



COLORADO WATER CONSERVATION BOARD



WATER SUPPLY RESERVE ACCOUNT APPLICATION FORM

Today's Date: 12/03/2014

The Rio Grande Initiative: Campbell-Redden Property and Dugan Ranch Conservation Easement Projects

Name of Water Activity/Project

Rio Grande Headwaters Land Trust

Name of Applicant

Rio Grande Basin

Amount from Statewide Account: \$130,000

Amount from Basin Account(s): \$20,000

Total WSRA Funds Requested: \$150,000

Approving Basin Roundtable(s) (If multiple basins specify amounts in parentheses.)

FEIN: 84-1495770

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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)

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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 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>. In addition, the applicant should also refer to the [Supplemental Scoring Matrix](#) applied to Evaluation Criteria Tiers 1-3 for Statewide Account requests .

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:

Craig Godbout - WSRA Application
Colorado Water Conservation Board
1313 Sherman St., Room 721
Denver, CO 80203
Craig.godbout@state.co.us

If you have questions or need additional assistance, please contact Craig Godbout at: 303-866-3441 x3210 or craig.godbout@state.co.us.

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

1.	Applicant Name(s):	Rio Grande Headwaters Land Trust Courtney Hurst, Stewardship Director		
	Mailing address:	P.O. Box 444 Del Norte, CO 81132		
	FEIN #:	84-1495770		
	Primary Contact:	Courtney Hurst	Position/Title:	Stewardship Director
	Email:	courtneyh@riograndelandtrust.org		
	Phone Numbers:	Cell:	Office:	719-657-0800
	Alternate Contact:	Nancy Butler	Position/Title:	Executive Director
	Email:	nancyb@riograndelandtrust.org		
	Phone Numbers:	Cell:	Office:	719-657-0802

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.

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3. Provide a brief description of your organization

The Rio Grande Headwaters Land Trust (RiGHT) is a 501c3 non-profit organization formed in 1999 to “*Conserve Our Land, Water and Way of Life in the San Luis Valley.*” RiGHT is a local land trust working throughout the San Luis Valley (SLV) to protect and support working ranches and farms, water resources, wildlife habitat, and scenic landscapes. To date, RiGHT has protected nearly 22,000 acres of land and associated water rights in the SLV through voluntary, incentive-based means.

RiGHT was originally developed as a proactive way to secure the land and water of the SLV for the long term. RiGHT has an all local Board Directors, including; three landowners who have completed conservation easements on their own ranches, a former county commissioner, a wildlife biologist, a former Rio Grande National Forest Service--Forest Supervisor, a fundraising/grant management professional, a former Natural Resources Conservation Service (NRCS) District Conservationist, and the current archeologist for the Rio Grande National Forest. Since 1999, RiGHT has worked to meet the San Luis Valley’s growing demand for private lands conservation and provide relevant information for area landowners and professionals.

Over the life of the organization, RiGHT has actively collaborated with the community’s water districts and organizations, state and federal agencies, and the Rio Grande Basin Round Table, in an effort to contribute to the overall efforts to achieve water sustainability in the San Luis Valley. In 2007, RiGHT started the *Rio Grande Initiative*, a timely, ambitious and broad-based partnership working to conserve 25,000 acres of intact land along the Rio Grande. RiGHT began the *Initiative* with core partners, The Nature Conservancy and Ducks Unlimited, with many other local and regional partners. Prior to the *Initiative*, 5,800 acres of private land were conserved along the Rio Grande. Since beginning the *Initiative*, ***an additional 18,000 acres have been protected***, effectively tripling the pace of conservation along this iconic river corridor. This success would not have happened without past support from the Rio Grande Basin Round Table and the Colorado Water Conservation Board through a \$1.5 million Water Supply Reserve Account (WSRA) grant in 2008, \$70,000 in 2011 and \$425,000 in 2013. These funds matched \$7.4 million from a Great Outdoors Colorado (GOCO) Legacy Grant award and numerous other private and public funding sources to achieve eight successful conservation easements along the Rio Grande with senior water rights.

