

Colorado Water Conservation Board

Water Supply Reserve Fund Grant Application

Instructions

All WSRF grant applications shall conform to the current 2016 WSRF Criteria and Guidelines.

To receive funding from the WSRF, a proposed water activity must be approved by a Roundtable(s) <u>AND</u> the Colorado Water Conservation Board (CWCB). The process for Roundtable consideration and recommendation is outlined in the 2016 WSRF Criteria and Guidelines. The CWCB meets bimonthly according to the schedule on page 2 of this application.

If you have questions, please contact the current CWCB staff Roundtable liaison:

Arkansas

Ben Wade ben.wade@state.co.us 303-866-3441 x3238 Gunnison | North Platte | South Platte | Yampa/White Craig Godbout craig.godbout@state.co.us 303-866-3441 x3210 Colorado | Metro | Rio Grande | Southwest Megan Holcomb <u>megan.holcomb@state.co.us</u> 303-866-3441 x3222

| | WSRF Submittal Checklist (Required) |
|------|--|
| | I acknowledge this request was recommended for CWCB approval by the sponsoring roundtable. |
| Х | I acknowledge I have read and understand the 2016 WSRF Criteria and Guidelines. |
| Х | I acknowledge the Grantee will be able to contract with CWCB using the <u>Standard Contract</u> . ⁽¹⁾ |
| Appl | ication Documents |
| Х | Exhibit A: Statement of Work ⁽²⁾ (Word – see Template) |
| Х | Exhibit B: Budget & Schedule ⁽²⁾ (Excel Spreadsheet – see Template) |
| Х | Letters of Matching and/or Pending 3 rd Party Commitments ⁽²⁾ |
| Х | Map ⁽²⁾ |
| | Photos/Drawings/Reports |
| Х | Letters of Support |
| Cont | racting Documents ⁽³⁾ |
| Х | Detailed/Itemized Budget ⁽³⁾ (Excel Spreadsheet – see Template) |
| | Certificate of Insurance ⁽⁴⁾ (General, Auto, & Workers' Comp.) |
| | Certificate of Good Standing ⁽⁴⁾ |
| | W-9 Form ⁽⁴⁾ |
| | Independent Contractor Form ⁽⁴⁾ (If applicant is individual, not company/organization) |
| | Electronic Funds Transfer (ETF) Form ⁽⁴⁾ |
| • • | ick "Grant Agreements". For reference only/do not fill out or submit/required for contracting |

(2) Required with application if applicable.

(3) Additional documentation providing a Detailed/Itemized Budget maybe required for contracting. Applicants are encouraged to coordinate with the CWCB Project Manager to determine specifics.

(4) Required for contracting. While optional at the time of this application, submission can expedite contracting upon CWCB Board approval.



| Schedule | | | |
|--------------|-----------------------------|------------------------------|--|
| CWCB Meeting | Application Submittal Dates | Type of Request | |
| January | December 1 | Basin Account; BIP | |
| March | February 1 | Basin/Statewide Account; BIP | |
| Мау | April 1 | Basin Account; BIP | |
| July | June 1 | Basin Account; BIP | |
| September | August 1 | Basin/Statewide Account; BIP | |
| November | October 1 | Basin Account/BIP | |

| Desired Timeline | | | |
|---------------------------------|-------------|--|--|
| Desired CWCB Hearing Month: | March | | |
| Desired Notice to Proceed Date: | March/April | | |

| Water Activity Summary | | | |
|--|--|---|--|
| Name of Applicant | Valley Floor Preservation Partners | | |
| Name of Water Activity | Telluride Valley Floor River Restoration Phase Two | | |
| Approving Roundtable | e(s) | Basin Account Request(s) ⁽¹⁾ | |
| Southwest | | 25,000 | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| Basin Account Request Subtotal | | \$25,000 | |
| Statewide Account Request ⁽¹⁾ | | \$250,000 | |
| Total WSRF Funds Requested (Basin & Statewide) | | \$275,000 | |
| Total Project Costs | | \$3,333,882 | |

(1) Please indicate the amount recommended for approval by the Roundtable(s)



| | Grantee and Applicant Information |
|--|-----------------------------------|
| Name of Grantee(s) | Valley Floor Presevation Partners |
| Mailing Address | PO Box 202, Telluride, CO 81435 |
| FEIN | 20-4889403 |
| Grantee's Organization Contact ⁽¹⁾ | Hilary Cooper |
| Position/Title | Program Manager |
| Email | hilary@mountainfreak.com |
| Phone | 9707292321 |
| Grant Management Contact ⁽²⁾ | <u>Same</u> |
| Position/Title | |
| Email | |
| Phone | |
| Name of Applicant (if different than grantee) | |
| Mailing Address | |
| Position/Title | |
| Email | |
| Phone | |

(1) Person with signatory authority

(2) Person responsible for creating reimbursement invoices (Invoice for Services) and corresponding with CWCB staff.

Description of Grantee

Provide a brief description of the grantee's organization (100 words or less).

Valley Floor Preservation Partners, a 501c3, was formed as a partnership of the Town of Telluride, Sheep Mountain Alliance, National Trust for Historic Preservation and the Telluride Institute. VFPP was established in March 2006 to support the Valley Floor acquisition and preservation efforts of the Town of Telluride and to launch a final fundraising and education campaign. After successfully completing the fundraising campaign and securing the Valley Floor as Open Space, VFPP now seeks to foster stewardship and ecological restoration projects for the Valley Floor property.



