



COLORADO

**Colorado Water
Conservation Board**

Department of Natural Resources

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TO: Colorado Water Conservation Board Members

FROM: Linda Bassi, Stream and Lake Protection Section
Brandy Logan, Stream and Lake Protection Section

DATE: March 21-22, 2018 Board Meeting

AGENDA ITEM: 30 a-d. Water Plan Grants - Environmental and Recreation
Initial Consideration

This item is for consideration only. No action is required at this time

Introduction

The Environmental and Recreation grant category started with \$1 million in available funds and currently has \$204,716 remaining for this third round of grant requests. The CWCB received six applications totaling \$344,605. Two of those applications were withdrawn and may be resubmitted in a future application round. Staff supports the four applications described below, which total \$203,714, leaving a balance in the Environment and Recreation category of \$1,002.

Applicant	Project Name	Request	% of Project	Staff Support
a. Mountain Studies Institute	Animas River Removal and Replacement of Invasive Phreatophytes, Phase II	\$60,764	40%	\$48,714
b. Rio Grande Watershed Emergency Action Coordination Team (RWEACT)	Upper Rio Grande Environmental Restoration and Recreation Infrastructure Improvements	\$55,000	32%	\$55,000
c. City of Steamboat Springs	Fish Creek Critical Community Watershed Wildfire Protection Plan	\$50,000	33%	\$50,000
d. Florida Consolidated Ditch Company	Florida Canal Diversion Structure Rehabilitation Project: Phase 2	\$50,000	3%	\$50,000

See attached Data Sheets for summaries and locations.

Staff Review and Comments

a. Mountain Studies Institute - Animas River Removal and Replacement of Invasive Phreatophytes, Phase II (Support Reduced Funding)

The Mountain Studies Institute (MSI) is a nonprofit research and education institution in southwest Colorado that has requested funding for a collaborative approach to address invasive phreatophytes in the Animas and La Plata River basins. MSI will work with private landowners, businesses, the City of



Durango (City), and the Southern Ute Indian Tribe (SUIT) to remove Russian olive and tamarisk on 670 acres. Water Plan Grant funds will be used coordinate activities, remove the invasive species, replace ornamental trees, plant riparian vegetation, and monitor for re-sprout of invasive species.

This project contributes to achieving the Water Plan goals of protecting, maintaining, and improving functional riparian habitat. This project supports the Animas Watershed Plan from 2011 that identified the need to improve riparian conditions and reduce invasive species; this aligns with the Water Plan Critical action related to implementing master planning efforts. The project also addresses several measureable outcomes in the Southwest Basin Round Table Basin Implementation Plan, including protecting and restoring watersheds, enhancing recreational values, and supporting restoration, recovery and sustainability of riparian dependent species and plant communities.

Staff supports recommending a \$48,714 grant to Mountain Studies Institute for Board approval at the May 2018 meeting. This amount is reduced from the requested \$60,764. The applicant addressed the difference in funds by reducing the number of acres that will be treated. The application, scope of work, and budget have been updated to reflect this change.

b. Rio Grande Watershed Emergency Action Coordination Team (RWEACT) - Upper Rio Grande Environmental Restoration and Recreation Infrastructure Improvements

The Rio Grande Watershed Emergency Action Coordination Team (RWEACT) requested funds to improve water quality, riparian health, and recreation opportunities in three locations that experience significant recreational use. RWEACT has requested grant funding to: 1) assist in the construction of a new boat ramp; 2) install fencing and transplant willows to protect and restore channel banks and riparian areas from trampling and overgrazing; and 3) repair trails and create hardened access points for stock to improve water quality by reducing erosion. The proposed project demonstrates collaboration through partnership with the Rio Grande National Forest, Colorado Water Conservation Board, RWEACT, Trout Unlimited, Hinsdale / Mineral / Rio Grande counties, the Willow Creek Restoration Foundation and Headwaters Alliance, and Backcountry Horsemen.

