

**Alternative Agricultural Water Transfer Methods – Grant and Loan Program  
Project Summary Sheet**

**Applicant:** High Line Canal Company

**Water Activity Name:** High Line Canal Water Leasing Project

**Amount Requested:** \$750,000

**Matching Funds:** \$75,000

**Drainage Basin:** Arkansas River

**Water Source:** Arkansas River

**Project Summary:**

Members of the Highline Canal Company are interesting in leasing some of their water to municipalities. The application states that they seek to use a combination of three methods: interruptible water supply agreements, long term land fallowing and water banking.

Below is a summary of the scope of work:

**Scope of Work**

**Task 1—Establish Leasing Entity**

**Task 2—Gaining Commits from Ditches**

**Task 3—Water Right Evaluations**

**Task 4—Ditch Operations Analysis**

**Task 5—Pipeline Analysis**

**Discussion:**

While it is clear that the proposal seeks to use various alternative methods such as leasing, interruptible supply agreements and/or rotational fallowing, the application is not sufficiently complete for staff to evaluate and make a recommendation of funding of up to \$750,000. Without more detail, staff is unable to determine if it meets the eligibility requirements or the evaluation criteria. Most importantly, one of the purposes of this program is to not simply be aimed at facilitating a single locally-driven transfer but must also provide usable and transferable information or processes that will increase our

understanding of how to successfully design transfer programs that provide a long-term reliable municipal/domestic water supply while sustaining meaningful production agriculture.

Issue/Additional Needs:

- A complete application is needed to fully evaluate the proposal. This should also include a well developed scope of work that clearly describes what each tasks entails. The budget(s) included are not sufficient. Please include a detailed budget by task, which includes level of effort (hours), and rates.
- Please fully address all of the Eligibility Requirements and all of the Evaluation Criteria provided in the Criteria and Guidelines with reasonable detail and specificity.

Staff Recommendation:

Since the application does not fully meet the eligibility requirements, staff recommends that funding not be approved at this time for the High Line Canal Water Leasing Project. The applicant is encouraged to refine the project's application and scope of work to meet the eligibility requirements and evaluation criteria and resubmit the grant request at the November 2008 CWCB meeting. The deadline for grant submittal for that meeting is September 30, 2008.