



October 28, 2013

Sent via e-mail: mcf@wic.net

Mr. Tom Alvey
Chair, Project Screening Committee
Gunnison Basin Roundtable
P.O. Box 518
Lake City, CO 81235

Dear Mr. Alvey:

Thank you for meeting with Dan Brauch and me to discuss the Gunnison River and Riparian Rehabilitation Project and for your comments. We are submitting the proposal for consideration at the Roundtable meeting in November and hope that your committee will submit it with a letter of recommendation to the Colorado Water Conservation Board.

Thank you in advance for your consideration. If there is any further information you need, please feel free to contact me.

Sincerely,

A handwritten signature in black ink, which appears to read "Steven Westbay". The signature is fluid and cursive, with a long horizontal stroke extending from the end.

Steven Westbay
Director of Community Development

Cc: Dan Brauch
J Wenum
Ken Coleman
Frank Kugel
Rachel Kullman
Michelle Pierce

attachment

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COLORADO WATER CONSERVATION BOARD



WATER SUPPLY RESERVE ACCOUNT APPLICATION FORM

Gunnison River Riparian and Diversion Restoration Project

Name of Water Activity/Project

City of Gunnison

Name of Applicant

Gunnison Basin Roundtable

Amount from Statewide Account:

\$400,752

Amount from Basin Account(s):

\$ 45,540

Total WSRA Funds Requested:

\$446,292

Approving Basin Roundtable(s)

(If multiple basins specify amounts in parentheses.)

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Required Exhibits

- A. Statement of Work, Budget, and Schedule
- B. Project Map
- C. As Needed (i.e. letters of support, photos, maps, etc.)

Appendices – Reference Material

- 1. Program Information
- 2. Insurance Requirements
- 3. WSRA Standard Contract Information (Required for Projects Over \$100,000)
- 4. W-9 Form (Required for All Projects Prior to Contracting)

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 and approval is outlined in materials in Appendix 1.

Once approved by the local Basin Roundtable, the applicant should submit this application **with a detailed statement of work including budget and schedule as Exhibit A** to CWCB staff by the application deadline.

WSRA applications are due with the roundtable letter of support 60 calendar days prior to the bi-monthly Board meeting at which it will be considered. Board meetings are held in January, March, May, July, September, and November. Meeting details, including scheduled dates, agendas, etc. are posted on the CWCB website at: <http://cwcb.state.co.us> Applications to the WSRA Basin Account are considered at every board meeting, while applications to the WSRA Statewide Account are only considered at the March and September board meetings.

When completing this application, the applicant should refer to the WSRA Criteria and Guidelines available at: <http://cwcb.state.co.us/LoansGrants/water-supply-reserve-account-grants/Documents/WSRACriteriaGuidelines.pdf>

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.

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.

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:

Rebecca Mitchell – WSRA Application
Colorado Water Conservation Board
1580 Logan Street, Suite 200
Denver, CO 80203
rebecca.mitchell@state.co.us

If you have questions or need additional assistance, please contact Rebecca Mitchell at: 303-866-3441 x3217 or rebecca.mitchell@state.co.us.

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

1.	Applicant Name(s):	The City of Gunnison (City) and Colorado Parks and Wildlife (CPW)		
	Mailing address:	City of Gunnison P.O. Box 239 Gunnison, CO 81230		
		Colorado Parks and Wildlife 300 W. New York Avenue Gunnison, CO 81230		
	Taxpayer ID#:	6000673 (City)		
	Primary Contact:	Steve Westbay (City)	Position/Title:	Planning Director
	Email:	swestbay@cityofgunnison-co.gov		
	Phone Numbers:	Cell:	Office:	(970) 641-8152
	Alternate Contact:	Dan Brauch (CPW)	Position/Title:	Fishery Biologist
	Email:	dan.brauch@state.co.us		
	Phone Numbers:	Cell:	Office:	(970) 641-7070

2. Eligible entities for WSRA funds 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) – authorities, Title 32/special districts, (conservancy, conservation, and irrigation districts), and 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.
- ☐ Non-governmental organizations – broadly defined as any organization that is not part of the government.

3. Provide a brief description of your organization

The City of Gunnison (City) is a Home Rule municipality under Article XX of the *Colorado Constitution*. The City of Gunnison provides domestic water, sewer, and electric services to the 5,854 residents of the city, Western State Colorado University and several neighborhoods in the adjacent unincorporated county area. Other services provided by the City include parks, recreation, streets, trails, police, planning and land development. The City owns the 382 acre VanTuyl Ranch, which is adjacent to the channel reach of the Gunnison River for which this grant application is being made. The VanTuyl Ranch is the aquifer recharge area for the City's domestic water source.

