alamosa River Watershed Restoration Project.

## **Background**

The Alamosa River Watershed Restoration Project (Project) is multi-phase project designed to reduce sedimentation, stabilize banks, re-vegetate riparian areas, and improve diversion structures on 14,784 feet of the Alamosa River. The Rio Grande Basin Roundtable requested authorization for funding from the Statewide Account for \$104,000 in July 2007. The funding request was to be spent on Phase II of the Project. The applicants included the San Luis Valley Resource Conservation & Development Council (Council), and the Alamosa River Watershed Restoration Foundation (ARWRF). The Board approved the funding request in September of 2007, contingent upon the applicants' ability to secure funding from the Colorado Department of Public Health and Environment for EPA 319 monies (\$396,000) and a National Resource Damage Claim (\$500,000). The Board determined that the match funding was essential to ensure the success of the project.

The Water Supply Reserve Account guidance, ca. 2006, allowed for six months to contract after Board approval. CWCB and the Council were prepared to contract in July 2008, but the CDPHE managed monies were not yet secure. In October of 2008, CWCB staff informed the Council that the funding would expire on December 31, 2009 if the CDPHE monies were not secure. ARWRF notified CWCB staff that the Council was no longer acting as the fiscal agent for the Project in July 2009. ARWRF further stated that they were pursuing non-profit status, so they could manage all aspects of the Project. ARWRF was not certain that they would be able to secure CDPHE monies by the CWCB deadline. CWCB staff granted another extension until July 1, 2010. Presently, it does not appear that ARWRF will be contracting for CDPHE funds in the near future. The latest estimates from CDPHE indicate that it could take as long as 18 months to two years. Staff is currently advising ARWRF to re-apply for SB 179 monies after securing funds from CDPHE.