The project furthers the Water Plan's Watershed Health, Environment, and Recreation objective by protecting and improving conditions of stream banks and riparian areas to promote functional habitats. It also meets Water Plan objectives related to supporting water-based recreation and protecting water quality. The project was vetted through the Upper Rio Grande Watershed Assessment, funded by CDPHE and CWCB. The Assessment's final report is expected in Spring 2018 and will document current watershed conditions and prioritize projects related to watershed health. Finally, the project contributes to meeting several Rio Grande Basin Roundtable strategic goals: 1) focus on watershed health and ecosystem function; 2) support projects with multiple benefits; 3) progress towards water quality standards; 4) protect, preserve and enhance terrestrial and aquatic wildlife habitats; and 4) conserve, restore, and maintain wetlands and riparian areas for the benefit of healthy watersheds.

Staff supports recommending a \$55,000 grant to RWEACT for Board approval at the May 2018 meeting.

c. City of Steamboat Springs - Fish Creek Critical Community Watershed Wildfire Protection Plan

The City of Steamboat Springs (City) has requested grant funding to develop a Critical Community Wildfire Watershed Protection Plan (CWP) for the Fish Creek Basin. The Fish Creek Basin is an important water source that supplies up to 93% of the service area water for the City and the Mount Werner Water and Sanitation District. The 2014 State of the Upper Yampa River Watershed Report

identified that wildfire posed a high concern for drinking water supply and watershed health. In addition, Fish Creek provides key habitat for mountain whitefish, one of the few remaining native fish species in the Upper Yampa basin. The purpose of the plan is to identify measures that can be implemented before, during, and after a wildfire event to protect critical drinking water supply and infrastructure and watershed health. This proposal is supported by the Yampa White Green Basin Roundtable, the U.S Forest Service, the Colorado State Forest Service, and Routt County.

The project supports Watershed Health, Environment, and Recreation goals to promote protection and restoration of water quality and watersheds critical to water infrastructure, environmental, and recreational areas. The Yampa-White-Green Basin Implementation Plan ranked Fish Creek the highest in the Yampa Basin for both drinking water importance areas and drinking water risk. The project is also part of the Watershed Planning Process (ID#18) within the BIP's Environmental and Recreational IPPs.

Staff supports recommending a \$50,000 grant to the City of Steamboat Springs for Board approval at the May 2018 meeting.

d. Florida Consolidated Ditch Company – Florida Canal Diversion Structure Rehabilitation Project: Phase 2

The Florida Consolidated Ditch Company (FCDC) has requested grant funds to rehabilitate the Florida Canal Diversion structure to enhance aquatic habitat, creation, and agriculture. The project will replace the existing low head dam with a structure that is safer for river users and will provide fish passage and habitat connectivity to an additional 11.5 miles of the Florida River. The Water Plan grant funding will be used for Phase 2 of the project which includes final permitting, construction specifications, bidding, design, and engineering services during construction. The project has the support of CPW, Trout Unlimited, The Nature Conservancy, and La Plata County.

The project furthers the Water Plan goals of: (1) protecting and enhancing river-based environments and recreational opportunities; and (2) improving stream conditions to promote self-sustaining fisheries (habitat reconnection). The project also will further the Southwest Roundtable Basin Implementation Plan goals to meet environmental and recreational water needs, maintain agriculture water needs; and protect, maintain, monitor and improve the condition of streams to promote fisheries.

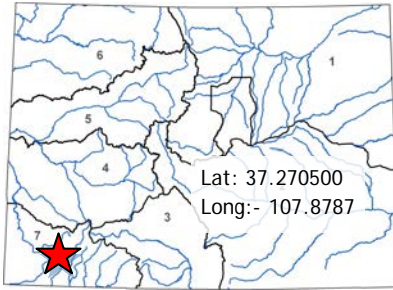
Staff supports recommending a \$50,000 grant to the Florida Consolidated Ditch Company for Board approval at the May 2018 meeting



Mountain Studies Institute Animas River Removal and Replacement of Invasive Phreatophytes

March 2018 Board Meeting - Initial Consideration

Water Plan Grant Application



L O C A T I O N	
County/Countries:	La Plata
Drainage Basin:	Southwest

D E T A I L S	
Total Project Cost:	\$121,495
Water Plan Grant Request:	\$48,714*
Other CWCB Funding:	\$0
Other Funding Amount:	\$71,682
Applicant Match:	\$1,100
Project Type(s):	Other
Project Category(Categories):	Environment & Recreation
Measurable Result:	670 acres of restored or preserved habitat, 250 Coloradans impacted

*The original application requested \$60,764

Organization

MSI is a nonprofit research and education institution in southwest Colorado. MSI participates in research, restoration, and monitoring projects to achieve stakeholder-identified resource goals. MSI has assembled partners to advance a collaborative approach to address invasive phreatophytes in two tributaries of the San Juan Basin: the Animas River and the La Plata River.