Type of Eligible Entity (check one)

| | Public (Government): municipalities, enterprises, counties, and State of Colorado agencies. Federal agencies are encouraged to work with local entities. 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. | | | | |
| Х | Non-governmental organizations: broadly, any organization that is not part of the government | | | | |
| | Covered Entity: as defined in Section 37-60-126 Colorado Revised Statutes | | | | |

| Type of Water Activity (check one) | | |
|------------------------------------|----------------|--|
| | Study | |
| Х | Implementation | |

| | Category of Water Activity (check all that apply) | | | |
|---|---|----------|--|--|
| Х | X Nonconsumptive (Environmental) | | | |
| Х | Nonconsumptive (Recreational) | | | |
| | Agricultural | | | |
| | Municipal/Industrial | | | |
| | Needs Assessment | | | |
| | Education & Outreach | | | |
| | Other | Explain: | | |

| Location of Water Activity | | | |
|---|-----------------------|--|--|
| Please provide the general county and coordinates of the proposed activity below in decimal degrees . The Applicant shall also provide, in Exhibit C, a site map if applicable. | | | |
| County/Counties | San Miguel County | | |
| Latitude | 37.939237 degrees N | | |
| Longitude | -107.824902 degrees W | | |



COLORADO Colorado Water Conservation Board Department of Natural Resources

Last Update: July 31, 2018

Water Activity Overview

Please provide a summary of the proposed water activity (200 words or less). Include a description of the activity and what the WSRF funding will be used for specifically (e.g. studies, permitting, construction). Provide a description of the water supply source to be utilized or the water body affected by the activity. Include details such as acres under irrigation, types of crops irrigated, number of residential and commercial taps, length of ditch improvements, length of pipe installed, area of habitat improvements. If this project addresses multiple purposes or spans multiple basins, please explain. The Applicant shall also provide, in Exhibit A, a detailed Statement of Work, Budget, and Schedule.

The 566-acre Valley Floor property is located immediately west of the developed boundary of the Town of Telluride along the San Miguel River (River). The property, owned and managed by the Town of Telluride (Town), is protected as public Open Space in perpetuity with a Conservation Easement. The River flows through the entire length of the property and is joined by surface and ground water flows from four headwater tributaries within the property. The River within the project area is heavily impacted by approximately 23 acres of deposited tailings and 900 feet of channelization. Currently in Reach 6, the river cuts directly through eroding tailings on both banks which contributes to water quality degradation and poor aquatic life conditions due to the presence of heavy metals. The intent of the Reach 5-6 River Restoration and Tailing Remediation is to consolidate, stabilize and cover existing tailings, remove River interaction with tailings, create a naturally functioning river system and mitigate past channelization impacts through hydrology, channel morphology and water quality improvements. WSRF funds will be used for the River Restoration Tasks of this project, which will address improvements to environmental, recreational, flooding risk mitigation and education purposes.

| Measurable Results | | | |
|--|--|----------|--|
| To catalog measurable results achieved with WSRF funds please provide any of the following values. | | | |
| 0 | New Storage Created (acre-feet) | | |
| 0 | New Annual Water Supplies Developed or Conserved (acre-feet), Consumptive or Nonconsumptive | | |
| 0 | Existing Storage Preserved or Enhanced (acre-feet) | | |
| 4,600 | Length of Stream Restored or Protected (linear feet) | | |
| 0 | Efficiency Savings (indicate acre-feet/year OR dollars/year) | | |
| 35 | Area of Restored or Preserved Habitat (acres) | | |
| 0 | Length of Pipe/Canal Built or Improved | | |
| | Other | Explain: | |



Water Activity Justification

Provide a description of how this water activity supports the goals of <u>Colorado's Water Plan</u>, the most recent <u>Statewide Water Supply Initiative</u>, and the respective <u>Roundtable Basin Implementation Plan</u> and <u>Education Action Plan</u>⁽¹⁾. The Applicant is required to reference specific needs, goals, themes, or Identified Projects and Processes (IPPs), including citations (e.g. document, chapters, sections, or page numbers).

For applications that include a request for funds from the Statewide Account, the proposed water activity shall be evaluated based upon how well the proposal conforms to Colorado's Water Plan criteria for state support (CWP, Section 9.4, pp. 9-43 to 9-44;) (Also listed pp. 4-5 in <u>2016 WSRF</u> <u>Criteria and Guidelines</u>).

This Project supports the Goals of the Colorado Water Plan, SWSI and Southwest Basin Roundtable's BIP and Education Action Plan.

Colorado Water Plan, Chapter 10: Critical Action Plan. The project addresses Goal F of promoting Watershed Health, Environment and Recreation by improving water quality, recreation opportunities, aquatic life and wetlands. This project will remediate a mining legacy Superfund site and improve riparian habitat at the headwaters of the San Miguel River Basin. It will also address Goal H of Education, Outreach and Innovation by improving current educational opportunities for the Watershed Education Program, San Miguel Watershed Coalition, Telluride Institute and regional schools. Colorado's Foundation for Water Education conducted a tour of the successfully complete Reach One of the Valley Floor River Restoration in 2017 for water leaders and State lawmakers and would be welcome to conduct a follow up tour. A film Meander was produced about the Reach One project that reached audiences around the world on a documentary film tour. The Valley Floor is being evaluated as a climate change mitigation opportunity for the Telluride Region to determine the amount of carbon sequestration and vegetation productivity. This project will add valuable understanding to how our natural landscapes can be managed productively to reduce our carbon footprints into the future.