Colorado Parks and Wildlife (CPW), created July 1, 2011 from the merger of Colorado State Parks and the Colorado Division of Wildlife, provides outdoor recreation and wildlife management for Colorado's 41 state parks and 23 million acres of public land. The CPW owns the Gunnison State Wildlife Area adjacent to the VanTuyl Ranch.

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

5. 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 link to this standard contract is included in Appendix 3. Please review this contract and check the appropriate box.

☒ 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.

6. The Tax Payer Bill of Rights (TABOR) may limit the amount of grant money an entity can receive. Please describe any relevant TABOR issues that may affect the applicant.

There are no TABOR issues contemplated either by the City of Gunnison or Colorado Parks and Wildlife.

Part II. - Description of the Water Activity/Project

1. What is the primary purpose of this grant application? (Please check only one)

☐ Nonconsumptive (Environmental or Recreational)

☐ Agricultural

☐ Municipal/Industrial

☐ Needs Assessment

☐ Education

☒ Other Explain:

2. If you feel this project addresses multiple purposes please explain.

The proposal addresses all of the purposes listed. It is both a consumptive and a nonconsumptive project and improves **agricultural** water rights diversion and provides flood attenuation benefits. The area adjacent to this reach of the Gunnison River, the VanTuyl Ranch, is the aquifer recharge area for the **municipal** water supply. **Needs assessments** conducted by the Upper Gunnison River Water Conservation District have identified the proposed improvements as a priority to address changes in the river that have been caused by manmade structures. **Educational** and research opportunities for local school district and university students will be enhanced by improving access to the riparian habitat.

3. Is this project primarily a study or implementation of a water activity/project? (Please check only one)

☐ Study

☒ Implementation

4. To catalog measurable results achieved with WSRA funds can you provide any of the following numbers?

New Storage Created (acre-feet)

New Annual Water Supplies Developed, Consumptive or Nonconsumptive (acre-feet)

Existing Storage Preserved or Enhanced (acre-feet)

Length of Stream Restored or Protected (linear feet)

Length of Pipe/Canal Built or Improved (linear feet)

Efficiency Savings (acre-feet/year OR dollars/year – **circle one**)

Area of Restored or Preserved Habitat (acres)

Other -- Explain:

4. To help us map WSRA projects please include a map (Exhibit B) and provide the general coordinates below:

Latitude:

North Bridge:
38°34'49.91"N

West Tomichi Riverway:
38°32'0.39.80"N

Longitude:

North Bridge:
106°55'20.10"W

West Tomichi Riverway:
106°57'00.62"W

5. 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. A full **Statement of Work with a detailed budget and schedule is required as **Exhibit A** of this application.**

This Colorado Parks and Wildlife river corridor was purchased by The Trust for Public Lands and subsequently sold to the Bureau of Reclamation, who then transferred it to the CPW. A reverter clause in the transfer requires CPW to manage and use the land for its original purposes, which is to replace river-front fishing access that was lost when Blue Mesa Reservoir was built. This project focuses on improvement of riparian and fishery habitat; improvement of agricultural water rights diversion structures; improvement of recreational opportunities; and protection of the municipal aquifer recharge area on a 3.59 mile reach of the Gunnison River adjacent to the city of Gunnison. The six segments in the project each have specific impairments related to agricultural diversions; recreation uses; fisheries and riparian habitat; and, flood attenuation.

An Assessment of Riparian and Aquatic Habitat Associated with the Upper Gunnison River, Gunnison County, Colorado (Bio-Environs, December 2010) includes the reach of the river being addressed in this project. The study found that, since 1950, because of increased residential development along the Gunnison River, approximately 50 percent of the riparian forest has been lost. Improved agricultural water diversion structures will contribute to enhanced plant communities and reduce streambank erosion, land loss and sedimentation downstream. Property designed diversion structures will benefit the irrigators by decreasing the annual costs of maintenance.

