

Water Supply Reserve Account – Grant and Loan Program
Water Activity Summary Sheet
March 18-19, 2015
Agenda Item 17(g)

Applicant & Fiscal Agent: Trout Unlimited

Water Activity Name: Elk Home Ditch Improvement, Steuben Creek Flow Restoration

Water Activity Purpose: Non-consumptive/Agricultural - Implementation

County: Gunnison

River Basin: Gunnison

Water Source: West Steuben Creek Watershed

Amount Requested/Source of Funds: \$60,000 Gunnison Basin Account
\$250,000 Statewide Account
\$310,000 Total grant request

Matching Funds: Basin Account Match (\$60,000) = 19.4% of total grant request
Basin Account & Applicant Match (\$303,500) = 97.9% of total grant request
Applicant Match (\$243,500) = 44% of total project costs (\$553,500)
(refer to *Funding Summary/Matching Funds* section)

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|---|
| Staff Recommendation: |
| Staff recommends approval of up to \$60,000 from the Gunnison Basin Account, and \$250,000 from the Statewide Account to help fund the project titled: Elk Home Ditch Improvement, Steuben Creek Flow Restoration |

Water Activity Summary: This project is a collaborative effort between Trout Unlimited, the Pikes, Bechco, Colorado Parks and Wildlife, and the United States Forest Service. It is located approximately 13 miles north of Blue Mesa Reservoir on the southern boundary of the West Elk Wilderness near Gunnison, CO.

This project will convert the delivery mechanism of the Elk Home Ditch water right (7.25cfs, adjudication date of 1906) from an open, earthen ditch to 30-inch pipeline. By doing so, the project will improve water delivery to Rainbow Lake Reservoir and water yield to the Pikes and Bechco properties. The existing earthen ditch lies on US Forest Service property, and it has historically been difficult to operate and maintain. Converting the ditch to a pipeline will significantly reduce the burden of operating and maintaining the water right, thus improving access to the water right.

This project also involves the elimination of diversions at the Elk Home 2 Ditch (7.25 cfs, adjudication date of 1906), which lies on US Forest Service lands within the West Elk Wilderness Area. Engineering demonstrates that the improved yield from the Elk Home Ditch will more than offset for the loss of yield at the Elk Home 2 Ditch. By eliminating diversions at the Elk Home 2 Ditch, the project will eliminate the historic burden of operating and maintaining this ditch. Further, by eliminating diversions at the Elk Home 2 Ditch, the project will improve flow in Steuben Creek to benefit a critical population of Colorado River Cutthroat Trout. We will explore the possibility of protecting this water in the CWCB instream flow program.

In sum, when implemented this project will improve access to and reliability of pre-compact water rights, reduce the burden of operating and maintaining a ditch system on National Forest wilderness lands, address irrigation demands, and protect base flows for a population of genetically pure Colorado River Cutthroat Trout. Trout Unlimited and the water right owners have considered several options to improve this irrigation system while protecting flows in West Steuben Creek. Piping Elk Home ditch will vastly improve access to water for irrigation and storage, while at the same time eliminate the need for diversions at the Elk Home 2 headgate which is within the wilderness area and at the head of West Steuben Creek. This project will improve flows for a section of West Steuben Creek populated by Colorado Cutthroat Trout.

Discussion: No further discussion is required.

Issues/Additional Needs: No issues or additional needs have been identified.

Threshold and Evaluation Criteria:

The application meets all four Threshold Criteria

Tier 1-3 Evaluation Criteria:

The application has undergone detailed review and evaluation subject to the Supplemental Scoring Matrix and satisfies the Evaluation Criteria.

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

- a) This project is a collaborative effort between agricultural water users, Trout Unlimited, and the United States Forest Service, and Colorado Parks and Wildlife. Once implemented the project will address both consumptive values by improving access to water for irrigation and storage and non-consumptive values by protecting stream flows in the West Elk Wilderness for native Colorado Cutthroat Trout.
- b) This project is an example of how a conservation organization interested in protecting non-consumptive values can cooperate with traditional agricultural consumptive uses and implement a project that will provide long term protection for both agriculture environmental values.
- c) This project implements processes that will help meet future water demands by improving the access to irrigation water, improving water delivering for storage, and improving in-stream flow for native fish population.

Tier 2: Facilitating Water Activity Implementation

- a) This project is unlikely to be implemented without the use of WSRA account funds. It would not be feasible for Trout Unlimited or the water users to pay for this project out-of-pocket. However, the investment will improve access to and yield from the irrigation water right, which will help sustain agricultural operations, and protect environmental and recreational resources in the Gunnison National Forest and West Elk Wilderness which are highly valued by citizens of the Colorado.
- b) As described in the detailed budget in Exhibit A there has been significant investment in this project. Over the last three years Trout Unlimited has contributed \$44,500 for monitoring equipment, monitoring labor, engineering analysis, survey, and design which demonstrates a high level commitment to the completion of this project. The Upper

Gunnison River Water Conservation District has also invested in the monitoring effort by purchasing a data logger which was installed in Elk Home ditch. Colorado Parks and Wildlife as provided field survey and genetic analysis as well as listed this Cutthroat population as a Core Conservation Population. The United States Forest Service has committed staff time for assistance with instream flow appropriation and permitting as well as cash match for the project of \$2000.00

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

- a) This project will help sustain agriculture & open space by improving infrastructure and delivery of irrigation water to historically irrigated lands. This project will also protect environmental flows in the West Elk Wilderness area for Colorado River Cutthroat Trout.
- b) This project will not affect compact administration related to this water right.
- c) This project will assist in the recovery of the Colorado River Cutthroat Trout which is a Colorado species of concern.

Funding Summary/Matching Funds:

| | <u>Cash</u> | <u>In-kind</u> | <u>Total</u> |
|---|------------------|-----------------|------------------|
| WSRA Gunnison Basin Account | \$60,000 | n/a | \$60,000 |
| WSRA Statewide Account | \$250,000 | n/a | \$250,000 |
| Trout Unlimited | \$10,300 | \$53,500 | \$63,800 |
| USFS | \$2,000 | \$5,700 | \$7,700 |
| Bonneville Environmental | \$140,000 | \$0 | \$140,000 |
| Pike/Stehwien | \$0 | \$2,000 | \$2,000 |
| Colorado River Water Conservation District | \$15,000 | \$0 | \$15,000 |
| Upper Gunnison River Water Conservancy District | <u>\$15,000</u> | <u>\$0</u> | <u>\$15,000</u> |
| Total | \$492,300 | \$61,200 | \$553,500 |

All products, data and information developed as a result of this grant must be provided to the CWCB in hard copy and electronic format as part of the project documentation. This information will in turn be made widely available to Basin Roundtables and the general public and will help promote the development of a common technical platform. In accordance with the revised WSRA Criteria and Guidelines, staff would like to highlight additional reporting and final deliverable requirements. The specific requirements are provided below.

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

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

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