Overall, RiGHT and our core partners in the *Rio Grande Initiative* have now collectively protected nearly 25,000 acres, and we are close to reaching our stated conservation goal of placing voluntary conservation easements on 25,000 acres, which includes protecting 43 river miles along the Rio Grande and Conejos rivers, totaling over \$40 million in conservation to date. These projects, achieved through a voluntary, incentive-based approach, secure important senior water rights to the working lands along with protecting the wetlands and flood plain functions that provide wildlife habitat and serve the communities along the river. With momentum and a strong record of accomplishment, continuing interest from landowners, and the urgent need to protect the SLV’s senior water rights, RiGHT and our partners are continuing to build upon the momentum and success of the *Rio Grande Initiative*. We are also working to expand the focus to include the Conejos River, the largest tributary to the Rio Grande in Colorado. Though the *Rio Grande Initiative*, we work through voluntary, incentive based means to protect as much of the Rio Grande and Conejos River corridors as possible, *while we have the chance*.

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

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Contracting Entity here.

Same as above: RiGHT is the applicant and will be the contracting entity.

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.

We are not aware of any issues TABOR might bring to bear on our application.

Part II. - Description of the Water Activity/Project

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

Non consumptive (Environmental or Recreational)

Agricultural

Municipal/Industrial

Needs Assessment

Education

Other

Explain:

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

In addition to the environmental, non-consumptive needs achieved by protecting important wetlands and wildlife habitat along the Rio Grande river riparian corridor, including for the endangered Southwestern Willow Flycatcher. These projects also contribute to sustaining the **consumptive needs** of agriculture by securing the land and water on both properties for animal and crop production into the future. In addition, keeping important floodplain areas open and intact through conservation easements, contributes to the protection of downstream **municipalities** from future flooding providing benefit to the **Municipal** sector. Also, by keeping senior water

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rights in historic use patterns along the river helps to sustain river function and at the same time, supports the State’s management and Rio Grande Compact obligations.

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): **406 acres**

Other -- Explain:

Protection of approximately 400 productive agriculture acres

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

Latitude:

Longitude:

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.

RiGHT will use the requested WSRA funds to provide matching funds towards the purchase of two conservation easements on adjacent properties within the Rio Grande floodplain (see attached Project Overview Map). The first property is on the 90 acre Campbell-Redden property in Rio Grande County. The conservation easement will secure approximately 1cfs of the Silva Ditch, the **#1 most senior water right** on the Rio Grande in Colorado, to the property. Through RiGHT’s other conservation efforts on nearby ranches, we have already secured approximately 60% of the Silva Ditch water through conservation easements, and with this project we have the opportunity to increase this to 65%. The Campbell-Redden property also has 0.35 cfs of the #3 Priority San Jose Ditch (sometimes known as the Lucero Ditch). The second conservation easement is on the 316-acre Dugan Ranch property adjacent to and bordering the Campbell-Redden property to the east. This property also has several senior surface water rights, including 0.55 cfs of the #3 Priority San Jose Ditch as well as the #144.5 Priority San Jose Ditch. Below is a table of the other surface water rights associated with this project (Figure 1).

Property	Silva Ditch	San Jose (Lucero) #3	San Jose (Lucero) #144.5	San Jose (Lucero) #248	Marajo Ditch (#231)
Dugan Ranch	NA	0.55 cfs	0.75 cfs	2.25 cfs	0.70 cfs
Campbell-Redden Property	1.0 cfs	0.35 cfs	NA	NA	NA

Figure 1: Project Surface Water Rights

Both properties also have wells associated with each of them. During our due diligence process for this project, we will be further researching the well use to understand how it fits within our conservation easement framework. Below is a table of the well water rights associated with this project (Figure 2).

Property	Well Number	Decreed Rate
Dugan Ranch	W3842 Well No. 01R	2.23 cfs
Campbell-Redden Property	W1768 Well No. 2	0.111 cfs

Figure 2: Project Well Water Rights

This is an important addition to our landscape scale effort to protect and sustain the historic water use patterns along the Rio Grande river corridor by tying the water rights to the land through permanent, voluntary conservation easements.