The project goals are to:

- construct four new diversion headgates to improve the beneficial agricultural water right use;
- assist water right holders in improving existing water diversion structures to improve habitat, stability and channel alignment;
- explore the potential to reconnect the floodplain with the existing channel to improve river function, flood storage, and aquifer recharge;
- assess aggradation and degradation near the bridges;
- maintain the existing river planform to maintain property boundaries;
- incorporate in-channel habitat improvement structures while not raising flood stage on properties adjacent to and downstream of project area which are not managed with the goal of maintaining floodplain connectivity;
- increase wild brown and rainbow trout biomass and densities;
- improve conditions for quality-sized adult trout;
- improve fishing access with a trail system;
- create in-channel deep pools to provide lower velocity holding areas;
- improve riparian habitat for wildlife and improve the river function by planting native woody vegetation; and,
- improve and manage boater access.

A summary of each of the project components by river reaches is provided under Exhibit A (Statement of Work), **Task 2 B** (Project Description).

Part III. – 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 The proposed grant will fund a project to improve in-stream and riparian habitat while enhancing the fluvial system. Any proposed alterations of the fluvial system will be critically assessed to ensure that flood hazards to adjacent properties do not increase. According to the *Upper Gunnison River Riparian Assessment, 2010*, “The primary impact to riparian zones [in agriculturally dominated areas] is from maintenance of diversion structures.” The project will have no adverse effect on any existing water rights as recognized by the *State Constitution* and will assist water right owners with improvements and in some cases, relocation, of water diversion structures to reduce maintenance and the impact to the habitat.
- 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.

NOTE TO ROUNDTABLE COMMITTEE: This section will be amended as a result of the November meeting of the Roundtable.

- 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.
- 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.** Statewide

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.

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.

requests must also include a minimum match of **5 percent** of the total grant amount from Basin Funds. 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 CWCB. Please describe the source(s) of matching funds. (NOTE: These matching funds should also be reflected in your Detailed Budget in **Exhibit A** of this application)

City of Gunnison. During the past two years the City has made over \$150,000 worth of improvements on the VanTuyl Ranch to provide public access to the river segment. The City plans to build a new access trail as part of this project and will provide \$153,708 for this trail work.

In addition, the City will contribute \$31,000 to this project with the assurance that the Piloni Ditch diversion is implemented as part of the project.

Colorado Division of Parks and Wildlife. The CPW will provide specialized staff needed to manage the planning, design and action implementation proposed by this grant. CPW staff will develop design concepts for new diversion structures; survey the river reach to identify right top bank, bankfull benches, toe bank, additional cross sections, detail for diversions, microhabitat features, hydrologic analysis, pebble counts, and propose a new location for the Wilson stream diversion. The CPW will design in-stream habitat improvement and bank stabilization structures and irrigation diversion modifications and conduct fish sampling. It is estimated that the total cost to the CPW for staff time to design and implement this project will be \$117,400.

In fall 2011 the Colorado Division of Parks Wildlife granted a one-quarter mile easement to the City of Gunnison in order to facilitate a trail extension providing public access to the riparian area. The value of the easement grant was not calculated but it is considered to be a relevant in-kind donation considered in this grant application.

Trout Unlimited. Preliminary contributions from Trout Unlimited include up to \$3,000 from the national chapter and \$3,000 from the local chapter. The local chapter has also pledged 100 hours of in-kind labor, valued at \$2,000.

Private Contributions. A private landowner adjacent to the river reach has pledged \$3,000.

2. **For Applications that include a request for funds from the Statewide Account, describe how the water activity/project meets all applicable Evaluation Criteria.** (Detailed in Part 3 of the Water Supply Reserve Account Criteria and Guidelines and repeated below.) Projects will be assessed on how well they meet the Evaluation Criteria. **Please attach additional pages as necessary.**

Evaluation Criteria – the following criteria will be utilized to further evaluate the merits of the water activity proposed for funding from the Statewide Account. In evaluation of proposed water activities, preference will be given to projects that meet one or more criteria from each of the three “tiers” or categories. Each “tier” is grouped in level of importance. For instance, projects that meet Tier 1 criteria will outweigh projects that only meet Tier 3 criteria. WSRA grant requests for projects that may qualify for loans through the CWCB loan program will receive preference in the Statewide Evaluation Criteria if the grant request is part of a CWCB loan/WSRA grant package. For these CWCB loan/WSRA grant packages, the applicant must have a CWCB loan/WSRA grant ratio of 1:1 or higher. Preference will be given to those with a higher loan/grant ratio.

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. This can be demonstrated by obtaining letters of support from other basin roundtables (in addition to an approval letter from the sponsoring basin).
- 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.
- 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.

