

Rio Grande Inter-Basin Roundtable
c/o San Luis Valley Water Conservancy District
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Mr. Michael King, Executive Director
Colorado Department of Natural Resources

Mr. Eric Hecox, Manager, Office of Interbasin Compact Negotiations
Colorado Department of Natural Resources

Mr. Todd Doherty, Intrastate Water Management & Development
Colorado Water Conservation Board

**Reference: "THE PLAZA PROJECT PHASE 2 –
MCDONALD DITCH IMPLEMENTATION PROJECT"**

Gentlemen:

The Rio Grande Inter-Basin Roundtable (R.G.R.T) has determined that the single, most critical water issue confronting the Rio Grande Basin (Basin) is the current unsustainable management of surface and ground water. The R.G.R.T. has made the decision that water activities that address this issue be favorably considered for funding from the Water Supply Reserve Account, SB 2005 -179 (WSRA Funds), providing the proposed water activities meet the SWSI findings for the Basin and the CWCB & IBCC Criteria and Guidelines for funding.

The objectives of *The Plaza Project Phase 2 – McDonald Ditch Implementation Project (Phase 2)* are to address current issues associated with the McDonald Ditch diversion, headgate, and adjacent river related issues both upstream and downstream on some 2,000 linear feet of the Rio Grande. These issues include a poorly functioning diversion structure and headgate, a deteriorated wetland area adjacent to the river, and streambank degradation both upstream and downstream of the diversion structure and headgate.

The R.G.R.T. is now requesting authorization to distribute \$20,000.00 of Rio Grande Basin Funds, and \$275,000.00 of Statewide Funds pursuant to SB 2005 -179.

At the regular R.G.R.T meeting on July 12 2011, RGRT Members voted unanimously to request funding from SB 2005 - 179 for a total of \$295,000:

PROJECT AND AMOUNT REQUESTED	SOURCE SB 179
<i>The Plaza Project Phase 2 – McDonald Ditch Implementation</i>	BASIN \$20,000.00 & STATEWIDE \$275,000.00

The applicant is the Colorado Rio Grande Restoration Foundation, which has partnered with the McDonald Ditch Company to address the multiple identified issues with the subject reach of the Rio Grande.

The Plaza Project – Phase 2, is the second phase of the Plaza Project. Phase 2 will implement the findings of the Plaza Plan. The Plaza Plan was completed under Plaza Planning Project, (Phase 1). Phase 1 was funded with a \$40,000.00 grant from the Rio Grande Basin WSRA Account. Phase 1 was a 5-month collaborative scoping and feasibility study of potential biological and structural approaches to rehabilitate the streambanks, diversion and headgate structures, and a wetland within the approximately 2.8 mile reach of the Rio Grande near the Sevenmile Plaza, Rio Grande County, Colorado.

Alternatives considered in Phase 1 included different diversion types, incorporation of micro-hydropower generation and automated headgates, and multiple streambank stabilization, riparian rehabilitation, and wetland reclamation techniques. The "Plaza Stakeholders" a diverse group of thirty (30) individuals, analyzed the costs and benefits of each alternative to select the desired alternative for each project element. This collaborative approach ensures future implementation aligns with the multiple objectives of stakeholders and interests of landowners in Sevenmile Plaza, one of Colorado's oldest communities.

As designated by the Rio Grande Headwaters Restoration 2001 Study, (a study of 91 miles of the condition of the multiple functions of the Rio Grande from South Fork to the Alamosa/Costilla County line), the project area is located within a reach that was ranked "poorest" in channel stability and condition of the floodplain, and was identified as a high priority for restoration. The river channel at Sevenmile Plaza is greatly impacted by piers and concrete rubble from the old Sevenmile Plaza Bridge, which were left in place to form part of the McDonald Ditch diversion. This diversion obstructs flood flows, causes channel movement and instability, and negatively impacts downstream reaches.

Preliminary designs for the McDonald Ditch headgate and diversion, streambanks, and wetland were developed by the NRCS in Phase 1. In Phase 2, project engineers will finalize the design for each of the project elements. Phase 2 will be a three-year project with execution of designs in years 1 and 2, and monitoring of the overall project site in years 2 and 3.

Phase 2 integrates the rehabilitation of the McDonald Ditch diversion with the multiple

objectives of the 2001 Study, with the anticipated future rehabilitation of the neighboring Silva, Atencio, and Prairie diversions, and with the stabilization of the surrounding riparian areas and wetland.

The objectives of Phase 2 are both consumptive and non-consumptive in nature. They are to:

- (1) Improve diversion efficiency and reduce maintenance by replacing the aging McDonald Ditch headgate, installing a solar-powered automated water gate, and replacing the McDonald Ditch diversion structure with the alternative chosen by the Plaza Stakeholders during Phase 1;
- (2) Enhance water quality by reducing erosion and sediment input;
- (3) Improve riparian and wetland condition by reclaiming a 2-acre wetland and stabilizing up to 2,000 linear feet of streambanks in the project area;
- (4) Increase the capacity of the Rio Grande to transport sediment;
- (5) Improve aquatic conditions by including a new fish passage in the new diversion structure, and improving wildlife habitat;
- (6) Encourage water related recreation on the Rio Grande through installing a boat passage in the new diversion structure;
- (7) Promote public involvement in water improvement activities through public outreach and education.

The Foundation is requesting \$20,000 from Rio Grande Basin WSRA funds and \$275,000 from Statewide WSRA funds, or 33% of the total project cost of \$880,000.

Matching funds that have been secured or committed are as follows: \$150,000, or 17% from the NRCS Environmental Quality Incentives Program (EQIP); \$50,000 or 6% from the NRCS Colorado Partnership Program (CPP); \$200,000 or 23% from the national NRCS Cooperative Conservation Partnership Initiative (CCPI) Program; \$70,000 or 8% from Landowners; \$10,000 or 1% from Rio Grande County; \$113,000 or 13% from in-kind services.

On behalf of the R.G.R.T. members, we appreciate the Board's consideration of this request and urge your support to the fullest extent possible. Enclosed are the application and supporting materials for the Project. If you require additional information, please notify me accordingly.

The R.G.R.T. appreciates the support of the Department of Natural Resources, the Colorado Water Conservation Board and the Interbasin Compact Commission in assisting in meeting the needs of all users of Colorado's water and in fostering intrabasin and interbasin communications and discussions. We believe that the above project will assist in this effort.

Sincerely,



Mike Gibson
Chair, Rio Grande Interbasin Roundtable

Enclosures (2)

cc: Colorado Rio Grande Restoration Foundation