Both properties are part of RiGHT’s successful *Rio Grande Initiative*, which benefits *both* non-consumptive and consumptive water needs in the Rio Grande Basin and contributes to the goal of the Rio Grande Basin Round Table to achieve water sustainability. In fact, both of these properties are situated in a “corridor of conservation”

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(see attached Project Overview Map), in which they are adjacent or very near to other conserved properties along the Rio Grande. Within six miles of both properties, there are six additional properties with conservation easements held by RiGHT totaling 2,213 acres, five properties with conservation easements held by other entities, including the Natural Resources Conservation Service (NRCS), Wetlands Reserve Program and Ducks Unlimited for a total of 1,297 acres, and a 13,757 acre Bureau of Land Management (BLM) parcel. This is a total of over 17,000 protected acres in the vicinity of this proposed project.

Non-Consumptive Needs/Benefits

Environment: Protect key wildlife habitat for endangered species

- The US Fish and Wildlife Service’s recently produced maps shows both projects as being within a zone of habitat for the endangered Southwestern Willow Flycatcher. (See USFWS Report, “Land Protection Plan: San Luis Valley Conservation Area, Colorado and New Mexico, November 2013. (<http://www.fws.gov/mountain-prairie/planning/lpp/co/slv/slv.html>)
- The Rio Grande Water Conservation District’s (RGWCD) Habitat Conservation Plan (HCP) (<http://www.rgwcd.org/page23.html>) for the endangered Southwestern Willow Flycatcher and, the threatened Yellow Billed Cuckoo, will be greatly enhanced by the conservation of these properties.

Environment: Sustain wetlands and riparian corridor habitat and health

- The properties to be protected through this application include approximately 21.5 acres of wetlands and riparian habitat in the Rio Grande River floodplain. Throughout Colorado, wetlands make up less than 3% of the landscape, but provide benefits to over 75% of the species in the state and **1 in 4 species are dependent on this habitat for survival**. Since being settled, Colorado has lost approximately half of all wetland acres in the state. In the arid San Luis Valley, 66% of the wetlands acres occur on private lands, making voluntary conservation easements an ideal tool to protect this important resource.
- The 2008 Colorado Parks and Wildlife’s Strategic Plan for the Wetland Wildlife Conservation Program emphasized the importance of protecting wetlands, stating that: “*Relatively speaking, the conservation of wetlands and riparian areas has a greater positive impact on the general vitality of Colorado’s wildlife populations than perhaps any other habitat conservation practice.*” In the San Luis Valley, abundant waterfowl, water birds, shore birds, songbirds, the migrating Sandhill Cranes, as well as large game species, such as elk and deer make extensive use of the river corridor, including on both the Campbell-Redden property and Dugan Ranch. The intact lands and health of the riparian zone along with the senior surface water rights that sustain those wetlands wet are vital to our area’s extensive wildlife populations, including endangered species.

Municipal & Industrial: Contribute to public safety

- Conservation of these properties will contribute to public safety in Rio Grande County 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. Both ranches are in the flood plain just a few miles upriver from the City of Monte Vista. Keeping the flood plain intact and functional helps mitigate the impact any future flooding on the City. (See letter of support from the City.)

Consumptive Needs/Benefits

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Agriculture: Secure land and water for agriculture

- Secure the viability of agriculture by securing land and water resources for agriculture for the long term. This is accomplished by tying the property’s senior water rights to the land through the language of the conservation easement. The Campbell-Redden property has an average annual surface water availability estimated at over 400 acre-feet and the landowners irrigate approximately 50 of the property’s 90 acres for hay production. The Dugan Ranch has nearly 570 acre-feet of surface water which is used to irrigate approximately 200 of the property’s 316 acres for alfalfa and grass production. Much of the remaining acreage on both properties, including wetlands and livestock pasture, continues to be used for agriculture in essentially the same historic patterns on the river corridor land, which contributes to the multiple benefits discussed throughout this application.

Interstate Compacts: Assist State with compact administration

- Continue historic water use patterns to ensure that water use is sustained in ways that help the Colorado Division of Water Resources administer and meet the State of Colorado’s Rio Grande Compact obligations. (See letter of support from Division Engineer Craig Cotten.) The storage and recharge benefits of riparian/flood plain zone wetlands provide a “sponge” effect along the river corridor that helps to produce return flows, extend the irrigation season and maintain flows in the river. This function also helps sustain the aquifer.