This application meets the Tier 1 criteria in several ways. Management of the VanTuyl Ranch has been established through a collaborative effort between the City and Colorado Parks and Wildlife. The *VanTuyl Ranch Management Plan* establishes specific objectives directed at protecting the riparian corridor and floodplain functions. Colorado Parks and Wildlife is required by a deed restriction to manage the adjacent river corridor to allow public access and the two entities have collaborated on the development of a public trail system that allows the public to access the Gunnison River.

The Surface Water Quality Classifications and Standards, as established by the State of Colorado for this reach of the Gunnison River include an "Aquatic Life Cold 1" designation and "Recreation E" designation. Rafting and fishing are primary recreation functions and opening the VanTuyl Ranch and the adjacent 1.5 miles of the Gunnison River to public use has significantly increased the amount of public recreation use. This river reach is truly a public treasure with enormous potential.

This proposed project will help advance watershed protection and restoration on this river segment. Emphasis is focused on the enhancement of the fluvial system which, in turn, will promote higher riparian and aquatic habitats. The project will also help to advance flood protection by maintaining or increasing potential storage in the natural floodplain of the river system. Enhancement of fluvial system functions will help increase in-stream flows during dry periods and benefit aquifer recharge.

This project has irrigation benefits as well. Properly designed irrigation diversion structures will decrease the annual cost of maintenance of headgates for agricultural users.

Tier 2: Facilitating Water Activity Implementation

- a. 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 or the inability obtaining funding elsewhere).
- b. The amount of matching funds provided by the applicant via direct contributions, demonstrable in-kind contributions, and/or other sources demonstrates a significant & appropriate commitment to the project.

Funding this project will make a significant difference for facilitating an important resource management action. The project is directed at fulfilling objectives of the *VanTuyl Ranch Management Plan* and helping CPW fulfill their mission to protect and enhance aquatic (fishery) habitat and four improved diversion points to facilitate more efficient agricultural irrigation. Riparian habitat on this reach of the Gunnison River has been degraded over the past 50 years and this project will help reduce that trend. Additionally, the project will ensure that public recreation potential is increased and the project will be implemented in a beneficial and safe manner. Maintenance or expansion of downstream flood stage attenuation is also a significant benefit.

Investments by the City and CPW to protect and enhance the VanTuyl Ranch and river corridor over the last 20 years have exceeded two million dollars. Significant funds were allocated for the acquisition of the Ranch and

river corridor. The City and Colorado Parks and Wildlife expended over \$50,000 combined to develop the *VanTuyl Ranch Management Plan*, and the Great Outdoors Colorado Board (GOCO) provided \$50,000 for the plan's development. The adaptive resource management framework of the *Management Plan* is the primary impetus for proposing this grant. Furthermore, during the past four years the City and CPW have worked together to establish easements for public access and have spent approximately \$200,000 for a trail system which now allows easy non-motorized public access to this unique river corridor system.

At the discretion of the City Council, funding will be included in the City's 2014 budget. The CPW staff salaries are allocated in the annual budgets for the CPW. Additionally, both entities have expended enormous funds and services to develop a truly wonderful public open space environment. Colorado Parks and Wildlife will provide staffing for restoration planning, design, and project management, and some labor and equipment costs for implementation. The City will also provide in-kind labor for project elements.

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

- a. The water activity helps sustain agriculture and open space, or meets environmental or recreational needs.
- b. 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.
- c. The water activity assists in the recovery of threatened and endangered wildlife species or Colorado State species of concern.
- d. The water activity provides a high level of benefit to Colorado in relationship to the amount of funds requested.
- e. The water activity is complimentary to or assists in the implementation of other CWCB programs.

The proposed project meets the Tier 3 criteria intent statements. Riparian habitat improvements and water-based recreation opportunities will be enhanced as management programs on this river reach are implemented and four improved diversion points to facilitate more efficient agricultural irrigation.

The VanTuyl Ranch and this river reach are located in occupied habitat of the Gunnison Sage-grouse. One of the major management objectives being promoted by federal land management agencies and the US Fish and Wildlife Service is to concentrate recreational opportunities adjacent to the city's urban area; the idea is to concentrate activities rather than dispersing activities across the occupied habitat. The public use of the VanTuyl Ranch and this river corridor help to promote this concentrated recreation objective.

Very few river systems in the State of Colorado still sustain agriculture, recreation and domestic water needs to such a high degree as the upper Gunnison basin. Protecting this unique river system provides a significant benefit to all residents and visitors of the state.

