



COLORADO WATER CONSERVATION BOARD

WATER SUPPLY RESERVE ACCOUNT APPLICATION FORM



Today's Date: March 6, 2015

Kerber Creek Restoration Project – Middle Parcel

Name of Water Activity/Project

Trout Unlimited Inc. (TU)

Name of Applicant

Rio Grande Basin Roundtable

Amount from Statewide Account:

0.00

Amount from Basin Account(s):

30,000

Total WSRA Funds Requested:

30,000

Approving Basin Roundtable(s)

(If multiple basins specify amounts in parentheses.)

FEIN: 38-1612715

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Required Exhibits

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

Appendices – Reference Material

- Program Information
- Insurance Requirements
- WSRA Standard Contract Information (Required for Projects Over \$100,000)
- 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):	Trout Unlimited Inc. (TU)		
	Mailing address:	Trout Unlimited 128 East 1 st Street, Suite 203 Salida, CO 81201		
	FEIN #:	38-1612715		
	Primary Contact:	Jason Willis	Position/Title:	Project Manager
	Email:	jwillis@tu.org		
	Phone Numbers:	Cell: 719-221-0411	Office:	
	Alternate Contact:	Elizabeth Russell	Position/Title:	Project Manager
	Email:	erussell@tu.org		
	Phone Numbers:	Cell: 720-938-5438	Office:	

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

TU's mission is to conserve, protect, and restore North America's trout and salmon fisheries and their watersheds. Since TU was founded in 1959, on-the-ground restoration of streams, watersheds, and fisheries has been our hallmark. Throughout the country, our active volunteers and chapter members invest over 670,000 hours and millions of dollars in restoration work on an annual basis. Since 1994, TU national staff have complemented these local efforts by implementing large-scale collaborative watershed restoration projects that combine applied scientific and economic research, community outreach, on-the-ground restoration, and development of long-term conservation strategies and tools. TU has extensive experience managing grants and overseeing projects throughout the country. The continued support of state and federal agencies speaks to TU's strong track record for completing its project-specific objectives to benefit coldwater resources. For over 12 years the organization has been working to restore abandoned mines in the West, while advancing policy and programs to help facilitate Good Samaritan clean-up projects. TU views pollution from abandoned mines as one of the most important, yet least addressed, problems facing western watersheds. The mining legacy of more than 500,000 abandoned mines has an estimated cleanup cost ranging from \$36 to \$72 billion, which has persisted for the better part of a century with little progress toward a solution. According to the EPA, abandoned mines have contaminated headwater streams in more than 40 percent of watersheds in the Western United States. In Colorado, TU has successfully managed over \$1.6 million in grants for restoration work in various watersheds impacted by historic hardrock mining. These Colorado projects have provided some of the highest profile mine restoration projects the organization has tackled to date. The combination of dramatic landscapes, ubiquitous legacy mining activity, and a populous state creates a backdrop that is well-suited to showcase our mine restoration work.

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

TU will serve as the Contracting Entity in this case given its extensive involvement and sponsorship of the Kerber Creek Restoration Project (KCRP).

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.

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Trout Unlimited (TU) has not had any issues with TABOR nor does it anticipate future issues.

Part II. - Description of the Water Activity/Project

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

<input checked="" type="checkbox"/>	Nonconsumptive (Environmental or Recreational)
<input type="checkbox"/>	Agricultural
<input type="checkbox"/>	Municipal/Industrial
<input type="checkbox"/>	Needs Assessment
<input type="checkbox"/>	Education
<input type="checkbox"/>	Other
Explain: <input type="text"/>	

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

The environmental effects of legacy hardrock mining in the Kerber Creek watershed, including drastically altered stream morphology, reduced connectivity between the stream and its floodplain, and the deposition of acidic, metals-laden mine tailings along the stream, have negatively impacted private lands along Kerber Creek that are largely allocated for agricultural uses. This project will address treatment of these mine tailings and re-vegetation of associated floodplain. The reestablishment of a vegetative community and reconnection with the floodplain should improve water quality/quantity, as well as future agricultural production. In addition, the Kerber Creek Restoration Project (KCRP) has provided numerous opportunities for tours, school field trips, and educational events. The KCRP has recently acted as a research area for Colorado College students. Thus, the proposed project addresses environmental, agricultural, and educational issues.

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

<input type="checkbox"/>	Study	<input checked="" type="checkbox"/>	Implementation
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4. To catalog measurable results achieved with WSRA funds can you provide any of the following numbers?