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

This activity is consistent with the above referenced Statute and the additional Statutes and Constitutional Article referenced below. In addition, the voluntary placement of conservation easements, which includes 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 including the Colorado Water Conservation Board (CWCB) through the Rio Grande Basin Round Table, Great Outdoors Colorado (GOCO), Colorado Parks and Wildlife (CPW), the US Department of Agriculture’s NRCS, the US Department of Interior’s Fish and Wildlife Service, the Rio Grande Water Conservation District, the Rio Grande Water Users Association, and many others.

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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- 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.”
- 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

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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 Campbell-Redden property and Dugan Ranch Conservation Projects have the strong support from the Rio Grande Basin Round Table, as evidenced by their vote of in favor of this application and the use of Basin funds for this project, as well as their past support of similar projects and RiGHT's overall *Rio Grande Initiative*. Our community members recognize the vital role of the river corridor and its senior surface water rights to our ability to steward water and ensure future water sustainability for the region. Their support indicates the urgent need and critical timing of conservation projects—and that the opportunity to protect these parcels in the Rio Grande floodplain must be acted upon while the landowners are able and willing.

This application includes a commitment of \$20,000 of Basin funds towards this overall request, with a request for \$130,000 of statewide funds. This request will be leveraged with \$485,000 in cash match and a landowner donation of approximately \$410,000 in conservation value for a total of \$895,000, nearly equaling a 6:1 match to funding request. This demonstrates both the strong commitment to this effort from our Round Table members and the leverage that this project will provide to CWCB funds, if awarded.

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

- 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.

- d) **Matching Requirement:** For requests from the **Statewide Fund**, the applicants will be required to demonstrate a **25 percent** (or greater) match of the total grant request from the other sources, including but not limited to Basin Funds. A minimum match of 5% of the total grant amount shall be from Basin funds. A minimum match of 5% of the total grant amount must come from the applicant or 3rd party sources. 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 contract or purchase order between the applicant and the State of Colorado is executed. Please describe

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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the source(s) of matching funds. (NOTE: These matching funds should also be reflected in your Detailed Budget in **Exhibit A** of this application)

As shown in the Budget portion of this application, this request is for \$150,000 total WSRA funds, including \$20,000 of the Rio Grande Basin Roundtable’s Basin funds and \$130,000 of Statewide funds. This request will be leveraged by \$150,000 in cash funding from the Gates Family Foundation, \$335,000 in cash funding from Great Outdoors Colorado (GOCO- pending approval), and a combined landowner donation of an estimated \$410,000 in conservation easement value (the actual donation amount will be determined in the final appraisal). Our request far exceeds the minimum match requirements noted above, with a total project value of \$1,045,000 and with the WSRA funds comprising 14% of the overall project.

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. The applicant should also refer to the Supplemental Scoring Matrix applied to Evaluation Criteria Tiers 1-3 for Statewide Account requests. 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).**

The proposed conservation projects on the Campbell-Redden property and Dugan Ranch and RiGHT’s overall *Rio Grande Initiative* achieve direct protection of river corridor land and senior surface water rights, which addresses both non-consumptive and consumptive needs and benefits multiple entities and interests in the Rio Grande Basin and on behalf of the State, specifically for the wildlife benefits and for the sustainable administration of the Rio Grande Compact. These include:

- 1) **Environment:** The *combined* 406-acre project parcels targeted for protection and submitted in this application are within the Rio Grande River’s floodplain and include approximately 22 acres of important wetlands along with a substantial portion of the **remaining unencumbered #1 senior water right** on the Rio Grande in Colorado that sustain them. Riparian areas and wetlands 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:

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- a) There are four State Wildlife Areas and over 10,000 acres of protected private land along the Rio Grande between Del Norte and Alamosa. Colorado Parks and Wildlife has funded river corridor conservation easements through several of its programs and has been a direct partner on the *Rio Grande Initiative* through the GOCO Legacy funding and subsequent grants.
 - b) Federal funds awarded through both the North American Wetlands Conservation Act (NAWCA) and the NRCS's Wetland Reserve Program have supported extensive private land conservation along this corridor.
 - c) The US Fish and Wildlife Services' recently produced habitat maps show the two project parcels as being within a zone of "irreplaceable habitat." (See http://www.fws.gov/mountain-prairie/planning/lpp/co/slv/documents/slv_lppdraft_all.pdf)
 - d) The Rio Grande Water Conservation District's (RGWCD) Habitat Conservation Plan (HCP) for the endangered Southwestern Willow Flycatcher and threatened Yellow Billed Cuckoo will be greatly enhanced by the conservation of private lands such as the Campbell-Redden property and the Dugan Ranch.
- 2) **Municipal & Industrial:** Intact, open land 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 3.5 miles upriver from the City of Monte Vista (approximately 5 river miles), the project parcels are within the flood plain and, along with the **four other RiGHT conserved properties within 1.5 miles of the project parcels**, will contribute to this objective. (See letter of support from City of Monte Vista.)
- 3) **Agriculture:** By keeping land and water intact, these projects will help sustain agricultural productivity, its consumptive uses, and its role as the basis for the area's economy for the long term. The combined 406-acres of both parcels listed in this application are used for grazing, haying and crops and the Campbell-Redden property includes 1cfs of the #1 senior water right on the Rio Grande in Colorado. ***Through RiGHT's other conservation efforts to date, we have encumbered nearly 60% of the Silva Ditch water right*** and with this proposed project we will protect an additional 5% of the water in the Silva Ditch. The Silva Ditch supplies more than 330 acre-feet of consumptive use annually to the Campbell-Redden property. The surface water rights for both properties (Campbell-Redden property and Dugan Ranch), including the Silva Ditch water, total over 970 acre-feet of consumptive use annually. Securing these important senior water rights with conservation easements will ensure those uses into the future. (See letter of support from Rio Grande Water Users Association.)
- 4) **Interstate Compacts:** Functioning agricultural lands along the river divert irrigation water into pastures and riparian wetlands, which then create return flows to the river. This historic pattern of water use assists the Colorado Division of Water Resources in administering the waters of the Rio Grande and meeting Colorado's obligations under the Rio Grande Compact. Securing the senior water rights to these parcels through conservation easements is another important step on our path to water sustainability and contributes to the State's ability to administer the Compact. (See letter of support from Division Engineer, Craig Cotten.)
- 5) **Intra-basin:** The timing of this effort is urgent--changes in water use are already underway as senior water rights along the river corridor are at risk of being altered for well augmentation purposes and historic ranches are being bought and fragmented into smaller parcels for residential purposes. Timely action is necessary to achieve the many benefits possible by conserving the Campbell-Redden property and the Dugan Ranch.

The conservation of both the Campbell-Redden property and the Dugan Ranch clearly meet not only

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RiGHT's *Rio Grande Initiative* goals, but also six (6) of the fourteen (14) goals set forth in the draft Rio Grande Basin Water Plan. As outlined above, this project promotes collaboration and cooperation for meeting water management goals and needs and also meets the following Rio Grande Basin Water Plan goals:

1. Protect, preserve and/or restore the sustainability of the Rio Grande Basin watersheds by focusing on the watershed health and ecosystem function,
3. Sustain the confined and unconfined aquifer in accordance with Senate Bill 04-222 and operate within the State Engineer's new Rules and Regulations for the San Luis Valley,
5. Manage water use to sustain optimal agricultural economy throughout the Basin's communities,
6. Support the development of projects and methods that have multiple benefits for agricultural, municipal and industrial, and environmental and recreation water needs,
11. Protect, preserve and enhance terrestrial and aquatic wildlife habitats throughout the Basin, and,
12. Conserve, restore and maintain wetlands and riparian areas for the benefit of a healthy watershed.

- 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.**

A project of this landscape-scale is only possible through broad based participation and diverse support from the local community and beyond. In addition to the support of Rio Grande Basin Round Table and allocation of \$20,000 of Basin funds toward this application, the project has garnered support from both traditional consumptive water interests (including an annual funding commitment from the Rio Grande Water Conservation District to RiGHT to implement the *Rio Grande Initiative*, and non-consumptive interests, such as Colorado Parks and Wildlife, USFWS, USFS, BLM, NRCS and others. RiGHT has been collaborating directly with The Nature Conservancy and Ducks Unlimited on the *Rio Grande Initiative* from the original strategic planning and launch in 2007 through the on-going completion of conservation transactions, and the required long term monitoring and stewardship of permanent conservation easements.