2016 WSRF Criteria and Guidelines

This project addresses multiple needs and involves multiple participants. Any management decision that is approved for the Valley Floor must go through a thorough stakeholder process and be approved by the Town of Telluride. The Valley Floor River Restoration is included as a BIP to address multiple values. The project has been developed by partnership of Ecological Resources Consultants, San Miguel Conservation Foundation and the Town of Telluride and meets stringent conservation values, best management practices and cost effective measures established through this long term successful collaboration. The majority of the river restoration project will be funded through secure local public and private contributions as well Trout Unlimited. The tailings remediation will be funded by through a Consent Decree



Water Activity Justification

established by the State of Colorado.

2010 Statewide Water Supply Initiative Pg 8

The Overall Recommendation states that "CWCB, the IBCC, and basin roundtables should now enter an implementation phase to determine and pursue projects and methods to help meet the state's consumptive and nonconsumptive water supply needs".

This project will address multiple purposes including environmental, recreational and risk management.

It will also meet Colorado's nonconsumptive water needs by promoting the recovery and sustainability of the endangered Southwest Willow Flycatcher, protecting and enhancing environmental and recreational values benefiting the local and statewide economies, benefit water users and native species and improve habitat that will benefit aquatic and riparian habitat and stream recreation.

This project will also continue to provide an important educational and stewardship opportunity for all Coloradoans.

BIP Page 13, Table 1

The Project meets multiple Goals outlined in this section of the BIP including A2, A5, D1, E1, E2 and F1. These are detailed in the language above.

(1) Access Basin Implementation Plans or Education Action Plans from Basin drop down menu.

Matching Requirements: Basin Account Requests

Basin (only) Account grant requests require a 25% match (cash and/or in-kind) from the Applicant or 3rd party and shall be accompanied by a **letter of commitment** as described in the 2016 WSRF Criteria and Guidelines (submitted on the contributing entity's letterhead). Attach additional sheet if necessary.

| Contributing Entity | Amount and Form of Match (note cash or in-kind) |
|---------------------|--|
| | |



| Matching Requirements: Basin Account Requests | | | |
|--|----|--|--|
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| Total Match | \$ | | |
| If you requested a Waiver to the Basin Account matching requirements, indicate the percentage you wish waived. | | | |

Matching Requirements: Statewide Account Requests

Statewide Account grant requests require a 50% match as described in the 2016 WSRF Criteria and Guidelines. A minimum of 10% match shall be from Basin Account funds (cash only). A minimum of 10% match shall be provided by the applicant or 3rd party (cash, in-kind, or combination). The remaining 30% of the required match may be provided from any other source (Basin, applicant, or 3rd party) and shall be accompanied by a **letter of commitment.** Attach additional sheet if necessary.

| Contributing Entity | Amount and Form of Match (note cash or in-kind): | | |
|---|---|--|--|
| Town of Telluride/State of Colorado (Idarado Mining Co Consent Decree) | 2,434,000 cash | | |
| Valley Floor Preservation Partners | 400,000 cash | | |
| CO Water Plan Implementation Funds | 215,000 cash | | |
| Trout Unlimited | 10,000 cash | | |
| | | | |
| | | | |
| | | | |
| Total Match | \$3,059,000 | | |
| If you requested a Waiver to the Statewide Account matching, indicate % you wish waived. (Max 50% reduction of requirement). | | | |

Related Studies

Please provide a list of any related studies, including if the water activity is complimentary to or assists in the implementation of other CWCB programs.



Related Studies

San Miguel Pilot Project: Recreational and Environmental Needs Assessment

Previous CWCB Grants

List all previous or current CWCB grants (including WSRF) awarded to both the Applicant and Grantee. Include: 1) Applicant name; 2) Water activity name; 3) Approving RT(s); 4) CWCB board meeting date; 5) Contract number or purchase order

Name:Valley Floor Preservation PartnersProject:Valley Floor River Restoration Reach OneRT:Southwest Basin RoundtableDate:March 2016Contact:Chris Strum

Tax Payer Bill of Rights



Last Update: July 31, 2018 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. None

Water Supply Reserve Fund Water Activity Summary Sheet March 21, 2019 Agenda Item 24(0)

| Applicant & Grantee: | Valley Floor Preservation Partners | | |
|-------------------------|---|--|--|
| Water Activity Name: | Telluride Valley Floor River Restoration Phase Two | | |
| Water Activity Purpose: | Environmental & Recreational Implementation | | |
| County: | San Miguel | | |
| Drainage Basin: | Southwest | | |
| Water Source: | San Miguel | | |
| Amount Requested: | \$25,000 Southwest Basin Account \$250,000 Statewide Account | | |
| Matching Funds: | Basin Account Match = \$25,000 10% of the statewide request (meets 10% min) Applicant Match (cash & in-kind) = \$3,059,000 1223% of the statewide request (meets 10% min) Total Match (Basin & Applicant) = \$3,084,000 1224% of the statewide request (meets 50% min) 93% of the total project cost of \$3,334,000 | | |

Staff Recommendation:

Staff recommends approval of up to \$25,000 from the Southwest Basin Account and \$250,000 from the Statewide Account to fund the project titled: Telluride Valley Floor River Restoration Phase Two.