Overview

Building on a 2016-17 project MSI conducted with the help of CWCB funding to improve approximately 290 acres within the Animas watershed (Phase I), this application would support Phase II work with private landowners, businesses, the City of Durango (City), and the Southern Ute Indian Tribe (SUIT) to remove Russian olive and tamarisk in two San Juan Basin tributaries: the Animas and La Plata Rivers. MSI has identified areas within City property where ornamental Russian olive can be replaced with appropriate landscaping species. The SUIT has identified several parcels for removing Russian olive and tamarisk within the reservation. Finally, MSI currently has a waiting list of landowners that are willing and eager to remove Russian olive with the assistance of this program, comprising over 550 acres. The success of Phase I has demonstrated a need for Phase II.

MSI will: (1) coordinate with landowners and business owners to educate them about the impacts of invasive species and treatment options, and develop restoration plans for removal of Russian olive and tamarisk, (2) remove phreatophytes by contracting Southwest Conservation Corps (SCC) crews, (3) replace ornamental trees with appropriate landscaping species, and plant appropriate riparian vegetation along riparian corridors, and (4) monitor for re-sprouts by empowering landowners and our partners.



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Mountain Studies Institute Animas River Removal and Replacement of Invasive Phreatophytes

March 2018 Board Meeting - Initial Consideration



An SCC crew member clears Russian olive on the Cove Conservation Easement, adjacent to the Animas River, Fall 2016.



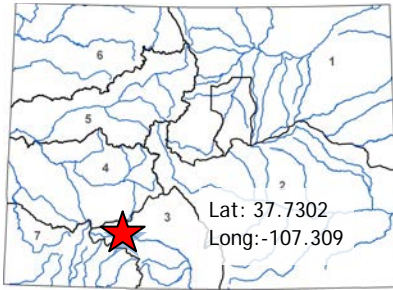
An SCC crew member applies herbicide on cut stumps on a private parcel.



RWEACT Upper Rio Grande Environmental Restoration and Recreation Infrastructure Improvements

March 2018 Board Meeting - Initial Consideration

Water Plan Grant Application



L O C A T I O N	
County/Countries:	Mineral and Hinsdale
Drainage Basin:	Rio Grande

D E T A I L S	
Total Project Cost:	\$176,175
Water Plan Grant Request:	\$55,000
Other CWCB Funding:	\$0
Other Funding Amount:	\$105,885
Applicant Match:	\$15,290*
Project Type(s):	IPP
Project Category(Categories):	Environment & Recreation
Measurable Result:	Improved water quality and protection of riparian areas.

*includes \$790 of in-kind services

Organization

The Rio Grande Watershed Emergency Action Coordination Team (RWEACT) was formed during the West Fork Complex fire in south-central Colorado. Over the past five years, RWEACT has worked with 70 partners to implement more than 200 projects and initiatives. RWEACT's work focuses on natural resource projects and studies, economic recovery, and improving emergency notification and preparedness. Organizational information can be found at www.rweact.org

