Water Supply Reserve Account – Grant and Loan Program Water Activity Summary Sheet Agenda Item 22a

Applicant: San Juan Citizens Alliance

Water Activity Name: A Way Forward: The Dolores River below McPhee Reservoir

Water Activity Purpose: Nonstructural Nonconsumptive Study

County: Montezuma and Dolores Counties

Drainage Basin: Southwest

Water Source: Dolores River

Amount Requested: \$25,000 (Southwest Basin Account)

Matching Funds: \$55,000 (\$30,000 from The Nature Conservancy and the San Juan Citizens Alliance and \$15,000 from the Southwestern Water Conservation District. Requests totaling \$10,000 are pending with the Dolores Water Conservancy District, Montezuma Valley Irrigation Company, and Montezuma and Dolores Counties.)

Staff Recommendation

Staff recommends approval of up to \$25,000 from the Southwest Basin Account to develop scientifically grounded and stakeholder developed alternatives to improving the status of native fish below McPhee Reservoir.

Water Activity Summary:

A Way Forward: The Dolores River below McPhee Reservoir is an inquiry into the status of native fish on the Lower Dolores River combined with a multi-stakeholder consensus-building process. It is intended to result in "doable" alternatives to improve the status of native fish below McPhee Reservoir while honoring water rights and Dolores Project allocations. The native fish in the lower Dolores, such as the Roundtail Chub, are declining regionally and there is the potential for one or more of these fish to become federally listed. This is balanced with an interest to permanently remove the Wild and Scenic River "suitable" status, which, if designated, could result in a federal reserve water right that would dramatically hurt the economies and agriculture bases in Dolores and Montezuma Counties. Should the stakeholders adopt one of these alternatives, it would complete a "nonconsumptive IPP."

The project is spearheaded by a subcommittee of the Dolores River Dialogue, specifically the Lower Dolores Plan Working Group's Legislative Subcommittee. The alternatives resulting from this project will be pursued on a stand-alone basis, and in conjunction with the legislative process. The topics that will be discussed include but are not limited to: a) timing and management of spills out of McPhee Reservoir, b) Dolores Project fish pool allocations (consideration of shared shortage, which is currently 31,798AF, with up to 6,000 AF additional within available hydrology), c) reduced predation and or competition from non-native fish, d) water quality, e) riparian ecology, f) McPhee Reservoir Storage Rights, g) the 78cfs instream flow right, h) Montezuma Valley Irrigation Company's direct flow rights, and i) understanding where actions could have the most value in which reaches of the river.

As stated in the scope of work, the project has the following objectives:

- 1) Produce a trusted report that details relevant scientific literature and available data about Native Fish and their needs and status. The report will be completed by Science Contractors who will be selected using careful protocols.
- 2) Produce another report that frames and describes opportunities for improvement of the Native Fish taking into account hydrology of the river and Dolores Project constraints.

- 3) Plan and carry out a consensus-building process(es), to arrive at viable and do-able alternatives in the form of prioritized recommendations. These recommendations will either be included in the legislative outline (which will be used to write the federal legislation) or will be considered independently for implementation by the DRD, the Bureau of Reclamation, CDOW and/or other entities.
- 4) Include process steps to involve the Dolores River Dialogue and the Lower Dolores Plan Working Group as well as key stakeholders from: CDOW, USFWS, CDWR, USBOR, the DRD Hydrology Committee, and the DWCD and MVIC.

Discussion:

Though the Dolores River Dialogue was formed in 2004, issues on the lower Dolores have yet to be resolved. The scope of work allocates six months to synthesize the data, build consensus concerning the status of native fish in the reach and management alternatives. While staff thinks this schedule is quite aggressive, the applicant believes the work can be accomplished within a couple months of the schedule. Resolving the long-debated issues in the Lower Dolores would be critical for meeting the needs of a reach indicated as having a high number of attributes during Phase I of the Basin Roundtable's nonconsumtive needs assessment. However, it should be noted that the scope does not seek to address boating or angling needs, which have contributed to the management debate in the Lower Dolores. As such, it is unlikely that this report will develop the final alternatives that would be accepted by the larger group.

Issues/Additional Needs:

- Please include CWCB as a key stakeholder.
- Explanation of how this study and the *Native Warm Water Fish in the Dolores River: Laying the Foundation for a Comprehensive Adaptive Management and Conservation Strategy* study would be coordinated. The second study was recommended for funding by the CWCB Board with a reduced amount out of the severance tax trust fund operational account due to the expectation of this Basin Roundtable application.

Staff Recommendation:

Staff recommends approval, conditional upon meeting the issues/additional needs section, of up to \$25,000 to develop scientifically grounded and stakeholder developed alternatives to improving the status of native fish below McPhee Reservoir.

All products, data and information developed as a result of this grant must be provided to the CWCB in hard copy and electronic format as part of the project documentation. This information will in turn be made widely available to Basin Roundtables and the general public and will help promote the development of a common technical platform.

In accordance with the revised WSRA Criteria and Guidelines, staff would like to highlight additional reporting and final deliverable requirements. The specific requirements are provided below.

Reporting: The applicant shall provide the CWCB a progress report every 6 months, beginning from the date of the executed contract. The progress report shall describe the completion or partial completion of the tasks identified in the scope of work including a description of any major issues that have occurred and any corrective action taken to address these issues.

Final Deliverable: At completion of the project, the applicant shall provide the CWCB a final report that summarizes the project and documents how the project was completed. This report may contain photographs, summaries of meetings and engineering reports/designs.

Engineering: All engineering work (as defined in the Engineers Practice Act (§12-25-102(10) C.R.S.)) performed under this grant shall be performed by or under the responsible charge of professional engineer licensed by the State of Colorado to practice Engineering.