Water Activity Summary: WSRF grant funds, if approved, will assist the Valley Floor Preservation Partners restore a naturally functioning river system by removing toxic mine tailings and rerouting 3,300 feet of river away from the tailings. The project will abandon and revegetate a 900-foot channelized section of river and create a new 1,300-foot meandering channel with riffles, which will reconnect the river to its floodplain, establish critical habitat for cold-water fish, and restore additional riparian habitat.

The 566-acre Valley Floor property is located immediately west of the developed boundary of the Town of Telluride along the San Miguel River. The property, owned and managed by the Town of Telluride, is protected as public Open Space in perpetuity with a Conservation Easement. The River flows through the entire length of the property and is joined by surface and ground water flows from four headwater tributaries within the property. The River within the project area is heavily impacted by approximately 23 acres of deposited tailings and 900 feet of channelization. Currently in Reach 6, the river cuts directly through eroding tailings on both banks which contributes to water quality degradation and poor aquatic life conditions due to the presence of heavy metals. The intent of the Reach 5-6 River Restoration and Tailing Remediation is to consolidate, stabilize and cover existing tailings, remove River interaction with tailings, create a naturally functioning river system and mitigate past channelization impacts through hydrology, channel morphology and water quality improvements.

WSRF funds will be used for the River Restoration Tasks of this project, which will address improvements to environmental, recreational, flooding risk mitigation and education purposes.

Discussion: As described in the Southwest Roundtable (SWBRT) chair's recommendation letter, this project was supported and recommended for approval on January 9, 2019. Colorado Water Plan *Objective F* of promoting Watershed Health, Environment and Recreation by improving water quality, recreation opportunities, aquatic life and wetlands. This project will remediate a mining legacy Superfund site and improve riparian habitat at the headwaters of the San Miguel River Basin. It will also address *Objective H*: Education, Outreach and Innovation by improving current educational opportunities for the Watershed Education Program, San Miguel Watershed Coalition, Telluride Institute and regional schools. Colorado's Foundation for Water Education conducted a tour of the successfully complete Reach One of the Valley Floor River Restoration in 2017 for water leaders and State lawmakers and would be welcome to conduct a follow up tour. A film Meander was produced about the Reach One project that reached audiences around the world on a documentary film tour. The Valley Floor is being evaluated as a climate change mitigation opportunity. This project will add valuable understanding to how our natural landscapes can be managed productively to reduce our carbon footprints into the future.

Issues/Additional Needs: No additional needs have been identified.

Eligibility Requirements: The application meets requirements of all eligibility components.

Evaluation Criteria: Staff has determined this activity satisfies the Evaluation Criteria.

| Funding Summary / Matching Funds: | | | |
|--------------------------------------|-------------|------------|--------------|
| Funding Source | <u>Cash</u> | In-Kind | <u>Total</u> |
| Town of Telluride/State of Colorado | | | |
| (Idarado Mining Co Consent Decree) | \$2,434,000 | \$0 | \$2,434,000 |
| Valley Floor Preservation Partners | \$400,000 | \$0 | \$400,00 |
| CWCB Water Plan Implementation Funds | \$215,000 | \$0 | \$215,000 |
| Trout Unlimited | \$10,000 | \$0 | \$10,000 |
| Subtotals | \$3,059,000 | \$0 | \$3,059,000 |
| WSRF Statewide Account | \$250,000 | n/a | \$250,000 |
| WSRF Southwest Basin Account | \$25,000 | n/a | \$25,000 |
| Totals | \$3,334,000 | \$0 | \$3,334,000 |

CWCB Project Manager: Chris Sturm

SOUTHWEST BASINS ROUNDTABLE Michael Preston, Chair c/o Dolores Water Conservancy District P.O. Box 1150 Cortez, Colorado 81321 970-565-7562

January 17, 2019

Megan Holcomb Water Supply Management Section Colorado Water Conservation Board 1580 Logan Street, Suite 600 Denver, Colorado 80203

SUBJECT: Telluride Valley Floor River Restoration, Phase II - \$25,000 Southwest Basin Fund, and \$250,000 from WSRF Statewide Fund

Dear Megan:

The Southwest Basin Roundtable has approved funding in the amount of \$25,000 from the Southwest Basin fund and \$250,000 from WSRF Statewide Fund for the Telluride Valley Floor River Restoration, Phase II. The application was considered in detail at the January 9, 2019 meeting of the Southwest Basin Roundtable. There was a quorum of Roundtable members present.

The Project addresses Southwest Basin IPP 14-SM, and BIP Measurable Goals and Outcomes A2 and A5: Balancing Needs and Reducing Conflicts, D1: Protect and Enhance Recreational Values, E1, E2: Meet Environmental Water Needs, and F1: Preserve Water Quality.