The *Rio Grande Initiative* is supported by all four Boards of County Commissioners in the project area in addition to the following local, state and federal governmental entities, districts and agencies, as well as local, state and national conservation organizations. The table below indicates the entities that support the *Initiative*.

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Alamosa County	Rio Grande Water Conservation District
Bureau of Land Management	Rocky Mountain Elk Foundation
Colorado Cattlemen’s Agricultural Land Trust	San Luis Valley National Heritage Area
Colorado Open Lands	Senator Larry Crowder
Colorado Parks and Wildlife	Silver Thread Scenic Byway
Colorado Rio Grande Headwaters Restoration Foundation	SLV Chapter of Trout Unlimited
Colorado State Land Office	SLV Water Conservancy District
Conejos Chapter of the National Wild Turkey Federation	SLV Watershed Association of Conservation Districts
Conejos County	Southern Rockies Ecosystem Project
CSU Extension Service	State Representative Edward Vigil
Division Engineer, Division 3, CDWR	The Conservation Fund
Ducks Unlimited	The Nature Conservancy
Mineral County	Trust for Public Land
Natural Resources Conservation Service	U.S. Forest Service
Rio Grande Basin Roundtable	USFWS- SLV National Wildlife Refuges Complex
Rio Grande County	

Keeping land and water intact addresses both non-consumptive and consumptive water needs and issues:

Issues facing non-consumptive uses (wetlands and riparian corridor health, wildlife habitat for threatened and endangered species, recreation including wildlife viewing, hunting, fishing, boating, and flood plain function) and consumptive water uses (sustaining continued agricultural production and historic water use patterns, as well as addressing aquifer depletion) 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. Through conservation easements, landowners are offered the opportunity to receive partial payment for permanently encumbering their property for its conservation values, such as wildlife habitat, scenic views and agricultural productivity, and permanently tying their water rights to the land. This ensures that land and water resources are permanently available for agriculture, wildlife, and recreation and that they continue to provide functioning floodplains, wetlands, and critical wildlife habitat. Additionally, keeping the SLV’s scenic landscape intact enhances the quality of life and attracts visitors to the region, which is 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 inter-related and vital riparian functions—thus the Rio Grande Basin Round Table members and many other community, state and federal entities strongly support the *Initiative* and this application.

Benefits and Beneficiaries:

The multiple benefits 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 noted above. The breadth of support emphasizes the importance of the Rio Grande to all of our communities and residents as well as the State of Colorado. Their support and participation indicates that keeping the river corridor land and water intact is of utmost importance

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to people from many perspectives and interests. The proposed Campbell-Redden property and Dugan Ranch Conservation Easement projects encompass many of these attributes.

The beneficiaries of protecting both the Campbell-Redden property and Dugan Ranch and the overall Rio Grande corridor in Colorado include:

- The counties of Mineral, Rio Grande, Alamosa, and Conejos and the communities (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 wildlife, 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 (both properties are visible from the highway) and the Silver Thread Scenic Byway on U.S. Highway 149. Visitors and locals alike 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 State and Federal agencies which hold land and water rights along the river, including the CPW's four SWA's along the river, the Colorado State Land Board, the USFWS's Alamosa National Wildlife Refuge, the Rio Grande National Forest 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.
 - Note that in the summer of 2013, the West Fork Fire Complex burned in the upper region of Mineral County. The fire burned down to the edge of four of RiGHT's protected properties along the Rio Grande, as well as its tributary Goose Creek. Conservation easements on such lands insure that a minimal number of homes will be built, thus minimizing the need for protection, and that the river and stream corridors are kept intact and can recover more effectively from fire impacts than if fragmented with additional roads and other infrastructure.
- 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.**

The project parcels lie within an area of key attributes as identified through the non-consumptive needs process conducted by the Rio Grande Basin Round Table, including its wetlands and riparian zone wildlife habitat. In addition, both are working ranches with consumptive use of senior water rights. Both of these needs are served and sustained by conserving the land and water as proposed. Following is an analysis of how the *Rio Grande Initiative's* water activity addresses the SWSI findings, water needs assessment and the draft Basin Implementation Plan 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

