



COLORADO WATER CONSERVATION BOARD



WATER SUPPLY RESERVE ACCOUNT GRANT APPLICATION FORM

Rio Grande Initiative:
North Rio Grande Ranch Conservation Easement

Name of Water Activity/Project

Approving Basin Roundtable

\$70,000

Amount from Statewide Account

\$55,000

Total Amount of Funds Requested

Amount from Basin Account

\$15,000

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1. Reference Information
2. Insurance Requirements (Projects Over \$25,000)
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Instructions

To receive funding from the Water Supply Reserve Account (WSRA), a proposed water activity must be approved by the local Basin Roundtable AND the Colorado Water Conservation Board (CWCB). The process for Basin Roundtable consideration/approval is outlined in Attachment 1.

Once approved by the local Basin Roundtable, the applicant should submit this application, a detailed statement of work, detailed project budget, and project schedule to the CWCB staff by the application deadline.

The application deadlines are:

- Basin Account – 60 calendar days prior to the bi-monthly Board meeting
- Statewide Account – 60 calendar days prior to the September Board meeting

Board Meeting Dates	Basin Account Deadlines	Statewide Account Deadlines
January 2011	60 days prior	n/a
March 2011	60 days prior	n/a
May 2011	60 days prior	n/a
July 2011	60 days prior	n/a
September 2011	60 days prior	60 days prior

When completing this application, the applicant should refer to the WSRA Criteria and Guidelines available at: <http://cwcb.state.co.us/IWMD>.

The application, statement of work, budget, and schedule must be submitted in electronic format (Microsoft Word or text-enabled PDF are preferred) and can be emailed or mailed on a disk to:

Mr. Todd Doherty
Colorado Water Conservation Board
Water Supply Planning Section
WSRA Application
1580 Logan Street, Suite 200
Denver, CO 80203
Todd.Doherty@state.co.us

If you have questions or need additional assistance, please contact Todd Doherty of the Water Supply Planning Section at 303-866-3441 x3210 or todd.doherty@state.co.us.

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Part A. - Description of the Applicant (Project Sponsor or Owner);

1.	Applicant Name(s):	Rio Grande Headwaters Land Trust Attention: Nancy Butler, Executive Director or Rio de la Vista	
	Mailing address:	PO Box 444 Del Norte, CO 81132	
	Taxpayer ID#:	84-1495779	Email address: nancyb@riograndelandtrust.org
	Phone Numbers: Business:	719-657-0800	
	Home:		
	Fax:	888-634-9511	

2. Person to contact regarding this application if different from above:

Name:	Additional Contact person listed above: Rio de la Vista
Position/Title	Co-Coordinator, Rio Grande Initiative, riovista@rmi.net , 719-850-2255

3. Eligible entities that may apply for grants from the WSRA include the following. What type of entity is the Applicant?

	Public (Government) – municipalities, enterprises, counties, and State of Colorado agencies. Federal agencies are encouraged to work with local entities and the local entity should be the grant recipient. Federal agencies are eligible, but only if they can make a compelling case for why a local partner cannot be the grant recipient.
	Public (Districts) – special, water and sanitation, conservancy, conservation, irrigation, or water activity enterprises.
	Private Incorporated – mutual ditch companies, homeowners associations, corporations.
	Private individuals, partnerships, and sole proprietors are eligible for funding from the Basin Accounts but not for funding from the Statewide Account.
XX	Non-governmental organizations – broadly defined as any organization that is not part of the government.

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4. Provide a brief description of your organization

The Rio Grande Headwaters Land Trust (RiGHT) is a 501c3 non-profit organization formed in 1999. RiGHT is a local land trust serving the entire San Luis Valley (SLV). RiGHT's mission is to ***“Conserve Our Land, Water and Way of Life in the San Luis Valley.”***

RiGHT was originally developed from the earlier Citizens for San Luis Valley Water organization, seeking a proactive way to secure the land and water of the SLV for the long term. RiGHT has a local Board of Directors including four ranchers, retired General Manager of the Rio Grande Water Conservation District, and retired BLM and NRCS personnel, a wildlife biologist, an archaeologist, and artist and a local hospital fundraiser. Since 1999, RiGHT has worked to meet the growing demand for conservation easements and provide relevant information for area landowners and professionals. Conservation easements, which are voluntarily placed through donations and/or combinations of donations and purchases, are individually negotiated with each landowner and essentially restrict the land from subdivision and tie water rights to the land, but allow the landowner to continue agricultural and most other uses. Please note that in order to protect the privacy of the landowner and on-going negotiations regarding this purchase of a conservation easement, this application does not specify the individual parcel.

Over the life of the organization, RiGHT has actively collaborated with the community's water districts, state and federal agencies, and the Rio Grande Basin Round Table, in an effort to be a contributing part of the SLV's overall efforts to achieve water sustainability. Through our collaborative *Rio Grande Initiative*, and with substantial assistance of a 2008 \$1.5 million Water Supply Reserve Account (WSRA) grant that matched \$7.4 million in Great Outdoors Colorado (GOCO) Legacy Grant funds and numerous other private and public funding sources, RiGHT targeted protection of six important river ranches and their senior water rights, over a three year time period. The Colorado Division of Wildlife (CDOW) partnered on two of the properties for \$2.385 million of the total request. Since 2007, RiGHT has achieved six projects of our targeted projects and has a potential seventh poised for possible completion in the first quarter of 2011, thus exceeding our original commitments.

Overall, RiGHT and our core partners in the *Rio Grande Initiative* have now collectively protected over 19,000 acres and 33 river miles on the river corridor, totaling over \$25 million in conservation to date. These projects secure important senior water rights to the working lands along with protecting the wetlands and flood plain that serve the wildlife and communities along the river. With momentum and a strong track record, RiGHT and our partners are continuing to implement the *Rio Grande Initiative*, in the community-based effort to protect as much private land along the Rio Grande river corridor as possible- *while we have the chance*.

The funds requested in this application (\$15,000 Basin funds and \$55,000 Statewide funds) would serve as matching funds to a new GOCO application to be submitted in February, 2011 for approximately \$200,000 along with generous donation of conservation value from the participating landowner of approximately \$230,000 and additional implementation costs paid by the landowner of approximately \$15,000 (note that final value of the conservation easement is determined by the appraisal process, subject to GOCO review and submitted to the Colorado Department. of Revenue and Division of Real Estate).

5. If the Contracting Entity is different then the Applicant (Project Sponsor or Owner) please describe the Contracting Entity here.

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NOT APPLICABLE

6. Successful applicants will have to execute a contract with the CWCB prior to beginning work on the portion of the project funded by the WSRA grant. In order to expedite the contracting process the CWCB has established a standard contract with provisions the applicant must adhere to. A copy of this standard contract is included in Attachment 3. Please review this contract and check the appropriate box.