Phase 1 of the Valley Floor Restoration is considered innovative and successful by those who have seen it first-hand. Phase II builds on this success, in conjunction with mine tailings clean up work funded from other sources.

The completed Grant Application will be forwarded directly to you by the applicant. Please contact the applicant directly or me at 970-565-7562, <u>mpreston@frontier.net</u>, if you have questions or wish to discuss this application in more detail.

Sincerely,

Michael Preston Southwest Basin Roundtable Chair

Southwest Basin Roundtable Attn: Mike Preston, Chair 841 Second Avenue, West Building P.O. Box 475 Durango, CO 81302

Dear SW Basin Roundtable Members,

December 30, 2018

As river recreation business owners in the Telluride Region, we would like to express our full support for Phase Two of the Valley Floor River Restoration and we ask for your support of the funding request.

This project as proposed will provide multiple benefits to the upper watershed region and downstream communities of the San Miguel River. Economic benefits include increased fishing, boating and trail opportunities. Environmental benefits include improved water quality through tailings remediation, improved riparian and in-stream habitat throughout the re-channelized and downstream sections of the river and the flood mitigation benefits from restoring the river to a natural flood plain.

As a community of river users and commercial outfitters, we are working together to restore a healthy cold-water fishery in the upper San Miguel River watershed. We are very pleased with the completed Phase One Project and this Phase Two project, including tailings remediation and restoration of natural in stream habitat, will bring us closer to a restored riparian system which will benefit the entire San Miguel River.

Thank you for your consideration.

Bob Gleason Bootdoctors/Paragon & Further Adventures 650 Mountain Village Blvd, Telluride, CO 81435 bootdr1@gmail.com

Erik Dalton Jagged Edge PO Box 2256, Telluride, CO 81435 <u>erikmdalton@gmail.com</u>

Dave Allen Independent Fishing Guide and Patagonia Rep Dave.Allen@patagonia.com



PO Box 389, Telluride, CO 81435 • 970-728-3729 • www.sheepmountainalliance.org

December 30, 2018

Southwest Basin Roundtable Attn: Mike Preston, Chair 841 Second Avenue, West Building P.O. Box 475 Durango, CO 81302

Dear Southwest Basin Roundtable Members,

Sheep Mountain Alliance (SMA) would like to express our full support for Phase Two of the Valley Floor River Restoration and we ask for your support of the funding request.

SMA is a nonprofit representing both full and part-time residents, as well as visitors to the Telluride region. SMA initiated the effort to secure the Telluride Valley Floor as protected open space many years ago. We would like to see the natural valley floor riparian ecosystem on the property restored through both active management and over time by nature. Phase One of the river restoration was a huge success and we are eager to see Phase Two completed to further restore the natural floodplain and riparian habitat and improve water quality downstream through the long overdue tailings remediation along the river.

This project will provide environmental, economic and risk management benefits to the upper watershed region as well as downstream communities of the San Miguel River.

Thank you for your consideration of this letter.

Sincerely,

K. A.d.

Lexi Tuddenham Executive Director



BOARD OF COMMISSIONERS

KRIS HOLSTROM HILARY COOPER JOAN

JOAN MAY

December 28, 2018

Southwest Basin Roundtable Attn: Mike Preston, Chair 841 Second Avenue, West Building P.O. Box 475 Durango, CO 81302

Dear Southwest Basin Roundtable Members,

The San Miguel County Board of Commissioners would like to express our support for Phase Two of the Valley Floor River Restoration project. After acquisition of the Valley Floor in 2007, the community was eager to initiate restoration of the San Miguel River flowing through the property. Phase One was successfully completed in 2016 and we support Phase Two as the next significant step. Restoration of this section of the San Miguel River is listed on the Southwest Basin Roundtable Non-consumptive Projects and Processes List, and therefore acknowledged by the SW Basin Roundtable as a critical project in the San Miguel sub-basin.

This project will have multiple benefits to the immediate upper watershed region as well as downstream watershed habitat and communities. Environmental benefits include improving and increasing wetland and riparian habitat, a naturally functioning flood plain, and improved in-stream habitat. Economic benefits include improved fishing, boating, trails and wildlife viewing opportunities and a critical risk management benefit for downstream residents of natural flood plain restoration. Educational benefits include additional opportunities for students of environmental sciences and wildlife biology within and outside the watershed. The Superfund tailings mitigation planned in this phase will improve water quality for the entire watershed, including downstream agricultural communities.

We fully support this project and encourage you to approve the funding request. Thank you for your consideration.

Sincerely, SAN MIGUEL COUNTY, COLORADO BOARD OF COUNTY COMMISSIONERS

Jols from

Kris Holstrom, Chair

•P.O. BOX 1170 • Telluride, Colorado 81435 • (970) 728-3844 • www.sanmiguelcountyco.gov

SAN MIGUEL



FOUNDATION

P.O. Box 2466

121 N. Pine St.

Telluride, CO 81435

tel: 970.728.1539

fax: 970.728.9080

Mike Preston, SWCD Chairperson 841 East Second Avenue Durango, CO 81302

RE: Telluride Valley Floor Phase II River Restoration Project WSRA Grant Application DATE: December 28, 2018

Mr. Preston,

I am writing to express the San Miguel Conservation Foundation's support for the proposed Phase II River Restoration project and Superfund Tailings Remediation on the Telluride Valley Floor. I can confirm that the activities detailed in the grant application are consistent with the <u>Purpose and Allowed Uses</u> defined by the Deed of Conservation Easement (CE) we presently hold for the 560 acre property.