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water uses to municipal and industrial uses. It is already clear that the San Luis Valley must reduce its irrigated agricultural area substantially in order to restore and sustain the aquifers we depend upon. Serious effort is underway through the RGWCD's formation of Ground Water Management Subdistricts as authorized by SB222 and SB220 and this effort is supported by the Rio Grande Basin Round Table (including the previous allocation of Basin funds in support of this effort). Through this process, it is vital that appropriate agricultural lands are retired and others are sustained in production with their historic water use patterns intact. Key to this process is the retention of senior surface water rights and historic water use patterns along the Rio Grande river corridor. The significance of the historic patterns that support traditional consumptive uses along the river are increasingly being understood, through both the study funded by the WSRA on the hydraulic divide and the long-term observation of many local experts and landowners. All indicators point to the **essential ecosystem function** of the historic river corridor water use patterns for filling and protecting the function of the "sponge" along the river corridor. Riparian wetlands, which are sustained through intermittent floods and agricultural diversions, help retain water from higher spring river flows and provide for slower release and return flows that are critical for sustaining river flows and thus extending the irrigation season longer on an annual basis, and for 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. The *Initiative* 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."

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:

- fisheries;
- habitat for the Federally listed endangered species, the Southwestern Willow Flycatcher, as well as the threatened, 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 rivers healthy, both in terms of quality and quantity. 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* directly implements these strategies to conserve and protect the Rio Grande corridor through our use of voluntary conservation easements as a tool for protecting land and water resources. Such a proactive approach to keeping the land along the Rio Grande as "whole" as possible is preferable to managing the effects of ever-greater land fragmentation and the ensuing changes in essential ecosystem function along this

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corridor. As water use changes, addressing these problems reactively comes at great cost and complexity—with fewer and lesser benefits achievable once the functions are diminished. Conservation of the river corridor will only become more expensive and more complex in the future. Thus the time to act is now, *while we have the chance*.

Section 6.1 of the SWSI report also suggests key sources of information including the CPW, TNC, and the Colorado Natural Heritage Program (CNHP). The *Rio Grande Initiative* is partnering directly with the first two and has worked collaboratively 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 that capture water in the “sponge” of riparian wetlands, which is slowly released to the areas around the riparian zone. This process in turn 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 a longer irrigation season. Through the non-consumptive needs assessment of the Rio Grande Basin Round Table, 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 to be diverted from the river corridor to augment other “off-corridor” uses, the impacts would be both detrimental and cumulative and the losses to essential ecosystem functioning irreversible. Such diversions would impact the riparian wetlands, the healthy functioning of the river, and the CDWR’s ability to administer the Rio Grande.

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 strong 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, an estimated combined value of \$410,000), 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 we 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 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’s health and function. Rather, protecting as much of the river’s attributes as possible *while we have the chance*, will continue to serve many beneficiaries for the very long term.

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In Table 8-8 CPW 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 threatened and endangered species and all wildlife) and valued recreational uses (including fishing, wildlife 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 or the inability obtaining funding elsewhere).**

When a landowner is ready to proceed with protecting their land and water, it is critical to maintain momentum and move as quickly as possible to achieve the conservation easement. This is important for the overall pace of the *Rio Grande Initiative* and encouraging other landowners to protect their properties with conservation easements. Without WSRA funding, the timing on these projects could be pushed back, during which time cost of land conservation could continue to rise and with stalled momentum, the landowners might lose interest. Even though the current real estate market is still slightly depressed, it appears to be gaining some new momentum. When it does, it is likely that scenic ranches with water rights will once again be sold at an increasing rate. When this happens, sometimes land values are driven out of the reach of most agricultural producers. We are working hard to provide landowners with conservation options.

In addition, our historic water use patterns, riparian wetlands, water quality, scenic landscapes, wildlife corridors and habitat are all threatened by increased demands on the river. These threats can be minimized and land and water resources stabilized through conservation easements such as on the Campbell-Redden property and Dugan Ranch —*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 San Luis Valley.