XX	The Applicant will be able to contract with the CWCB using the Standard Contract
	The Applicant has reviewed the standard contract and has some questions/issues/concerns. Please be aware that any deviation from the standard contract could result in a significant delay between grant approval and the funds being available.
7.	Ex Payer Bill of Rights (TABOR) may limit the amount of grant money an entity can receive. Please be aware of any relevant TABOR issues that may affect the applicant.
	NOT APPLICABLE—Applicant is a non-profit organization, 501 (C) 3

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Part B. - Description of the Water Activity

1. Name of the Water Activity/Project:

Rio Grande Initiative- within the overall landscape scale project, these funds will support the conservation of an important Rio Grande river corridor property and its associated senior water rights

2. What is the purpose of this grant application? (Please check all that apply.)

☐

Environmental compliance and feasibility study

☐

Technical Assistance regarding permitting, feasibility studies, and environmental compliance

☐

Studies or analysis of structural, nonstructural, consumptive, nonconsumptive water needs, projects

Study or Analysis of:

☐

Structural project or activity

☐

Nonstructural project or activity

☐

Consumptive project or activity

☐

Nonconsumptive project or activity

☒

Structural and/ or nonstructural water project or activity

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3. Please provide an overview/summary of the proposed water activity (no more than one page). Include a description of the overall water activity and specifically what the WSRA funding will be used for.

The requested funds will be used to providing matching funds toward a bargain-sale acquisition of a conservation easement on an important 320-acre Rio Grande river corridor ranch in Alamosa County, including securing the senior water rights to the property. It is a continuation of the successful *Rio Grande Initiative*, which benefits *both* consumptive and non-consumptive water needs in the Rio Grande Basin. As an element of an on going, collaborative, community-based project, this conservation opportunity will directly protect senior surface water rights in order to help sustain the historic water use patterns along the Rio Grande river corridor by linking the water rights to the land through a permanent conservation easement. This is accomplished through a willing-seller/willing-buyer process for a voluntary conservation easement, which is purchased through a bargain sale and includes a substantial charitable donation of value (approximately 50%) by the landowner.

The project proposed will contribute to the following consumptive and non-consumptive needs for the basin:

- 1) **Help secure the viability of agriculture** by insuring that land and water resources are available for agriculture for the long term by:

- Insuring that the associated senior water rights currently diverted for agriculture (for this project, estimated between 300 and 400 acre feet annually as used to irrigate approximately 260 of the 320 acres) continues to be used essentially in the same historic patterns on the same river corridor land that creates the multiple benefits discussed in this application,
- Voluntarily protect senior surface rights and secure them to agricultural land, which helps sustain the current economic base of the SLV, while still allowing for growth in other economic sectors.

- 2) **Protect key wildlife habitat** for many species. Across Colorado, and especially in relatively dry areas such as the SLV, 75% of all wildlife depends upon a healthy river, adequate riparian zones and associated wetlands for their survival. In the SLV, abundant waterfowl, water birds, shore birds, songbirds, the migrating Sandhill Cranes as well as large game species such as elk and deer, and many smaller species, all of which make extensive use of the river corridor. The intact lands and health of the riparian zone along with the senior surface water rights that keep those wetlands wet, are vital to our area's extensive wildlife, including endangered species. The proposed project includes over 100 acres of designated wetlands that are also used for agricultural purposes, as is common in the SLV.

- 3) **Continue historic water use patterns** to insure that historic water use is sustained in ways that help the CDWR administer the waters of the Rio Grande to meet Colorado's Rio Grande Compact obligations. The storage and recharge benefits of riparian zone wetlands provide a "sponge" effect along the river corridor that helps to produce return flows, extend the irrigation season and maintain instream flows in the river.

- 4) **Contribute to public safety in four counties** through maintaining the flood mitigation function of large portions of the river's flood plain. The cumulative effect of increasing subdivision and residential development in the flood plain, the building of new roads, excavations, and changes of water use patterns all diminish the function of the flood plain and increase risks to the public. This property is in the flood plain just upriver from the city of Alamosa and keeping it intact will help sustain the valuable function of the flood plain.

- 5) **Contribute to the overall water sustainability of the SLV** by helping to keep the river corridor "whole." Keeping senior surface water rights tied to river corridor lands benefits both the consumptive uses of traditional water users and the non-consumptive needs for wildlife and recreation, by keeping land intact and securing sufficient water supply for those complimentary purposes. This project will add additional senior water rights to the Rio Grande Initiative's efforts to secure a substantial portion of the critical water rights in historic use patterns, as part of the Rio Grande Basin Round Table's goal to achieve water sustainability and support the current beneficial uses for the long term.

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Part C. – Threshold and Evaluation Criteria

1. Describe how the water activity meets these **Threshold Criteria**. (Detailed in Part 3 of the Water Supply Reserve Account Criteria and Guidelines.)

a) The water activity is consistent with Section 37-75-102 Colorado Revised Statutes.¹

This activity is consistent with the above referenced statute through the Colorado Statutes and Constitution Article referenced below. In addition, the voluntary placement of conservation easements, which include securing water rights to the land, is not only allowed, but is frequently and vigorously encouraged by and funded through numerous federal, state and local entities and promoted by statutes, policies, funding sources and programs through the USDA's Natural Resources Conservation Service (NRCS), GOCO, CDOW and many more.

- Colorado Revised Statutes §§ 38-30.5-101 to 38-30.5-111, providing for the establishment of conservation easements to maintain land “in a natural, scenic, or open condition, or for wildlife habitat, or for agricultural, horticultural, wetlands, recreational, forest, or other use or condition consistent with the protection of open land, environmental quality or life-sustaining ecological diversity...”
- The Colorado Wildlife and Parks and Outdoor Recreation Statutes, Colorado Revised Statutes §§ 33-1-101 to 33-1-121, which provide that “it is the policy of the state of Colorado that the wildlife and their environment are to be protected, preserved, enhanced, and managed for the use, benefit, and enjoyment of the people of this state and its visitors.”
- The Colorado Wildlife and Parks and Outdoor Recreation Statutes, Colorado Revised Statutes §§ 33-2-101 to 33-2-106, which provide that “it is the policy of this state to manage all nongame wildlife, recognizing the private property rights of individual property owners, for human enjoyment and welfare, for scientific purposes, and to insure their perpetuation as members of ecosystems; that species or subspecies of wildlife indigenous to this state which may be found to be endangered or threatened within the state should be accorded protection in order to maintain and enhance their numbers to the extent possible; that this state should assist in the protection of species or subspecies of wildlife which are deemed to be endangered or threatened elsewhere.”

¹ 37-75-102. Water rights - protections. (1) It is the policy of the General Assembly that the current system of allocating water within Colorado shall not be superseded, abrogated, or otherwise impaired by this article. Nothing in this article shall be interpreted to repeal or in any manner amend the existing water rights adjudication system. The General Assembly affirms the state constitution's recognition of water rights as a private usufructuary property right, and this article is not intended to restrict the ability of the holder of a water right to use or to dispose of that water right in any manner permitted under Colorado law. (2) The General Assembly affirms the protections for contractual and property rights recognized by the contract and takings protections under the state constitution and related statutes. This article shall not be implemented in any way that would diminish, impair, or cause injury to any property or contractual right created by intergovernmental agreements, contracts, stipulations among parties to water cases, terms and conditions in water decrees, or any other similar document related to the allocation or use of water. This article shall not be construed to supersede, abrogate, or cause injury to vested water rights or decreed conditional water rights. The General Assembly affirms that this article does not impair, limit, or otherwise affect the rights of persons or entities to enter into agreements, contracts, or memoranda of understanding with other persons or entities relating to the appropriation, movement, or use of water under other provisions of law.