<input type="text"/>	New Storage Created (acre-feet)
<input type="text"/>	New Annual Water Supplies Developed, Consumptive or Nonconsumptive (acre-feet)
<input type="text"/>	Existing Storage Preserved or Enhanced (acre-feet)
<input type="text"/>	Length of Stream Restored or Protected (linear feet)
<input type="text"/>	Length of Pipe/Canal Built or Improved (linear feet)
<input type="text"/>	Efficiency Savings (acre-feet/year OR dollars/year – circle one)
<input type="text" value="6"/>	Area of Restored or Preserved Habitat (acres)
<input type="text"/>	Other -- <input type="text"/>

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

Latitude: 38.22519444

Longitude: -106.03363889

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.

In 2014, TU completed construction work associated with the second Colorado Nonpoint Source grant for the watershed. These funds allowed TU and project partners to complete 19.1 acres of mine tailings reclamation and 12,700 feet of stream improvements within the eastern parcel of site KC16. Site KC16 is divided into three parcels: (1) KC16-E, the easternmost parcel recently completed (2) KC16-M, the middle parcel adjacent to KC16-E and focus of this project and (3) KC16-W, the western parcel separated from KC16-M by other private lands (Figure 2, Exhibit C). Moving upstream from KC16-E is the middle parcel, or KC16-M. The proposed effort in the middle parcel will allow TU and project partners the opportunity to connect to the already restored 5.04 miles of stream in the lower watershed. Since 2009, work has been completed on sites KCHN, KC17, and KC16-E totaling 5.04 miles of restored stream and associated floodplain.

TU is requesting \$30,000 from WSRA to restore six acres of mine tailings contained within the floodplain of site KC16-M (Exhibit B). The reclamation of these six acres of mine tailings would coincide with 5,900 feet of in-stream improvements planned for 2015 by the National Resource Conservation Service (NRCS). It is important to perform these two activities together to minimize metals loading due to construction and future erosional events. While in-stream work improves aquatic habitat, bank stability, and floodplain reconnection, it does not treat the contaminated mine tailings that exist throughout. These mine tailings should be treated and stabilized in conjunction with in-stream work to improve short and long-term bank stability through vegetation establishment. TU will institute phytostabilization as the treatment method of choice for the associated mine tailings. This treatment technique has efficiently worked at several sites throughout the watershed since 2008. Phytostabilization is defined as an on-site technology using calculated amounts of soil amendments and metals-tolerant plants to reduce soil toxicity and metal mobility. For KC16-M, a pre-determined mixture of soil amendments will be applied to six acres of mine waste deposits and incorporated to a depth of 18-24". Amendments include: (1) lime, to neutralize soil pH in the short-term, (2) limestone, to provide long-term buffering capacity, and (3) compost, to limit bioavailability in soils by chemically binding metals to the organic molecules. This method also limits the bioavailability of metals mobilized from the deposit to the stream by runoff or groundwater, since metals will still remain bound to the organic component. Specific amendment application rates have been determined using data from previous site characterization efforts and from rates used to treat deposits at similar sites in the Kerber Creek watershed. Following amendment application, a native seed mix will be distributed using broadcast seeding to promote revegetation of the treated deposits. Straw will then be crimped on top to provide protection from erosion. Phytostabilization work will correspond with stream bank reshaping that will take place between in-stream improvements. Of the proposed \$30,000, TU is planning to use \$10,356 towards contractor and construction costs and \$16,644 to purchase amendments associated with work in 2015.

In addition to project implementation, project monitoring will continue through the tasks and objectives for the Colorado Nonpoint Source grant. This will allow the project to progress towards ecological goals

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as defined in the Project Implementation Plan that has already been approved by Colorado Department of Public Health and Environment (CDPHE).

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

In-stream restoration activities will in no way impact the current system of allocating water within Colorado. No currently existing water rights will be diminished, impaired, or otherwise injured as a result of the implementation of restoration activities as described in this document. All in-stream restoration projects are engineered such that any diversion point that does exist along the relevant reach receives its respective appropriated water right as it had before the restoration project was implemented. NRCS is partner organization implementing the in-stream restoration and has already secured a U.S. Army Corp of Engineers 404 permit.

- 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.

This information is included in the letter from the Rio Grande Roundtable Chair, Mike Gibson, accompanying this proposal.

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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- 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.