The environmental benefits of the proposed project are tied to a broad range of ecological systems on the property. Tailings cleanup associated with the Superfund settlement agreement with Idarado are essential for the long-term health of the property and the water quality of the San Miguel River. Direct improvement of the river channel will minimize the potential for erosion into the tailings deposits and will also improve the hydrologic regime of adjacent wetland communities.

Additionally, through the Town's required Valley Floor Management Plan, the site has long-term monitoring in place that will allow for the evaluation of the project area's baseline conditions and how they will change following the project's implementation. This presents a unique opportunity for continuing education both locally and for the greater Southwest Colorado water resource community.

I encourage you to support the Town of Telluride and the Valley Floor through a matching grant, and if I can answer any questions you have specific to the CE please feel free to contact me via telephone at 970/728-1539 or via email chris@smcf-landtrust.org.

Thank you for your consideration,

Chris Hazen Executive Director, SMCF



Southwest Basin Roundtable Attn: Mike Preston, Chair 841 Second Avenue, West Building P.O . Box 475 Durango, CO 81302

12/29/2018

Dear Southwest Basin Roundtable Members,

The San Miguel Watershed Coalition (SMWC) fully supports Phase II of the Valley Floor River Restoration project. SMWC, a 501c3 watershed group, has operated within the San Miguel Watershed for 20 years and is keen to lend its stamp of approval to a project that will improve an important section of the upper San Miguel River.

Completed in 2016, Phase I of the Valley Floor River Restoration project returned a channelized section of the upper San Miguel River to a natural, meandering course. The project was a great success and has improved both in-stream and riparian habitats. SMWC believes that it is important to continue this river restoration effort in order to achieve a biologically functioning lotic ecosystem throughout the entirety of the Valley Floor.

Phase II river and riparian restoration work on Reaches 4, 5, and 6 will improve the natural hydrology of the San Miguel River while tailings remediation work will have measurable impacts on the river's water quality. These benefits will not only improve the upper San Miguel, they will also have positive impacts far down stream in the watershed. The Valley Floor is an excellent location for community members and tourists to fish, boat, view wildlife, and experience environmental education opportunities. Phase II will ensure that these activities continue and that the Valley Floor remains a quality destination for locals and visitors.

SMWC is pleased to endorse a project that has both localized and immediate benefits to the upper San Miguel as well as long-lasting, positive impacts to the health of the entire river.

Sincerely,

Elyhout

Elizabeth Stuffings, Program Coordinator San Miguel Watershed Coalition



Colorado Water Conservation Board Attn: Chris Strum 1313 Sherman Street, Room 718 Denver, CO 80203

January 23, 2019

Dear Members,

Along with our application requesting \$215,000 from the Colorado Water Plan Implementation Funds, the Board of the Valley Floor Preservation Partners is pleased to commit \$400,000 to Phase Two of the Valley Floor River Restoration and Tailings Remediation Project.

The Valley Floor is a cherished Open Space Preserve for the Telluride Region and it has become a destination for those with educational, conservation and scientific interests. There are now multiple documentaries produced about the acquisition of the property and the initial river restoration project. This \$3.33 million project has a broad base of financial support, approval of community boards and the Town of Telluride and support from San Miguel County.

We would like to again thank the CWCB for your generous support of the Reach One project and ask that you grant the requested amount for this second phase in order to continue the important work restoring the headwater floodplain of the San Miguel River.

Sincerely,

Jane Hickcox Terry Tice Todd Creel The Board of Valley Floor Preservation Partners



THE SOUTHWESTERN WATER CONSERVATION DISTRICT Developing and Conserving the Waters in the SAN JUAN AND DOLORES RIVERS AND THEIR TRIBUTARIES West Building – 841 East Second Avenue DURANGO, COLORADO 81301 (970) 247-1302

January 9, 2019

Colorado Water Conservation Board Board of Directors 1313 Sherman Street, Room 718 Denver, CO 80203

RE: Telluride Valley Floor Restoration Project, Phase II Funding Application

Dear CWCB Board of Directors:

On behalf of the Board of Directors of the Southwestern Water Conservation District ("District"), I would like to convey our support for Valley Floor Preservation Partners' application to the Colorado Water Conservation Board's Water Supply Reserve Fund and Colorado Water Plan Implementation Fund to leverage additional funding for Phase II of the Telluride Valley Floor Restoration Project.

Our District was formed to protect, conserve, use and develop the waters of the Dolores and San Juan river basins in southwestern Colorado. Following this mandate, the Board is supportive of this restoration effort on the San Miguel River, as it involves consolidating and capping away tailings from the 100-year flood plain of the river channel. Such efforts to improve water quality are consistent with the statutory charge of our District.

The District would also like to highlight for the CWCB the broad-based community effort pushing this three million dollar project forward. Partners such as the Town of Telluride, San Miguel County, Idarado Mining Company, and Trout Unlimited have come together to restore the river to a meandering path and improve riparian habitat.