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- The Colorado Wildlife and Parks and Outdoor Recreation Statutes, Colorado Revised Statutes §§ 33-10-101 to 33-10-114, which provide that “it is the policy of the state of Colorado that the natural, scenic, scientific, and outdoor recreation areas of this state are to be protected, preserved, enhanced, and managed for the use, benefit, and enjoyment of the people of this state and visitors of this state.”
 - The Colorado Department of Agriculture Statutes, Colorado Revised Statute §§ 35-3-102, which provides in part that “the soil resources and fertility of the land of this state, ...the prosperity of the farming population... and the waters of the rivers of this state... are matters affected with a public interest.”
 - The Colorado Department of Agriculture Statutes, Colorado Revised Statute §§ 35-3-102, which provides in part that “the welfare of this state has been impaired and is in danger of being further impaired by destruction of its soil fertility, by uneconomic use and waste of its land, by exploitation and wasteful and unscientific use of its soil resources...”
 - The voters of the State of Colorado by adoption of Article XXVII to the Constitution of the State of Colorado, the legislature of the State of Colorado by adoption of enabling legislation, and the State Board of the Great Outdoors Colorado Trust Fund (the “Board”), by adopting and administering competitive grants application and rigorous due diligence review processes, have established that it is the policy of the State of Colorado and its people to preserve, protect, enhance and manage the state’s wildlife, park, river, trail and open space heritage, to protect critical wildlife habitats through the acquisition of lands, leases or easements, and to acquire and manage unique open space and natural areas of statewide significance.
- b) The water activity underwent an evaluation and approval process and was approved by the Basin Roundtable (BRT) and the application includes a description of the results of the BRTs evaluation and approval of the activity. At a minimum, the description must include the level of agreement reached by the roundtable, including any minority opinion(s) if there was not general agreement for the activity. The description must also include reasons why general agreement was not reached (if it was not), including who opposed the activity and why they opposed it. Note- If this information is included in the letter from the roundtable chair simply reference that letter.

The *Rio Grande Initiative* has the strong support from the Rio Grande Basin Round Table, as evidenced by the previously funded application and successful projects achieved through this process. Our community members recognize the vital role of the river corridor and its senior surface water rights to our water sustainability as a whole. Their support indicates the urgent need and critical timing of conservation projects—and that the opportunity to protect a large portion of the Rio Grande must be enacted now, if we are to meet our long-term water needs.

This application includes a commitment of \$15,000 of Basin funds towards this overall request, with a request for \$55,000 of statewide funds, and with a match of \$445,000. This demonstrates the leveraging and strong commitment to this effort from our Round Table members.

Please see the attached letter from the Rio Grande Basin Round Table Chairman, Mike Gibson, describing the support of this application from our membership.

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- c) The water activity meets the provisions of Section 37-75-104(2), Colorado Revised Statutes.² The Basin Roundtable Chairs shall include in their approval letters for particular WSRA grant applications a description of how the water activity will assist in meeting the water supply needs identified in the basin roundtable's consumptive and/or non-consumptive needs assessments.

Please see the project information in this application and in the attached letter from the Rio Grande Basin Round Table Chairman, Mike Gibson.

² 37-75-104 (2)(c). Using data and information from the Statewide Water Supply Initiative and other appropriate sources and in cooperation with the on-going Statewide Water Supply Initiative, develop a basin-wide consumptive and nonconsumptive water supply needs assessment, conduct an analysis of available unappropriated waters within the basin, and propose projects or methods, both structural and nonstructural, for meeting those needs and utilizing those unappropriated waters where appropriate. Basin Roundtables shall actively seek the input and advice of affected local governments, water providers, and other interested stakeholders and persons in establishing its needs assessment, and shall propose projects or methods for meeting those needs. Recommendations from this assessment shall be forwarded to the Interbasin Compact Committee and other basin roundtables for analysis and consideration after the General Assembly has approved the Interbasin Compact Charter.

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- d) Matching Requirement: For requests from the Statewide Fund, the applicant is required to demonstrate a 20 percent (or greater) match of the request from the Statewide Account. Sources of matching funds include but are not limited to Basin Funds, in-kind services, funding from other sources, and/or direct cash match. Past expenditures directly related to the project may be considered as matching funds if the expenditures occurred within 9 months of the date the application was submitted to the CWCBC. Please describe the source(s) of matching funds. (NOTE: These matching funds should also be reflected in your Detailed Budget in Part D of this application)

As shown in the Budget portion of this application, this request is for \$70,000 total funds, including \$15,000 of Rio Grande Basin funds, \$55,000 of Statewide funds. It will be matched by funding from GOCO (the application will be submitted in February 2011) in the amount of approximately \$200,000 and a landowner donation of the conservation easement value and additional implementation costs in the amount of approximately \$245,000 of conservation value (precise donation amounts will be determined in the final appraisal). Thus it far exceeds the match requirements noted above with a total project value of \$515,000, with the WSRA funds comprising 14% of the overall project, and thus being leveraged at a ratio of 7.3 to 1.

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2. For Applications that include a request for funds from the Statewide Account, describe how the water activity meets the **Evaluation Criteria**. (Detailed in Part 3 of the Water Supply Reserve Account Criteria and Guidelines.)

Evaluation Criteria: Tier 1: Promoting Collaboration/Cooperation and Meeting Water Management Goals and Identified Water Needs:

- a. The water activity addresses multiple needs or issues, including consumptive and/or non-consumptive needs, or the needs and issues of multiple interests or multiple basins.