As stated in section 8.5.1 of the Rio Grande basin's non-consumptive needs assessment, "The primary objectives of the environmental and recreational options...are to provide flow and/or habitat enhancement of surface water features," which include fish habitat, water quality, and riparian corridors, among others. This project meets a number of these objectives, including the enrichment of aquatic habitat and the already thriving brook trout fishery through the installation of in-stream rock structures that increase the frequency of healthy riffle-pool-run sequences. The riparian corridor will also be improved through the treatment and revegetation of mine tailings deposits, and the enhancement of water quality through the reduction of the bioavailability of heavy metals. In addition to these improvements for non-consumptive use, in-stream restoration and phytostabilization in the Kerber Creek watershed will increase the availability of uncontaminated surface water to agricultural uses without causing harm to aquatic life; specifically, the many landowners that ranch in the watershed will have improved access to surface water for irrigation purposes. Finally, approval of in-stream flow rights on four reaches throughout the Kerber Creek watershed was approved in 2013. The approval of these in-stream flows ensure that Kerber Creek maintains flow throughout the year, enhancing both its consumptive and its non-consumptive uses.

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

Funds are requested from the Basin account only. WSRA funds represent 12% of the confirmed budget for the Middle Parcel work.

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

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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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).
- 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.

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).
- 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.

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.

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- 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.

Tier 1a

The project will address both consumptive and non-consumptive needs. To satisfy non-consumptive needs, the project will enhance fish habitat, improve water quality, and enrich riparian habitat through the implementation of in-stream restoration and mine waste treatment. Additionally, this water activity will improve the quality of water used for irrigation and help to guarantee that all appropriated water rights are fulfilled without causing significant harm to the downstream aquatic habitat. Moreover, the CWCB acquisition of four in-stream flow rights will legally ensure that Kerber Creek remains flowing throughout the year, improving access to flow for both consumptive and non-consumptive uses.

Tier 1b

This water activity will be conducted as an extension of KCRP, which actively engages more than 16 partners in restoration activities and seeks to promote increased interaction among all partners. KCRP relies on cooperation among a number of non-profit organizations, government agencies, and local landowners, including both agricultural producers with water rights and non-producing residents without water rights, to ensure that sufficient funding and staff are available to complete restoration projects in a timely, effective manner and to engage San Luis Valley community residents in the stewardship of the Valley's natural resources. See Table 5, Exhibit C for a full list of project partners. In addition to the project's collaborative structure, the project will address intrabasin interests by reconnecting Kerber Creek to its floodplain, which, as preliminary studies in similar areas have shown³, will increase groundwater recharge over time. Because the Kerber Creek watershed is located within the Rio Grande Closed Basin, it is expected that even small increases in groundwater recharge in watersheds like Kerber Creek will eventually increase flows throughout the Closed Basin in both streams and wells.

Tier 2d

WSRA funding will allow for the implementation of restoration activities on an area of KC16-M that is not currently funded. While WSRA and other cash contributions will be put towards the phytostabilization budget on KC16-M, NRCS cost share programs will support the restoration of the 5,900 feet of stream within the site boundary. Thus, without WSRA funds, degraded conditions will persist along a significant portion the floodplain of KC16-M. These conditions could negatively impact the project's investment in the stream reaches upstream and downstream of this area if not properly addressed in-conjunction with NRCS work.

Tier 2e

The \$30,000 requested from WSRA constitutes 12% of the total confirmed budget for the restoration of site KC16-M. However, this sum will represent 40% of the phytostabilization budget helping out heavily with contractor and material costs within the project area. In total, the confirmed project budget is \$247,667, of which (1) \$10,000 are from the Colorado Nonpoint Source program (CDPHE), (2) \$10,000 are matching funds from state agencies (Division of Reclamation Mining and Safety (DRMS)), (3) \$20,000 in estimated

³ Lindquist, D.S. and J. Wilcox. "New concepts for meadow restoration in the northern Sierra Nevada." Feather River Coordinated Resource Management, 2000. Accessed 28 March 2013 at <http://www.feather-river-crm.org/pdf/ieca.pdf>. AND Hammersmark, C. T. and J. F. Mount. "Geomorphic, hydrologic, and ecological effects of the Bear Creek Meadow restoration project: A layman's review." U.C. Davis Center for Watershed Sciences, 2005.

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in-kind donations from the Bureau of Land Management (BLM) for a local limestone source, and (4) \$207,667 are from NRCS engineering and implementation services through the EQIP cost-share program (Table 2, Exhibit A). However, TU is always pursuing other funding opportunities in the instance that this funding is not available in the future. This diverse funding base illustrates the variety of interests that KCRP serves and the numerous organizations that have been and continue to be committed to the project.

