Rio Grande Inter-Basin Roundtable c/o San Luis Valley Water Conservancy District 623 Fourth Street Alamosa, CO 81101 Telephone: (719) 589 – 2230

Email: slvwcdco1@qwestoffice.net

August 20, 2013

Mr. Michael King, Executive Director Colorado Department of Natural Resources

Ms. Rebecca Mitchell, Section Chief Water Supply Planning Section Colorado Water Conservation Board

Reference: Lower Willow Creek Restoration

Dear Mr. King and Ms. Mitchell:

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 applicant for funding is the Lower Willow Creek Restoration Company (LWCRCO) which was formed to oversee activities conducted on the Lower Willow Creek Restoration Project, near Creede Colorado. Willow Creek is a tributary to the Rio Grande. The project site was formerly the storage site for mill tailings from the Emperius Mill, where tailings were stored in settling ponds. On two recorded occasions the berms below these settling ponds were breached and the tailings were washed into Willow Creek and the Rio Grande and killed fish as far downstream as South Fork. Creede Resources Inc., the former owners of this project site, offered to donate the land to the City of Creede in 1998, but the City was reluctant to take title to the land because of the known contamination issues. In 2010, the LWCRCO was formed to ensure that Creede Resources Inc. and the City of Creede would both be involved with the cleanup of the site. Membership of this board includes two members from the City of Creede and two from Creede Resources, Inc.

In 2012, the LWCRCO entered into a Voluntary Clean-Up Plan Agreement with the Colorado Department of Public Health and Environment (CDPHE) to clean up the property. The LWCRCO will hold title of this land until the restoration is complete as determined by a 'no further action' letter from the CDPHE. After the CDPHE deems the cleanup complete, the LWCRCO will transfer the title of the land to the City of Creede who will use this property for passive recreation and open space.

The LWCRCO works closely with the Willow Creek Reclamation Committee (WCRC) on the Lower Willow Creek Restoration Project. The WCRC identified the reclaiming of lower Willow Creek and its floodplain as one of its six core goals. In addition to changing the physical and chemical qualities the WCRC also identified reclamation of the site to include biological and aesthetic changes of the creek as an integral part of the local community. The WCRC provides technical oversight and volunteer manpower and recruitment for the Lower Willow Creek Restoration Project. The LWCRCO and the WCRC work to improve lower Willow Creek and its floodplain for immediate and downstream benefit.

Since construction began in October of 2012, the LWCRCO has spent \$943,000 on the Lower Willow Creek Project. Work conducted during the first phase of this project included the identification of contaminated soils, construction of the new creek channel and installation of in-stream structures to stabilize the banks. The project will also increase the delivery of water to the Rio Grande by reducing surface area of the channel and thereby reducing evaporative loss.

The requested funding of \$55,000 will begin Phase 2 of the Lower Willow Creek Restoration Project. The goal of Phase 2 is to restore and enhance riparian and upland vegetation along the Lower Willow Creek corridor. Phase 2 will address non-consumptive environmental issues, namely water quality and riparian health. To achieve this goal the LWCRCO will oversee the installation of erosion control fabric and wattles along the new channel. Soil will be imported to provide a growing medium for the tree, shrub, graminoid, and forb plantings that will occur to return the project site to a more natural state. Soil excavation, erosion control installation and vegetation enhancement activities will be conducted as part of Phase 2 of the Lower Willow Creek Restoration Project.

Because planting riparian species increases the uptake of metals, the input of organic matter to soil and water, as well as stabilization of creek bank, these proposed activities enhance Phase 1 work and increase water quality to the Rio Grande and enhance/create vegetation along lower Willow Creek. The immediate benefit is to the community of Creede and its visitors, and further to the quality of water in the Rio Grande and downstream users. The \$55,000 requested from the Rio Grande WSRA fund will be spent on the following: \$43,500 for excavation/hauling, \$3,000 for revegetation activities, \$2,500 for administration and \$6,000 for legal fees.

At the regular R.G.R.T. meeting on July 9, 2013 the R.G.R.T. Members unanimously approved that this request for funding of \$55,000 from the Rio Grande Basin Account be forwarded to the CWCB for their approval. The R.G.R.T. urges the CWB Board to approve this request.

The WCRC has demonstrated its ability to oversee the implementation of many projects related to the clean-up and mitigation of the historical mining sites near the town of Creede. This Phase 2 of the Willow Creek Reclamation Project is essentially the capstone to a project that was originally conceived by the community and warrants WSRA funding.

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.

Sincerely,

Mike Gibson Chair, Rio Grande Interbasin Roundtable

Attachment (1)