The *Rio Grande Initiative's* direct protection of river corridor land and senior surface water rights addresses both consumptive and non-consumptive needs and benefits multiple entities and interests in the Rio Grande Basin and on behalf of the State, specifically for the sustainable administration of the Rio Grande Compact. These include:

- 1) **Agriculture:** By keeping land and water intact, this project will help sustain the agricultural productivity, its consumptive uses, and its role as the basis for the area's economy for the long term. The 320-acre parcel in this application is used for grazing and haying and includes very senior water rights of approximately 380 acre feet of consumptive use annually. Securing it with a conservation easement will insure those uses into the future.
- 2) **Wildlife:** While the parcel submitted in this application is not directly on the river, it is within the Rio Grande river's floodplain and includes over 100 acres of important wetlands and the associated senior water rights that sustain them. The riparian corridor and wetlands on the intact land along the river corridor provide highly important wildlife habitat for all of the area's wildlife, and for several endangered species. This is exemplified by:
 - a) Four SWA's directly on the river corridor, including the Higel (just over one mile away from the subject parcel), Rio Grande, Home Lake and Collier SWA's. The CDOW has funded existing river corridor conservation easements through several of its programs and has been a direct partner on the *Rio Grande Initiative* through the GOCO Legacy grant.
 - b) Federal funding awarded through both the North American Wetlands Conservation Act (NAWCA) and the NRCS's Wetland Reserve Program has supported private land conservation in this zone.
 - c) The Alamosa National Wildlife Refuge, which encompasses 15,000 acres of the east side of the river, south of Alamosa.
 - d) The Rio Grande Water Conservation District's (RGWCD) current effort to create a Habitat Conservation Plan (HCP) for the Southwestern Willow Flycatcher, Bald Eagle and Yellow Billed Cuckoo will be implemented in part and greatly enhanced by the conservation of private lands in this area.
 - e) The Rio Grande Natural Area, established in 2007 by an act of Congress, encompasses the river corridor from the Alamosa National Wildlife Refuge south to the New Mexico border. Private land conservation within this area is part of the *Rio Grande Initiative*.
- 3) **Flood plain/Public Safety:** Intact open land versus fragmented, developed land with roads and buildings which disrupt water flows along the river corridor provides for a functional flood plain, which helps reduce the potential impacts of floods on the towns and cities along the river. Located just upriver from Alamosa, the subject parcel that would be protected through this application is within the flood plain and will contribute to this objective.

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- 4) **Water administration:** Functioning agricultural lands along the river divert water into riparian wetlands through senior water rights diversions, which then create return flows to the river, thus assisting the CDWR in administering the waters of the Rio Grande and meeting Colorado's obligations under the Rio Grande Compact. Securing the senior water rights to this parcel will be one more important step on our path to water sustainability and contribute to the State's ability to administer the Compact.
- 5) **Urgency:** The timing of this effort is urgent: changes in water use are already underway as historic ranches are being bought and fragmented into smaller parcels for residential purposes and senior water rights along the river corridor are at risk of being altered for well augmentation purposes. Timely action is necessary to achieve the many benefits possible through the *Rio Grande Initiative*.

b. The number and types of entities represented in the application and the degree to which the activity will promote cooperation and collaboration among traditional consumptive water interests and/or non-consumptive interests, and if applicable, the degree to which the water activity is effective in addressing intrabasin or interbasin needs or issues.

As identified above, RiGHT is the applicant and has been collaborating directly with The Nature Conservancy and Ducks Unlimited for the implementation of the *Rio Grande Initiative*, from the original strategic planning in 2007 through the on-going completion of conservation transactions, and the required long term monitoring and stewardship of permanent conservation easements.

At the same time, a project of this landscape-scale is only possible through broad based participation and diverse support in the local community, and beyond. In addition to the support of Rio Grande Basin Round Table and allocation of \$15,000 of Basin funds toward this application, the project has garnered support from both traditional consumptive water interests (including renewed commitment to funding from the Rio Grande Water Conservation District for annual contributions for 2011 through 2013, Alamosa and Mineral Counties, and support from all major water districts, water users organizations, and the CDWR) and non-consumptive interests, such as the CDOW, USFWS, USFS, BLM, NRCS and others.

The extensive support for the *Rio Grande Initiative* is demonstrated by the supporting votes of all four Boards of County Commissioners in the project area and support and participation from the following local, state and federal governmental entities, districts and agencies, as well as local, state and national conservation organizations:

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Mineral County	USFWS- Alamosa National Wildlife Refuge	Keeping land and water intact addresses both consumptive and non- consumptive water needs
Rio Grande County	SLV Chapter of Trout Unlimited	
Alamosa County	Conejos Chapter of the National Wild Turkey	
Conejos County	Federation	
Rio Grande Water Conservation District	Colorado Cattlemen's Agricultural Land Trust	
Rio Grande Basin Roundtable	Trust for Public Land	
Colorado State Land Office	The Conservation Fund	
Colorado Division of Wildlife	San Luis Valley National Heritage Area	
Colorado Rio Grande Headwaters Restoration Foundation	Rocky Mountain Elk Foundation	
SLV Water Conservancy District	Southern Rockies Ecosystem Project	
Division Engineer, Division 3, CDWR	CSU Extension Service	
SLV Watershed Association of Conservation Districts	U.S. Forest Service	
Rio Grande Water Users Association	Bureau of Land Management	
	Silver Thread Scenic Byway	
	State Senator Gail Schwartz	
Natural Resources Conservation Service	Representative Edward Vigil	

Issues facing consumptive water uses (including the sustainability of the SLV's aquifer and traditional agriculture—as well as public safety and flood plain function) and non-consumptive uses (wetlands and riparian corridor health, wildlife habitat for endangered species and essentially all wildlife in our arid area, and recreation including wildlife viewing, hunting, fishing, and boating) clearly cannot be solved by any single activity. However, keeping land and water intact along the river corridor is a fundamental part of the overall solution.

The *Rio Grande Initiative* addresses many of these vital issues in a proactive, voluntary, incentive-based manner. Landowners are offered the opportunity to receive partial payment for permanently restricting their property from subdivision and permanently tying their water rights to the land. By securing the land and water in this way, the land and water are permanently available for agriculture, wildlife, and recreation and continue to provide the key functions of flood plain, wetlands, critical wildlife habitat—as well as the scenic landscape that enhances the quality of life and attract visitors to the region (also an important element of our local economy.) The alternative, i.e. the permanent drying up of river corridor lands, would be irreversibly detrimental to all of these important functions—thus the Rio Grande Basin Round Table members and many others are strongly supporting this application.

Privacy of Landowner during on-going negotiations:

Please note that in order to protect the privacy of the landowner and on-going negotiations regarding this purchase of a conservation easement, this application does not specify the individual parcel. This consideration was approved by the Rio Grande Basin Round Table in the prior application and we worked with CWCB staff on this basis. Thus we are presenting this application without the landowner's name or precise location of the parcel.

Due Diligence and Acknowledgement:

Please note that all transactions will be done in accordance with the due diligence requirements of GOCO (as CWCB and the Rio Grande Basin Round Table will receive full acknowledgement for its WSRA financial contribution upon completion.

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Benefits and Beneficiaries:

The multiple benefits and importance of land and water conservation are illustrated by the broad based support for the overall *Rio Grande Initiative*, from local governments to water districts, to agricultural districts and agencies, to wildlife agencies and conservation organizations, and more, as illustrated above. The breadth of support emphasizes the importance of the Rio Grande to all of our communities and residents and indicates that keeping the river corridor land and water intact is of utmost importance to people from many perspectives and interests. The proposed project encompasses many of these attributes, though no single property includes all of them.