Overview

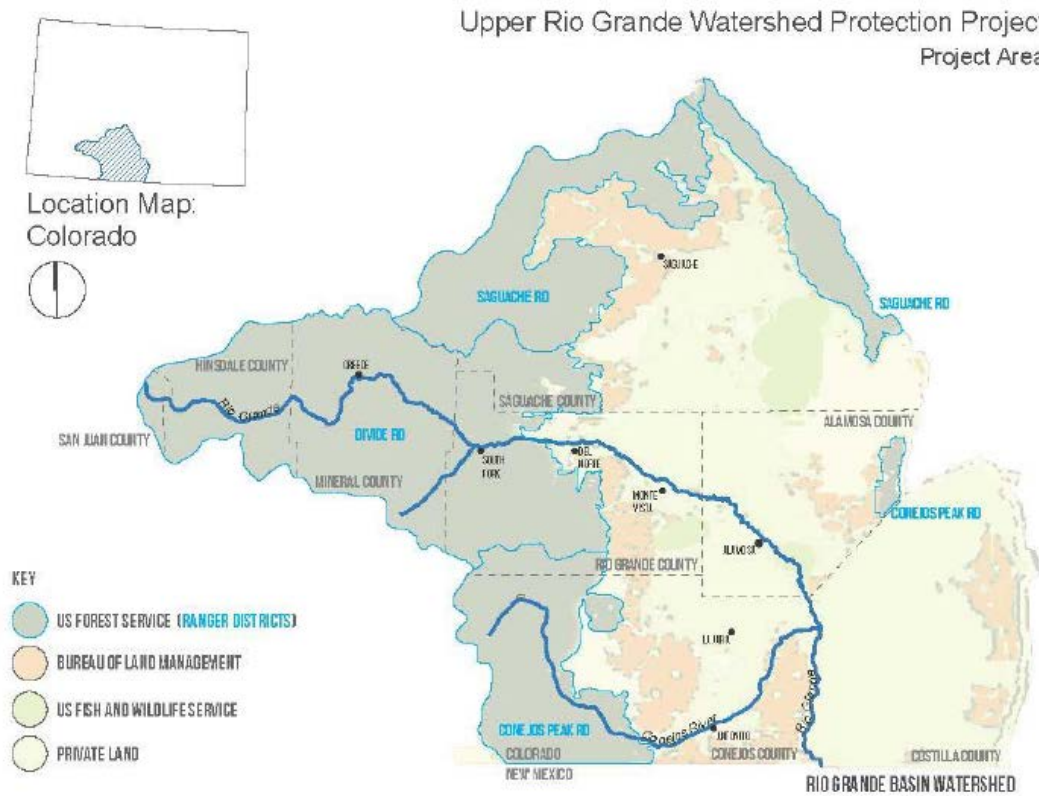
After the 2013 West Fork Complex fire, the Upper Rio Grande Watershed Assessment was conducted to identify challenges and opportunities. The Assessment prioritized projects that address goals set by Colorado's Water Plan and the Rio Grande Basin Roundtable.

The proposed projects will occur in three locations - Rio Grande Campground, located along Highway 149 approximately ten miles from Creede; the 30-Mile dispersed stock unloading area, located below the outlet for Rio Grande Reservoir; and the Ute Creek trailhead, located above the Reservoir.

- 1) Rio Grande Campground - assist with construction costs of a hard-bottomed boat ramp that will improve water quality, reduce erosion and sediment loading, and improve recreation experiences for boating and fishing.
- 2) 30-Mile Dispersed Area - improve hardened access points for stock watering sites in dispersed area and install fencing to keep horses and trailers out of riparian areas. Both actions will reduce erosion and improve riparian health and water quality in this highly-used area.
- 3) Ute Creek Trailhead - restore trails in a multi-use area to reduce erosion and control sediment loading, improve riparian health, and improve recreation experiences.



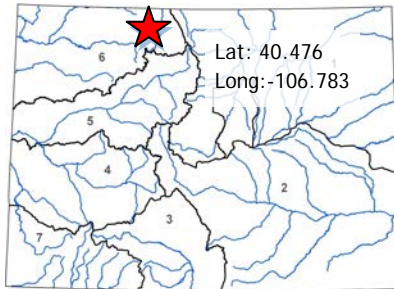
RWEACT
**Upper Rio Grande Environmental Restoration
and Recreation Infrastructure Improvements**
March 2018 Board Meeting - Initial Consideration





**City of Steamboat Springs
Fish Creek Critical Community
Watershed Wildfire Protection Plan**
March 2018 Board Meeting - Initial Consideration

Water Plan Grant Application



L O C A T I O N	
County/Countries:	Routt
Drainage Basin:	Yampa/White

D E T A I L S	
Total Project Cost:	\$150,000
Water Plan Grant Request:	\$50,000
Other CWCB Funding:	\$0
Other Funding Amount:	\$50,000
Applicant Match:	\$50,000
Project Type(s):	Study & IPP
Project Category(Categories):	Environment & Recreation
Measurable Result:	4,563 existing storage protected, 234,351 linear feet of stream restored or protected

Organization

The City of Steamboat Springs (City) is located in Routt County in northwest Colorado. The City and the Mount Werner Water Sanitation District (District) provide water and sewer services to the community, which has approximately 12,690 full time residents, a large population of part-time residents with second homes, and an even larger population of visitors.

