Alternative Agricultural Water Transfer Methods – Competitive Grant Program
Water Activity Summary Sheet
Agenda Item 28

Applicant: The Nature Conservancy

Water Activity Name: Use of ATMs to meet nonconsumptive and consumptive needs in the Yampa Basin

Water Activity Purpose: Nonstructural Activity

Drainage Basin: Yampa

Water Source: Yampa River basin

Amount Requested: $132,000

Matching Funds: $36,602

Staff Recommendation
Staff recommends approval of up to $111,030 from the Alternative Agricultural Water Transfer Methods Program to help complete the project, Use of ATMs to meet nonconsumptive and consumptive needs in the Yampa Basin.

Water Activity Summary:
The objective of this project is to identify potential alternative agricultural transfer projects that could be used to meet needs for both non-consumptive and consumptive water uses in the Yampa Basin. Information from previous CWCB and basin roundtable studies will be used to identify candidate locations at which ATMs could be utilized for multipurpose projects meeting both non-consumptive and consumptive needs, with a specific focus on projects that meet environmental needs and agricultural shortages. Through combining this technical analysis with a targeted outreach and ground-truthing effort, the project will produce a report that describes favorable candidate locations for implementation of ATM projects and will describe in detail the ATM arrangement that would best facilitate the alternative water transfer in each candidate location. Thereafter, Applicant will begin implementation of recommended ATM projects.

This effort is intended to build on the findings of the Yampa-White Basin needs assessments to identify potential projects and methods that could be used to meet non-consumptive and consumptive needs in the Yampa Basin. This effort will leverage existing studies funded by CWCB to identify the most favorable candidate locations for implementing ATM projects to meet non-consumptive and consumptive needs. The main targeted needs of this project will be environmental attributes and agricultural shortages. The project will examine available water rights and a variety of ATM mechanisms to ensure that the final report identifies the best candidates possible for ATM projects. The final report will serve as a blueprint for near-term implementation of a number of ATM projects, and in the long term, the analysis developed through this project will serve as a model for locating multipurpose projects that optimize water use in the Yampa basin. Following are the study objectives for this project:

1. Identify locations in the Yampa Basin where ATM could help to meet non-consumptive needs and agricultural shortages
2. Analyze ATM transactions that might be used to meet multiple needs in specific candidate locations
3. Identify which ATM mechanisms are most suitable for meeting multiple purposes in each candidate location
4. Conduct outreach to water rights owners, governmental entities and other interests to gage, and develop, interest in ATM transactions
5. Produce a final report describing in detail the most favorable ATM transactions and describing the next steps for implementing each of those transactions

6. Begin working toward implementation of ATM transactions recommended in the final report.

Discussion:
In January, staff recommended to the Board against funding a project that was proposed by the applicant due to the narrow scope and high costs (examining the physiology effects of fallowing high elevation hay meadows). In the evaluation, staff indicated that the grant program favored projects that were geared towards the implementation of ATM projects and went beyond the academic research. The Board encouraged the applicant to develop a project that was aimed at implementing an ATM project and bring back for consideration. Staff feels that the revised project succeeded in meeting the goals stated by staff and the Board as well as a proposal that is less costly than the original proposal. The applicant states that this project may prove to be useful/transferable in other basins as well as identifying possible water rights to be used in a West Slope water bank should that become a reality. Staff is also pleased that the project seeks to use ATM's to the benefit of both consumptive and non-consumptive uses.

Issues/Additional Needs:
None identified.

Staff Recommendation:
Staff recommends approval of up to $132,000 from the Alternative Agricultural Water Transfer Methods Program to help complete the project, Use of ATMs to meet nonconsumptive and consumptive needs in the Yampa Basin.

All products, data and information developed as a result of this grant must be provided to the CWCB in hard copy and electronic format as part of the project documentation. This information will in turn be made widely available to Basin Roundtables and the general public and will help promote the development of a common technical platform.

In accordance with the Criteria and Guidelines of the Alternative Agricultural Water Transfer Methods Competitive Grant Program, staff would like to highlight additional reporting and final deliverable requirements. The specific requirements are provided below.

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

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

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