The beneficiaries of protecting Colorado's Rio Grande corridor include:

- The counties of Mineral, Rio Grande, Alamosa and Conejos and the communities within them (Creede, South Fork, Del Norte, Monte Vista, and Alamosa) along the river through preserved scenic landscapes, protected flood plains, fewer risks to water quality, and the economic benefits of tourism and recreational opportunities including fishing, hunting, boating and bird watching.
- Area residents, including multi-generational farmers and ranchers and the broader SLV community who depend upon historic water use patterns for their livelihood and the role of the river in restoring the Valley's currently threatened aquifer.
- The many visitors who travel along various county roads along the river, as well as U.S. Highway 160 and the Silver Thread Scenic Byway on U.S. Highway 149 and who will continue to enjoy the spectacular open vistas along the river's scenic landscape.
- The abundant wildlife, including elk and deer, trout in the river's Gold Medal fisheries, migratory waterfowl and numerous other bird species (including endangered and threatened species) which depend upon the riparian corridor and associated wetlands and water rights.
- The public agencies which hold land and water rights along the river, including the Rio Grande National Forest, the CDOW's four SWA's along the river, the Colorado State Land Board, the USFWS's Alamosa National Wildlife Refuge and the BLM.
- The State of Colorado, through the CDWR's ability to better administer the waters of the Rio Grande, while providing the longest possible irrigation season and maximum benefit to the citizens of Colorado.
- In a larger picture, Colorado's position at the headwaters of the Rio Grande is also important. Our care of the health of the river also benefits our downstream neighbors of New Mexico, Texas and Mexico.

c. The water activity helps implement projects and processes identified as helping meet Colorado's future water needs, and/or addresses the gap areas between available water supply and future need as identified in SWSI or a roundtable's basin-wide water needs assessment.

As the Round Table works to finalize both the consumptive and non-consumptive needs assessments, the SWSI Water Supply and Needs Report for the Rio Grande Basin from June 2006 addressed both of these aspects. In addition to being a working ranch and its consumptive use of senior water rights, the parcel in this application is within an area of key attributes as identified through the non-consumptive needs process conducted by the Rio Grande Basin Round Table. Following is an analysis of how the *Rio Grande Initiative's* water activity addresses the SWSI findings and achieves the above stated Evaluation Criteria:

SWSI on Consumptive Needs

Section 5 on Consumptive Water Needs in the Rio Grande Basin discusses the anticipated shift of agricultural water uses to municipal and industrial uses. It is already clear that the SLV must reduce its irrigated agricultural

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area substantially in order to restore and sustain the aquifers we depend upon. This serious effort is underway through the Rio Grande Water Conservation District's formation of Ground Water Management Subdistricts as authorized by SB222 and SB220 and this effort is fully supported by the Rio Grande Basin Round Table (including the previous allocation of Basin funds in support of this effort). In this process, it is vital that appropriate agricultural lands are retired and appropriate ones are sustained in production and with their historic water use patterns intact. Key to this is retaining the senior surface water rights and historic water use patterns along the Rio Grande corridor. The historic patterns that support traditional consumptive uses along the river are increasingly being understood, including through the current study funded by the WSRA on the hydraulic divide and through the long-term observation of many local experts and landowners. All indicators point to the critical need to keep historic river corridor water use patterns in place for the following functions:

- Filling and protecting the function of the “sponge” along the river corridor – i.e. the riparian wetlands which are sustained through intermittent floods and agricultural diversions that retain water from the higher spring river flows for slower release and return flows which are critical to:
 - Sustaining river flows and thus extending the irrigation season longer on an annual basis, and
 - Assisting the CDWR's administration of the river and the Rio Grande Compact.

The Rio Grande Initiative, by securing key land and senior surface water rights along the river, is the most direct approach possible to sustaining these key functions for consumptive needs. It is achieved through voluntary, incentive-based means with willing-sellers and willing-buyers and funded by state and federal programs and private donations, including from the landowners themselves.

SWSI on Non-Consumptive Needs

In Section 6.1 on Non-Consumptive Water Supply Needs in the Rio Grande Basin, the report states that:

“While flow enhancement for environmental and recreational uses was identified by many SWSI participants as being important, few Identified Projects and Processes.....directly address flow enhancements beyond statutory requirements.’

Again, the *Rio Grande Initiative* is a project that directly addresses flow issues. Securing land and senior surface water rights will help to sustain current river flows for the benefit of environmental and recreational uses including wildlife such as:

- Fisheries;
- Habitat for the Federally listed endangered species, the Southwestern Willow Flycatcher, as well as the recently de-listed, Bald Eagle and candidate for listing, Yellow Billed Cuckoo; and
- Substantial riparian wetlands and vital wildlife habitat along the entire river corridor.

Further, the SWSI Report states:

“One concept for environmental and recreational flow management brought forth by environmental and recreational interest group representatives in SWSI was the “Conserve, Protect and Restore” (CPR) approach. The “Conserve” component is centered on keeping currently healthy- both in terms of quality and quantity - rivers healthy. The “Protect” component suggested by the interest groups includes keeping threatened but currently healthy reaches whole, or as close to whole as possible.”

The *Rio Grande Initiative* is directly implementing these strategies to both conserve and protect the Rio Grande

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corridor through our willing-seller /willing-buyer approach. It is clear that a preventative, proactive approach to *keeping* the Rio Grande as “whole” as possible is the preferred strategy to later having to deal with ever greater fragmentation of the land and changes in water rights along the corridor. Addressing these issues later would come at even greater cost and complexity—and with fewer and lesser benefits achievable once the functions are diminished. While conservation of the river corridor is already an expensive undertaking, the costs will only rise in the future and become more complex as the demographics of landownership change (i.e. land is transferred to more family members in the next generation, many of whom are not as connected to the land as their parents.)

Section 6.1 of the SWSI report also suggests key sources of information including the CDOW, TNC, and the Colorado Natural Heritage Program (CNHP). The *Rio Grande Initiative* is partnering directly with the first two and has an on-going collaboration with CNHP for data collection in the Rio Grande Basin. We anticipate that additional data can and will be collected by CNHP on conserved lands in the future.

Section 7 of the SWSI report addresses Availability of Existing Water Supplies in the Rio Grande Basin and identifies in Table 7-1 Factors that May Affect Future Availability (Legal and/or Physical) of Supplies in the Rio Grande Basin. This project aims to sustain current uses along the river corridor that are highly interdependent—i.e. flood events and diversions capture water in the “sponge” of riparian wetlands, which is slowly released versus having moved quickly down through the river channel all at once. This then sustains river flows for environmental and recreational benefits (fisheries, wetlands, numerous birds, waterfowl and the lush vegetation used by numerous species of wildlife), and allows for diversions further downstream over a longer irrigation season. Through the non-consumptive needs assessment of the Rio Grande Basin Round Table (with the SLV Wetlands Focus Area Committee serving as the Non-consumptive Needs Assessment Subcommittee), our environmental community already strongly concurs with the water community that keeping the river corridor land and associated senior surface water rights intact is critical to sustaining the river’s important wetlands and all the benefits they provide. If substantial senior surface water rights were diverted from the river corridor to augment residential development or wells away from the river corridor, the impacts to the riparian wetlands, the healthy functioning of the river, and the CDWR’s ability to administer the Rio Grande would be both detrimental and cumulative—and the losses would likely be irreversible.