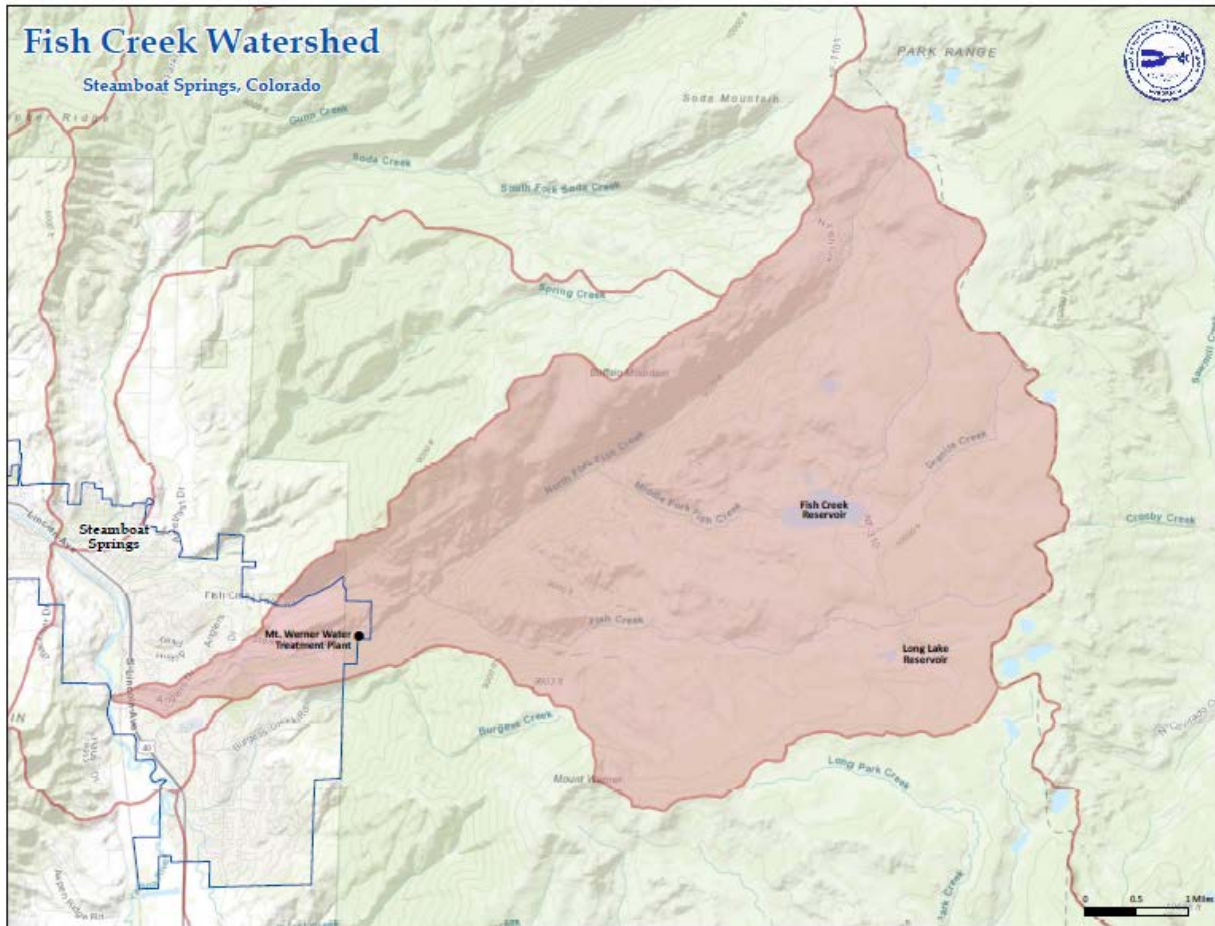
Overview

The City and the District operate a joint water supply and treatment system to supply their respective service areas within the greater Steamboat Springs area. The majority of the raw water that supplies the community (an average of 93% over the last five years) comes from the 22 square mile Fish Creek Basin, a heavily forested watershed that sits primarily within the U.S. Forest Service boundary. Two reservoirs - Long Lake Reservoir and Fish Creek Reservoir - supply the direct diversion at Fish Creek to a conventional filtration treatment plant near the City limits. In addition to providing the majority of the drinking water for the Steamboat Springs community, Fish Creek provides key habitat for mountain whitefish, one of the few remaining native fish species in the Upper Yampa Basin. The 2017 Yampa River Health Assessment Report (a technical memo that will be incorporated into the in-progress Steamboat Springs Stream Management Plan) identified Fish Creek as a place of thermal refuge for whitefish during late-season low flows in the Yampa River.