Tier 3f

This water activity will help to ensure that sufficient quantities of surface water are available to support ranching activities in the Kerber Creek watershed, which occur on the three largest privately owned parcels of land (KC16, KC17, and KC18) as well as other, smaller parcels further upstream. In addition, furthering the restoration effort at site KC16 is necessary to protect the improving environmental conditions at site KC17, located directly downstream of site KC16, and site KC18, located downstream of site KC17. The Rio Grande Headwaters Land Trust (RiGHT) holds a conservation easement on site KC17, and the owners of KC18 are currently pursuing a conservation easement with RiGHT. Although these sites have already undergone significant restoration efforts, the restoration of site KC16 is essential to ensuring that the environmental integrity of these protected areas and 5.04 miles of restored stream is maintained in perpetuity. Since completion of work on site KC16-E, the landowners are currently in talks with the Land Trust of the Upper Arkansas to incorporate a conservation easement on all three parcels of land along Kerber Creek.

Tier 3g

As described above under Tier 1b, the reconnection of Kerber Creek and its floodplain will increase groundwater recharge, which will eventually help to increase groundwater quantities in the Closed Basin. This, in turn, could provide some additional flow that could supplement the water currently available for distribution as required by the Rio Grande Compact. In addition, the acquisition of in-stream flow rights throughout the Kerber Creek watershed will incrementally increase surface flow in San Luis Creek.

Tier 3h

According to the BLM Environmental Assessment of the Kerber Creek watershed completed in 2006⁴, potential habitat for the Southwestern Willow Flycatcher (SWWFL) does exist throughout the watershed, including at site KC16. Although surveys conducted in 2004 and 2005 on adjacent BLM lands found that no SWWFLs were present, it is possible that restoration of the Kerber Creek riparian corridor will allow for the development of more suitable habitat that will eventually contribute to the recovery of SWWFL in Colorado. No SWWFL surveys have been conducted since the completion of the environmental assessment.

Tier 3i

The WSRA funds requested comprise 12% of the total confirmed budget for the project (Table 1, Exhibit A). However, if accepted, the proposed project will contribute to 40% of phytostabilization budget to restore six acres of mine tailings within KC16-M. This figure clearly demonstrates the significance of the impact that funding this proposal would have on the Kerber Creek watershed relative to the amount of funds requested.

Tier 3j

The restoration of this portion of Kerber Creek will assist in the implementation of CWCB's in-stream flow program by helping to ensure that the pending in-stream flow rights on Kerber Creek can be maintained as described.

⁴ Bureau of Land Management. 2006. Environmental Assessment CO-500-07-014 EA. BLM Saguache Field Office.

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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.

The Kerber Creek watershed is located in the northeastern San Juan Mountains in Saguache County, Colorado (Figure 1, Exhibit C). It is geographically defined by the United States Geological Survey (USGS) as a 5th level watershed with the HUC 1301000302. Kerber Creek flows through the towns of Bonanza (elevation 9,465 feet) and Villa Grove (elevation 7,986 feet) before confluenting with San Luis Creek. The watershed is part of the Rio Grande Closed Basin. The entire Kerber Creek watershed encompasses 64,323 acres, and Kerber Creek is 26 miles long from its origin to its confluence with San Luis Creek. The San Luis Creek watershed is defined as a 4th level watershed with the HUC 13010003. Major tributaries include Slaughterhouse Creek, Brewery Creek, Skunk Creek, Rawley Gulch, Eagle Gulch, and Squirrel Creek

This proposed water activity and project will in no way impact, diminish, impair, or otherwise injure the water rights and 45 diversion structures that currently exist throughout the watershed. Results from this project will help to maintain instream flows to Kerber Creek while helping to preserve the natural environment to a reasonable degree. This project will help improve water quality and maintain the natural stream water right filed for Kerber Creek on October 29, 2012 (Case No: 2012CW37).

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

Two recent senior thesis studies were conducted in the watershed this past summer by Colorado College students. These studies focused phytostabilization techniques that have been used in the watershed since 2008. One study particularly focused on metals uptake into the root, stem, and leaf zones of plants in reclaimed areas. The other study looked into soil health at sites that have been completed each year since 2008.

TU received a USACOE 404 permit with the landowner in 2014. However, NRCS also holds a separate current 404 permit for the in-stream work scheduled for 2015 on KC16-M.

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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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 10 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.

Water Supply Reserve Account – Application Form

Revised December 2011

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

Signature of Applicant:



Print Applicant's Name: Jason Willis

Project Title: Kerber Creek Restoration Project – Middle Parcel

Date: March 6, 2015

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

Craig Godbout – WSRA Application
Colorado Water Conservation Board
1313 Sherman St., Room 721
Denver, CO 80203
303-866-3441, ext. 3210 (office)
303-547-8061 (cell)
craig.godbout@state.co.us