Section 8 of the SWSI report addresses Options for the Rio Grande Basin. In Section 8.1 the report states that:

“Solutions for addressing agricultural, recreational and environmental water needs are less well-defined and less certain in their implementation due to a number of factors, such as funding constraints, or an inability or mechanism for the beneficiary to contribute directly.”

The *Rio Grande Initiative* is an immediate and proactive solution to meeting current and future consumptive agricultural needs and non-consumptive recreational and environmental needs. Our process is well defined, has a track record of success, and provides a mechanism for the beneficiaries to contribute directly to the project. Landowners contribute through a charitable donation of a portion of the value of their conservation easement (in this project, a value of \$230,000 – nearly half of the total project value), the land and water are available for agriculture for the long term, and the environmental and recreational water benefits are sustained in perpetuity.

In Section 8.2 the SWSI report states that, “it is possible that a failure to implement the Identified Projects and Processes would result in even greater impacts to irrigated agriculture and the economies dependent upon them.” While the applicants and members of the Rio Grande Basin Round Table are fully cognizant of the larger picture of agriculture in the SLV, and the need to reduce irrigated agricultural acres in order to restore and sustain our

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aquifers, we recognize that this should not be accomplished by drawing key water resources away from the river system to augment unsustainable ground water pumping. Keeping the river “whole”, i.e. sustaining the corridor’s long-lived agricultural lands, its important riparian wetlands and wildlife habitat, and its recreational attributes, is vital to our community’s economy and future. Restoring the aquifer should not be accomplished at the expense of the river corridor health and function. Rather, as the *Rio Grande Initiative* aims to do, protecting as much of the river’s attributes as possible now, *while we have the chance*, will continue to serve many beneficiaries for the very long term.

In Table 8-8 CDOW Statewide and Western Slope Water Management Options, the “Return Flow Mitigation Project” is directly addressed by the *Rio Grande Initiative*. The Table describes this as:

“Recognition of connectivity between irrigated agriculture and late-season baseflow and water temperatures. Ensure that changes to agricultural practices (e.g. sprinklers of type-conversions) do not significantly impair or reduce these benefits.”

The *Rio Grande Initiative* helps to sustain traditional agricultural diversions along the Rio Grande and thus ensure the late-season benefits identified above, as well as the significant wildlife benefits that these flows provide.

Section 10: Evaluation Framework

The *Rio Grande Initiative* meets numerous objectives identified in Table 10-1 SWSI Water Management Objectives and Performance Measures including:

- #2. Sustainably meeting agricultural demand when and where needed.
- #3. Optimizes Existing Water Supplies by sustaining traditional uses that also provide critical environmental benefits (for endangered species and all wildlife) and valued recreational uses (including fishing, bird watching, waterfowl and other hunting, boating).
- #4. Enhance Recreational Opportunities by both providing water for recreation when and where needed and encouraging cooperative multiple recreational and wildlife opportunities.
- #5. Provide for Environmental Enhancement by providing adequate water for the environment where and where it is needed, avoid/mitigate environmental impacts of new project, and protect and improve water

Tier 2: Facilitating Water Activity Implementation

d. Funding from this Account will reduce the uncertainty that the water activity will be implemented. For this criterion the applicant should discuss how receiving funding from the Account will make a significant difference in the implementation of the water activity (i.e., how will receiving funding enable the water activity to move forward).

By providing the necessary matching funds for this project, the WSRA funds would position this project to be highly competitive in a GOCO or other application. RiGHT has a strong track record of success in these funding applications and with secure match, will likely achieve the full funding needed to achieve this project. With the our broad-based community support, and the local, regional and national importance of the Rio Grande, we were gratified to receive substantial support and funding from GOCO, NAWCA, the Farm and Ranchlands Protection Program, The Nature Conservancy, and numerous private foundations and individuals. When a landowner is ready to proceed with protecting their land and water, it is critical to move forward as quickly as possible to achieve the conservation easement for the momentum of the *Rio Grande Initiative* overall and encouraging other landowners to consider protecting their properties with conservation easements.

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Urgency: Without this funding, this project could be pushed back for a year or more while we secure other sources of funding, during which time the price of land conservation could rise and with stalled momentum, the landowner might lose interest.

Even though the current real estate market is depressed, it will likely regain momentum, and when it does, scenic ranches with water rights will once again be sold and subdivided into housing developments and “ranchettes” at an increasing rate. This move from agriculture to development has already driven land values out of the reach of most agricultural producers. We are working hard to provide landowners an alternative to selling to developers and/or to separating their water rights for uses off the river corridor.

In addition, our historic water use patterns, riparian wetlands, water quality, scenic landscapes, wildlife corridors and habitat are all threatened by accelerating development, the demands for augmentation water for wells, and increased demands on the river.

These threats can be minimized and land and water resources stabilized through conservation easements such as in this application—if we act in time. As previously stated, the preservation of the riparian zone and flood plain, along with the associated water rights, will also provide a buffer to the river from groundwater depletions; thereby protecting senior surface rights and helping to preserve the economic base in the SLV.

Timing of Opportunity:

We have spent the last several years achieving conservation opportunities through the *Rio Grande Initiative*. Substantial lands have already been protected along the river and landowner interest on the rise as they see their neighbors implement conservation easements. Since 2007, we have more than doubled the pace of conservation in the last three years from the prior twenty years. We are seeking to continue to meet landowner interest in order to maximize the number of conservation transactions we can achieve along the river corridor. Otherwise, the development of key lands could occur and the chance to preserve them and their important water rights may well be permanently lost, rather than permanently protected.

e. The applicant must demonstrate its ability to implement the proposed activity.

RiGHT has a strong track record in its conservation efforts. RiGHT is on track to exceed the projects proposed and funded by the GOCO Legacy award and every funded GOCO Open Space grant awarded over the past eight_ years. RiGHT has a strong local presence and credibility, with an all-local Board of respected community members. The organization has achieved national accreditation through the Land Trust Alliance and is certified by the State of Colorado to hold conservation easements. Overall, our track record demonstrates the expertise and ability to achieve this project within a landscape-scale effort of this importance.

f. The applicant is providing matching funds and the amount of matching funds or is obtaining partial funding from other sources and the amount and source of such other funds or is providing demonstrable in-kind contributions.

As outlined in the budget, the requested WSRA funds will be matched with funds of \$200,000 from GOCO (application to be submitted in February 2011) and a contribution of approximately 50% of the conservation easement value from the landowners as well as additional implementation costs, totaling approximately \$445,000 in match for this project (final amount of donation is determined by the final appraisal.)