The City and the District propose to develop a Critical Community Wildfire Watershed Protection Plan (CWP) for the Fish Creek Basin. The primary objective is to develop a plan through an open and collaborative process with stakeholders that will clearly define and prioritize site specific measures both within the watershed and at the water treatment plant to implement before, during, and after a wildfire event to protect critical drinking water supply and infrastructure, and watershed health.



**City of Steamboat Springs
Fish Creek Critical Community
Watershed Wildfire Protection Plan**
March 2018 Board Meeting - Initial Consideration

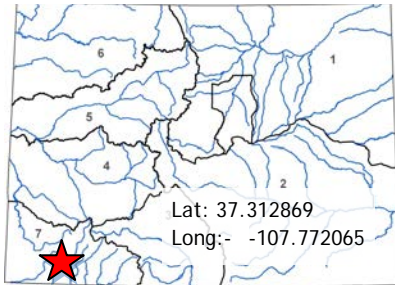




Florida Consolidated Ditch Company Florida Canal Diversion Structure Rehabilitation Project: Phase 2

March 2018 Board Meeting - Initial Consideration

Water Plan Grant Application



L O C A T I O N	
County/Countries:	La Plata
Drainage Basin:	Southwest

D E T A I L S	
Total Project Cost:	\$1,580,000
Water Plan Grant Request:	\$50,000
Other CWCB Funding:	\$1,366,000
Other Funding Amount:	\$95,000
Applicant Match:	\$69,000
Project Type(s):	Construction & IPP
Project Category(Categories):	Environment & Recreation, also applying for Agriculture \$
Measurable Result:	210 AF of storage preserved or enhanced, 60,720 linear ft of stream restored or protected, 48.8 acres of habitat restored or preserved, 12,264 AF of irrigation water preserved.

Organization

The Florida Consolidated Ditch Company (FCDC) is composed of the Florida Farmers Ditch Company, the Florida Canal Company, the Florida Enlargement Canal Company, and the Florida Co-Operative Ditch Company. The FCDC is a mutual ditch company that provides water to 329 shareholders serving approximately 18,700 acres of irrigated agriculture through the Florida Farmers Ditch, the Florida Canal, and the Florida Co-operative Ditch. The FCDC provides water to Pastorius Reservoir, a State Wildlife Area. In total, the FCDC operates 86.5 miles of canals, ditches, and laterals, and delivers approximately 24,125 acre-feet of water per year.

Overview

The Florida Canal Diversion Structure (Diversion Structure) Rehabilitation Project is a multi-purpose project to enhance aquatic habitat, recreation, and agriculture. The project will replace the existing low head dam with a structure that is safer for river users and will provide fish passage and habitat connectivity to an additional 11.5 miles of the Florida River. CWP Grant funding will be used for Phase 2 of the Project, including final permitting, construction specifications, bidding, design, and engineering services during construction.

The Diversion Structure diverts pre-Compact irrigation water rights into the Florida Canal headgate for irrigation of 6,900 acres on the Florida Mesa. The Florida Canal provides water to Pastorius Reservoir, as well as irrigation water to land on which alfalfa, spring wheat, orchard, small grains, and grass pasture are grown.

Restoration of the Diversion Structure will address non-consumptive environmental and recreational needs. The CWCB holds two ISF water rights that extend from below Lemon Dam downstream to the Confluence with the Animas River. The Florida River is an important fishery in the Southwest Basin. The Project will provide connectivity for an approximately 11.5 mile reach of the Florida River by providing a fish passage as part of the project design and implementation.



Florida Consolidated Ditch Company Florida Canal Diversion Structure Rehabilitation Project: Phase 2

March 2018 Board Meeting - Initial Consideration