We respectfully request that you give favorable consideration to the Valley Floor Preservation Partners' proposal for Phase II of the restoration project. Thank you for your time and attention.

Warm regards,

- 12 litelal

Bruce Whitehead Executive Director Mayor Sean Murphy, Telluride Town Council & Hilary Cooper, Valley Floor Preservation Partners Representative Rebekah Hall 113 W. Columbia Ave. Telluride, Co 81435

Via Email

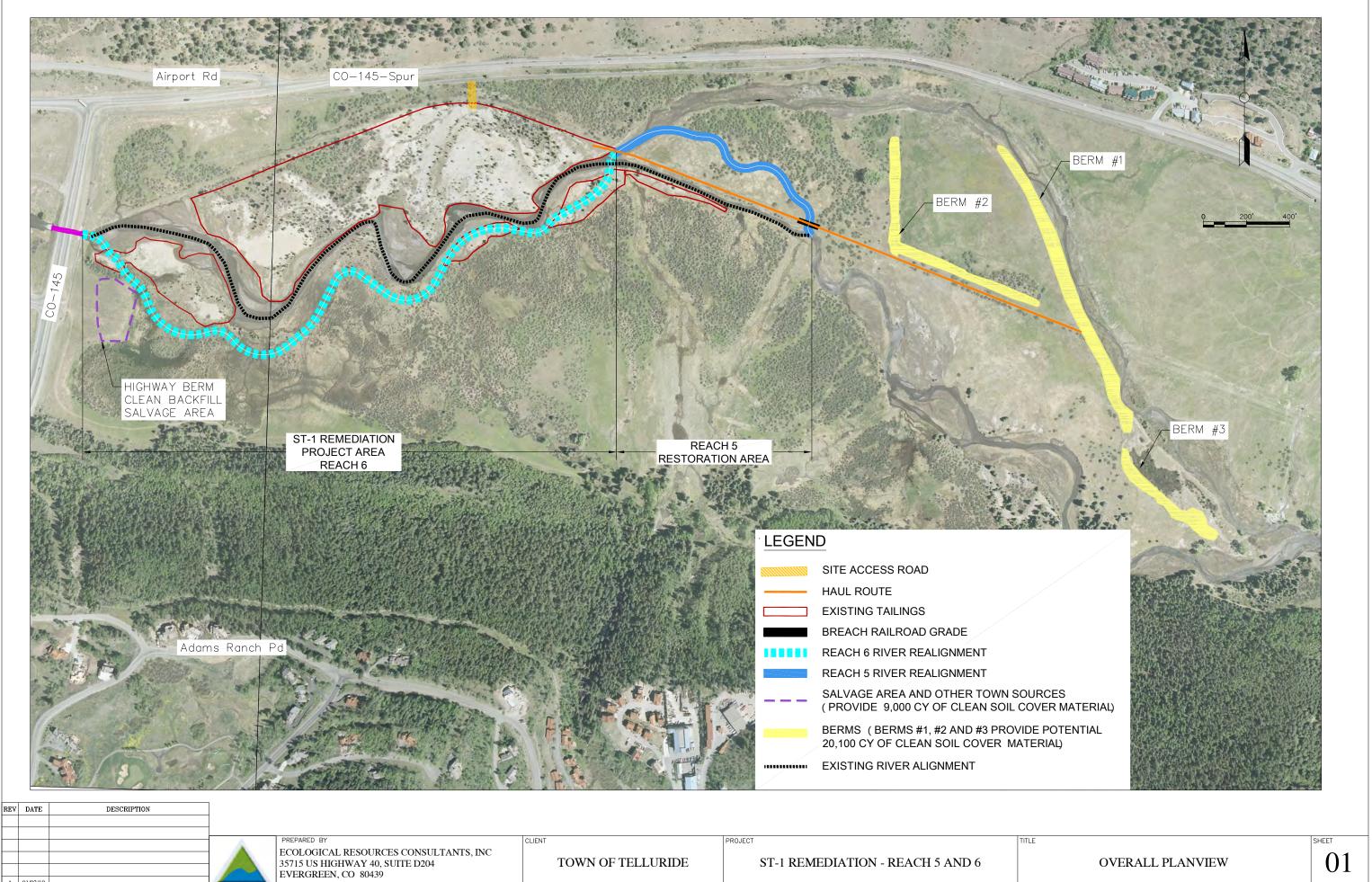
Dear Mayor Murphy, Telluride Town Council Members and Valley Floor Preservation Partners,

Congratulations on the successful Phase 1 Valley Floor river restoration project of the Valley Floor. Trout Unlimited (TU) wants to communicate its clear support for the proposed Phase II of river restoration improvements on the Valley Floor that includes reaches 4, 5, and 6.

As a member of the former Valley Floor Preliminary River Restoration Committee, I am confident that the proposed Phase II river restoration effort will enhance the ecosystem. TU provided \$10,000 in seed capital to help fund this preliminary design of the project., and an additional \$10,000 in funding for Phase 1. TU can currently commit an additional \$10,000 for Phase II if Town Council endorses the project to move forward with satisfactory conditions, and once construction begins. There may be additional funding available at a later date.