Tier 3: The Water Activity Addresses Issues of Statewide Value and Maximizes Benefits

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- g. The water activity helps sustain agriculture, and open space, or meets environmental or recreational needs.
- h. The water activity assists in the administration of compact-entitled waters or addresses problems related to compact entitled waters and compact compliance and the degree to which the activity promotes maximum utilization of state waters.
- i. The water activity assists in the recovery of threatened and endangered wildlife species or Colorado State species of concern.
- j. The water activity provides a high level of benefit to Colorado in relationship to the amount of funds requested.
- k. The water activity is complimentary to or assists in the implementation of other CWCB programs.

All of the above values and benefits are realized through this project and have been extensively addressed in the previous sections of this application, so in the interest of efficiency, please refer to those sections.

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Part D. – Required Supporting Material

1. Water Rights, Availability, and Sustainability

This information is needed to assess the viability of the water project or activity. Please provide a description of the water supply source to be utilized, or the water body to be affected by, the water activity. This should include a description of applicable water rights and the name/location of water bodies affected by the water activity.

The Rio Grande river senior water rights associated with the 320-acre property to be conserved will be permanently attached to the land through the terms of the conservation easement, as one of the key components of this project. The senior water rights associated with this parcel irrigate approximately 260 acres and are estimated at approximately 300 to 400 acre-feet annual consumptive use. As noted above, the specific parcel and water rights are not outlined in this application in order to protect the landowner privacy during negotiations.

2. Please provide a brief narrative of any related or relevant previous studies.

NA

3. Statement of Work, Detailed Budget, and Project Schedule

The statement of work will form the basis for the contract between the Applicant and the State of Colorado. In short, the Applicant is agreeing to undertake the work for the compensation outlined in the statement of work and budget, and in return, the State of Colorado is receiving the deliverables/products specified. Please note that costs incurred prior to execution of a contract or purchase order are not subject to reimbursement.

Please provide a detailed statement of work using the following template. Additional sections or modifications may be included as necessary. Please define all acronyms. If a grant is awarded an independent statement of work document will be required with correct page numbers.

Statement of Work

WATER ACTIVITY NAME –

Rio Grande Initiative: North Rio Grande River Ranch Conservation Easement

GRANT RECIPIENT – Rio Grande Headwaters Land Trust

FUNDING SOURCE - Basin and Statewide Accounts

INTRODUCTION AND BACKGROUND

Provide a brief description of the project. (Please limit to no more than 200 words; this will be used to inform reviewers and the public about your proposal)

The *Rio Grande Initiative* is a collaborative, community-based, landscape-scale effort to protect the land and water along the Rio Grande river corridor through voluntary, incentive-based, permanent conservation easements, with over 19,000 acres and 33 miles protected to date. The requested funds will be used by the Rio Grande Headwaters Land Trust for the acquisition of a conservation easement on an important, 320-acre Rio Grande river corridor ranch in Alamosa County. This conservation opportunity will directly protect senior surface water rights in order to help sustain the historic water use patterns along the Rio Grande, while securing the agricultural productivity as part of the economic base of the San Luis Valley, important wildlife habitat, the flood plain function of the river corridor, and beauty of the scenic landscape. This is accomplished through a willing-seller/willing-buyer process for a voluntary conservation easement, which is purchased through a bargain sale and includes a substantial charitable donation of value (approximately 50%) by the landowner. The *Rio Grande Initiative* provides vital benefits to *both* consumptive and non-consumptive water needs in the Rio Grande Basin and contributes to the overall goal of the Round Table to achieve water sustainability.

OBJECTIVES

List the objectives of the project

As part of the overall *Rio Grande Initiative*, this project will permanently protect a 320-acre working ranch in Alamosa County through a bargain-sale acquisition of a voluntary conservation easement.

TASKS

Provide a detailed description of each task using the following format

TASK 1 – Implementation

Implementation of voluntary conservation easements on key 320-acre parcel of land on the Rio Grande corridor in Alamosa County with associated senior water rights. WSRA funds will be used solely toward the acquisition of a conservation easement. All other related costs for personnel, due diligence, etc. will be born by RiGHT, the landowner and/or other funders so they are not documented in this application. The WSRA funds would only be expended at closing on the conservation easement through a Title Company settlement and only if and when all the due diligence is finalized, in a similar process to the prior WSRA award.

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Description of Task

Easement process includes:

- Fundraising/submitting grant(s) for balance of state or federal funds
- Negotiations with landowner
- All due diligence required by law and funding source including Appraisal, title work, mineral and water rights, survey (as needed), Phase I Environmental Site Assessment, Baseline Condition Reports, negotiation of the deed of conservation easement, etc.)
- Closing and recording of conservation easement
- Long-term stewardship of conservation easement as required, including annual monitoring, management plan updates at required intervals, and enforcement of easement terms when and if necessary

Method/Procedure

The conservation easement funded through this application will be held by the Rio Grande Headwaters Land Trust and the implementation will be conducted according to:

- 1) All legal requirements
- 2) The best practices determined by national land trust standards, and
- 3) All due diligence requirements of GOCO will be fulfilled prior to and as a condition of closing.

Deliverable

The deliverable from this activity will be the completion of a permanent conservation easement on a 320-acre ranch and associated water rights, with a willing seller landowner, in the Rio Grande corridor in Alamosa County.

REPORTING AND FINAL DELIVERABLE

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 statement 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.

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BUDGET

Provide a detailed budget by task including number of hours and rates for labor and unit costs for other direct costs (i.e. mileage, \$/unit of material for construction, etc.). A detailed and perfectly balanced budget that shows all costs is required for the State's contracting and purchase order processes. Sample budget tables are provided below. Please note that these budget tables are examples and will need to be adapted to fit each individual application. Tasks should correspond to the tasks described above.

Purchase Costs			
	WSRA Direct Costs	Matching Funds (GOCO)	Total Project Costs
Purchase of Conservation Easement	\$70,000	\$180,000	\$250,000
In-Kind Contributions- Landowner donation of conservation value (approximate- pending final appraisal)		\$230,000	\$230,000
(Estimated- Pending final appraisal) Total Purchase Costs:	\$70,000	\$410,000	\$480,000
Implementation Costs			
Item:	WSRA Direct Costs	Matching Funds	Total
Appraisal		\$7,000	\$7,000
Baseline Condition Report		\$5,000	\$5,000
Phase I Env. Site Assessment		\$3,000	\$3,000
Legal Expenses		\$3,000	\$3,000
Title Work and Closing		\$2,000	\$2,000
Stewardship Endowment		\$15,000	\$15,000
Total Implementation Cost:	\$0	\$35,000	\$35,000
Total Costs	\$70,000	\$445,000	\$515,000

SCHEDULE

Provide a project schedule including key milestones for each task and the completion dates or time period from the Notice to Proceed (NTP). This dating method allows flexibility in the event of potential delays from the procurement process. Sample schedules are provided below. Please note that these schedules are examples and will need to be adapted to fit each individual application.