Part IV. – 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 water rights issues, and the name/location of water bodies affected by the water activity.

All proposed work will occur on the Gunnison River on the Gunnison River SWA, the Goddard Ranch, or City of Gunnison managed property. The proposed restoration of this river reach will not affect any existing applicable water rights.

2. **Please provide a brief narrative of any related studies or permitting issues.** A 2012 fisheries assessment completed by CPW within the proposed habitat restoration section concluded that portions of the project reach had excellent habitat but also documented lower fish population estimates in degraded reaches. During this survey, trout estimates were significantly lower within the project reach when compared with an upstream reach

below the town of Almont. Within the upper half of the project area, estimated trout biomass totaled 136 pounds per acre while the Almont reach contained an estimated 232 pounds of trout per acre. Overall fish densities were also lower within the reach with an estimated 281 fish per acre as compared to 459 fish per acre at the upper site. Regarding numbers of quality sized trout; the project reach contained 27 fish over 14 inches per acre compared with an estimated 56 fish per acre at the upper site. Although the Gunnison River within the project reach currently supports an excellent fishery, the fisheries inventory surveys indicate that there is potential for improving overall fish biomass and density within the project reach.

In 2013, a CPW crew performed a channel and habitat assessment survey to measure attributes of the proposed restoration section and to identify impairments to aquatic health. Within the project area, individual segments were identified which had a high width to depth ratio, poor pool development, channelization and disconnection from floodplain, lack of sinuosity, decreased fry and adult habitat, lack of large wood and boulders, poor riparian health due to clearing of vegetation, diversion related degradation, and lack of shade and near bank habitat. Some reaches, however, did contain little impairment and would not be expected to require significant restoration work.

Permitting from the Army Corps of Engineers is anticipated for the implementation of restoration projects. Floodplain permits from the City of Gunnison and Gunnison County are also anticipated. The *Fluvial Geomorphological Assessment and River Restoration Considerations Report for the Gunnison River near Gunnison, Colorado* (2001) provides a very sound basis for moving forward with resource management actions. The *VanTuyl Ranch Management Plan* is also germane to the proposed fluvial resource management actions being proposed by the City and CPW. *Assessment of Riparian and Aquatic Habitat Associated with the upper Gunnison River, Gunnison County, Colorado* notes that riparian habitat such as that found on the VanTuyl Ranch provides water storage and release; enhances aquifer recharge and helps maintain a high groundwater table; high quality riparian habitat provides stream bank stability and maintains water quality; and, riparian habitat reduces flood impacts. The report notes that the VanTuyl Ranch is a high priority area for restoration. The report contains the following statement:

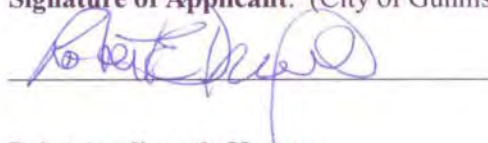
The VanTuyl Ranch was listed as an area for conservation but it is also in need of restoration. Based on aerial photographs from 1950 to the present, this area has lost much of its riparian forest and thus some of the functions of a riparian area. To maximize this publicly owned land for these benefits, we recommend the restoration of the riparian community, restoration of active side channels and overland high water flow in this area to maximize the benefits of water storage, aquifer recharge, water quality protection, a productive riverine/fisheries ecology and additional flood protection for the City of Gunnison and downstream.

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

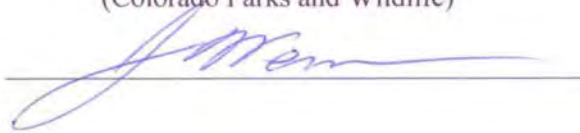
The statement of work will form the basis for the contract between the Applicant and the State of Colorado. In short, the Applicant is agreeing to undertake the work for the compensation outlined in the statement of work and budget, and in return, the State of Colorado is receiving the deliverables/products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

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

Signature of Applicant: (City of Gunnison)

A handwritten signature in blue ink, appearing to read "Robert Drexel", written over a horizontal line.

(Colorado Parks and Wildlife)

A handwritten signature in blue ink, appearing to read "J Wenum", written over a horizontal line.

Print Applicant's Names:

Robert Drexel, Mayor

J Wenum, Area Wildlife Manager

Project Title: Gunnison River Riparian and Diversion Restoration Project

Date: November 4, 2013