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Timing of Opportunity:

We have spent the last seven years achieving conservation opportunities through the *Rio Grande Initiative* and have protected substantial parcels along the river. With this success, landowner interest is on the rise as surrounding ranches are placed in conservation easement. Since 2007, we have more than tripled the pace of conservation efforts along the Rio Grande corridor in the San Luis Valley. We need to continue to meet landowner interest in order to maximize the number of conservation transactions along the river corridor. Otherwise, the development of key lands with senior water rights could occur and the chance to preserve them may be permanently lost, instead of permanently protected.

- e. 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.

As outlined in the budget, the requested WSRA funds will be matched with funds of \$335,000 from a future GOCO application, \$150,000 from the Gates Family Foundation and a contribution of approximately \$410,000 of the conservation easement value from the landowners, totaling approximately \$895,000 in match for these projects. (Note that the actual amount of the landowner donation is determined by the final appraisal.)

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

- f. The water activity helps sustain agriculture & open space, or meets environmental or recreational needs.
 - g. 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.
 - h. The water activity assists in the recovery of threatened and endangered wildlife species or Colorado State species of concern.
 - i. The water activity provides a high level of benefit to Colorado in relationship to the amount of funds requested.
 - j. The water activity is complimentary to or assists in the implementation of other CWCB programs.
- Continued: Explanation of how the water activity/project meets all applicable **Evaluation Criteria**.
Please attach additional pages as necessary.

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

In addition to the conservation of both the Campbell-Redden property and the Dugan Ranch clearly meeting six of the fourteen goals set forth in the draft Rio Grande Basin Water Plan, these projects also address primary challenges facing Colorado as defined in the draft Colorado State Water Plan, as further outlined below (<http://coloradowaterplan.com/>):

1. Agricultural dry-up: Irrigated agriculture is being lost by the purchase and permanent transfer of agricultural water rights. At the current rate of transfer, there will be a major reduction in Colorado's agricultural lands in the future. This could impact Colorado's economy and food security. In addition, rural communities could dry-up along with agriculture if enough agricultural business goes away.

The proposed conservation easements are a direct tool to prevent agricultural dry-up in strategic locations, such as along river corridors that also provide important wildlife habitat and are vital for river function and for meeting compact obligations.

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2. Critical environmental concerns: An increasing number of fish species in Colorado are at risk of becoming endangered due to habitat loss. This risk has the potential to increase if agricultural, municipal, and industrial water needs are set up to clash with environmental and recreational water needs.

The proposed conservation easements are a direct tool to secure land and water for valuable river corridor habitat, and help secure habitat for fish species at risk of becoming endangered, while also providing habitat for other endangered species in the Rio Grande Basin, including the Southwestern Willow Flycatcher.

3. Variable climatic conditions: Climate change and associated impacts make it more difficult to meet Colorado's future water needs because of diminishing supplies, increased demand for water, and the wide variability predicted in the future.

The proposed conservation easements secure land and water as part of an overall approach to provide a "critical mass" of resources intact to sustain working lands and wildlife habitat into an uncertain climatic future.

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.

As one of the key components of these projects, the two properties senior surface water rights will be permanently attached to the land through the terms of the respective conservation easements. The senior water rights associated with these projects include 1.0 cfs from the Silva Ditch, the #1 water right on the Rio Grande in Colorado; 0.9 cfs from the #3 Priority San Jose (aka Lucero) ditch and another 0.75 cfs of the #144.5 Priority San Jose, along with 2.25 cfs of the #248 San Jose and 0.7 cfs of the Marajo Ditch (Figure 1), rights that irrigate approximately 220 acres and are estimated at more than 900 acre-feet (combined) annual consumptive use.

2. Please provide a brief narrative of any related studies or permitting issues.

Not applicable.

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 invoices and appropriate backup material.

Please provide a detailed statement of work using the template in Exhibit A. Additional sections or modifications may be included as necessary. Please define all acronyms and include page numbers.

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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.

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.

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

Signature of Applicant:



Print Applicant's Name: Courtney Hurst

Project Title: *The Rio Grande Initiative: Campbell-Redden Property and Dugan Ranch Conservation Easement Projects*

Date: 12/3/2014

Return an electronic version (hardcopy may also be submitted) of this application to:

Craig Godbout – WSRA Application
Colorado Water Conservation Board
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Denver, CO 80203
303-866-3441, ext. 3210 (office)
303-547-8061 (cell)
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