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Task	First 6 Months						Second 6 Months					
	6/11 – 8/11			9/11 – 11/11			12/11 – 2/12			3/12 – 5/12		
A – Due Diligence and additional funds raised												
B – Finalize documentation												
C – Closing on Conservation Easement												
Final Reports												

PAYMENT

Payment will be made based on actual expenditures and invoicing by the applicant. Invoices from any other entity (i.e. subcontractors) cannot be processed by the State. The request for payment must include a description of the work accomplished by major task, and estimate of the percent completion for individual tasks and the entire water activity in relation to the percentage of budget spent, identification of any major issues and proposed or implemented corrective actions. The last 5 percent of the entire water activity budget will be withheld until final project/water activity documentation is completed. 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 help promote the development of a common technical platform.

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The above statements are true to the best of my knowledge:

Signature of Applicant:

Print Applicant's Name: Rio Grande Headwaters Land Trust—Nancy Butler, Executive Director

Project Title: Rio Grande Initiative: North Rio Grande River Ranch Conservation Easement

Return this application to:

Mr. Todd Doherty
Intrastate Water Management and Development Section
COLORADO WATER CONSERVATION BOARD
1580 Logan Street, Suite 200
Denver, CO 80203

To submit applications by Email, send to: todd.doherty@state.co.us

Attachment 1
Reference Information

The following information is available via the internet. The reference information provides additional detail and background information.

Colorado Water Conservation Board (<http://cwcb.state.co.us/>)

Loan and Grant policies and information are available at – <http://cwcb.state.co.us/Finance/>

Interbasin Compact Committee and Basin Roundtables (<http://ibcc.state.co.us/>)

Interbasin Compact Committee By-laws and Charter (under Helpful Links section) –

<http://ibcc.state.co.us/Basins/IBCC/>

Legislation

House Bill 05-1177 - Also known as the Water for the 21st Century Act –

<http://cwcbweblink.state.co.us/DocView.aspx?id=105662&searchhandle=28318>

House Bill 06-1400 – Adopted the Interbasin Compact Committee Charter –

<http://cwcbweblink.state.co.us/DocView.aspx?id=21291&searchhandle=12911>

Senate Bill 06-179 – Created the Water Supply Reserve Account –

<http://cwcbweblink.state.co.us/DocView.aspx?id=21379&searchhandle=12911>

Statewide Water Supply Initiative

General Information – <http://cwcb.state.co.us/IWMD/>

Phase 1 Report – <http://cwcb.state.co.us/IWMD/SWSITechnicalResources/SWSIPhaseIReport/>

Attachment 2
Insurance Requirements

NOTE: The following insurance requirements taken from the standard contract apply to WSRA projects that exceed \$25,000 in accordance with the policies of the State Controller's Office. Proof of insurance as stated below is necessary prior to the execution of a contract.

13. INSURANCE

Grantee and its Sub-grantees shall obtain and maintain insurance as specified in this section at all times during the term of this Grant: All policies evidencing the insurance coverage required hereunder shall be issued by insurance companies satisfactory to Grantee and the State.

A. Grantee

i. Public Entities

If Grantee is a "public entity" within the meaning of the Colorado Governmental Immunity Act, CRS §24-10-101, et seq., as amended (the "GIA"), then Grantee shall maintain at all times during the term of this Grant such liability insurance, by commercial policy or self-insurance, as is necessary to meet its liabilities under the GIA. Grantee shall show proof of such insurance satisfactory to the State, if requested by the State. Grantee shall require each Grant with Sub-grantees that are public entities, providing Goods or Services hereunder, to include the insurance requirements necessary to meet Sub-grantee's liabilities under the GIA.

ii. Non-Public Entities

If Grantee is not a "public entity" within the meaning of the GIA, Grantee shall obtain and maintain during the term of this Grant insurance coverage and policies meeting the same requirements set forth in **§13(B)** with respect to sub-Grantees that are not "public entities".

B. Sub-Grantees

Grantee shall require each Grant with Sub-grantees, other than those that are public entities, providing Goods or Services in connection with this Grant, to include insurance requirements substantially similar to the following:

i. Worker's Compensation

Worker's Compensation Insurance as required by State statute, and Employer's Liability Insurance covering all of Grantee and Sub-grantee employees acting within the course and scope of their employment.

ii. General Liability

Commercial General Liability Insurance written on ISO occurrence form CG 00 01 10/93 or equivalent, covering premises operations, fire damage, independent Grantees, products and completed operations, blanket Grantual liability, personal injury, and advertising liability with minimum limits as follows: **(a)** \$1,000,000 each occurrence; **(b)** \$1,000,000 general aggregate; **(c)** \$1,000,000 products and completed operations aggregate; and **(d)** \$50,000 any one fire. If any aggregate limit is reduced below \$1,000,000 because of claims made or paid, Sub-grantee shall immediately obtain additional insurance to restore the full aggregate limit and furnish to Grantee a certificate or other document satisfactory to Grantee showing compliance with this provision.

iii. Automobile Liability

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Automobile Liability Insurance covering any auto (including owned, hired and non-owned autos) with a minimum limit of \$1,000,000 each accident combined single limit.

iv. Additional Insured

Grantee and the State shall be named as additional insured on the Commercial General Liability and Automobile Liability Insurance policies (leases and construction Grants require additional insured coverage for completed operations on endorsements CG 2010 11/85, CG 2037, or equivalent).

v. Primacy of Coverage

Coverage required of Grantee and Sub-grantees shall be primary over any insurance or self-insurance program carried by Grantee or the State.

vi. Cancellation

The above insurance policies shall include provisions preventing cancellation or non-renewal without at least 45 days prior notice to the Grantee and the State by certified mail.

vii. Subrogation Waiver

All insurance policies in any way related to this Grant and secured and maintained by Grantee or its Sub-grantees as required herein shall include clauses stating that each carrier shall waive all rights of recovery, under subrogation or otherwise, against Grantee or the State, its agencies, institutions, organizations, officers, agents, employees, and volunteers.

C. Certificates

Grantee and all Sub-grantees shall provide certificates showing insurance coverage required hereunder to the State within seven business days of the Effective Date of this Grant. No later than 15 days prior to the expiration date of any such coverage, Grantee and each Sub-grantee shall deliver to the State or Grantee certificates of insurance evidencing renewals thereof. In addition, upon request by the State at any other time during the term of this Grant or any sub-grant, Grantee and each Sub-grantee shall, within 10 days of such request, supply to the State evidence satisfactory to the State of compliance with the provisions of this §13.

Attachment 3
Water Supply Reserve Account Standard Contract

NOTE: The following contract is required for WSRA projects that exceed \$100,000. (Projects under this amount will normally be funded through a purchase order process.) Applicants are encouraged to review the standard contract to understand the terms and conditions required by the State in the event a WSRA grant is awarded. Significant changes to the standard contract require approval of the State Controller's Office and often prolong the contracting process.

It should also be noted that grant funds to be used for the purchase of real property (e.g. water rights, land, conservation easements, etc.) will require additional review and approval. In such cases applicants should expect the grant contracting process to take approximately 3 to 6 months from the date of CWCB approval.

Attachment 4
W-9 Form

NOTE: A completed W-9 form is required for all WSRA projects prior to execution of a contract or purchase order. Please submit this form with the completed application.