Best Regards,

J. Christopher Chaffin Representative for Gunnison Gorge Angler Chapter of Trout Unlimited



A 01/02/19

OVERALL PLANVIEW

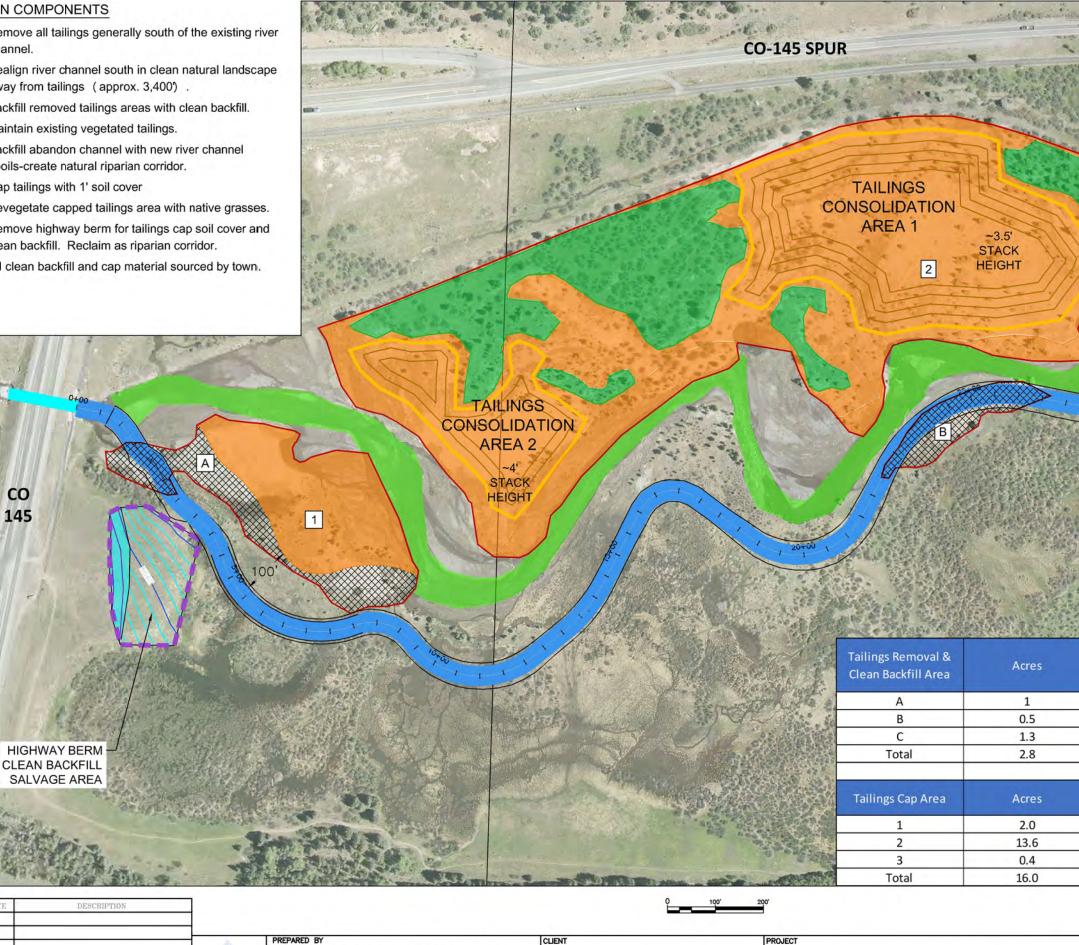


- · Remove all tailings generally south of the existing river channel.
- Realign river channel south in clean natural landscape away from tailings (approx. 3,400) .
- · Backfill removed tailings areas with clean backfill.
- Maintain existing vegetated tailings.
- Backfill abandon channel with new river channel spoils-create natural riparian corridor.
- · Cap tailings with 1' soil cover

CO

145

- · Revegetate capped tailings area with native grasses.
- · Remove highway berm for tailings cap soil cover and clean backfill. Reclaim as riparian corridor.
- All clean backfill and cap material sourced by town.



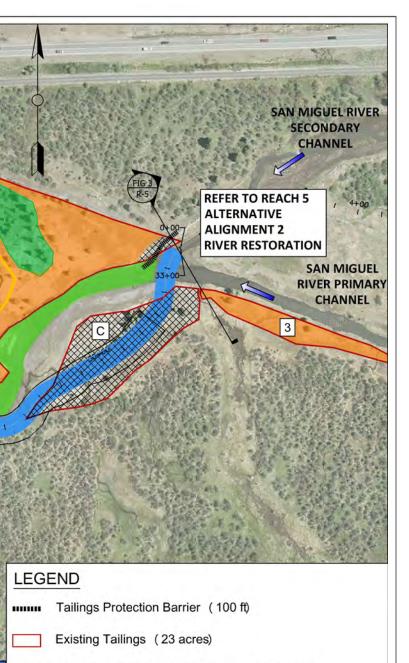
TOWN OF TELLURIDE

ECOLOGICAL RESOURCES CONSULTANTS, INC

35715 US HIGHWAY 40, SUITE D204

EVERGREEN, CO 80439

01/02/19



- Tailings Removal & Clean Backfill (2.8 acres)
- Tailings Cap 1' Soil Cover (16.0 acres)
- Tailings Consolidation Area (7.2 acres)
- Existing Vegetated Tailings (4.2 acres)
- Abandon Channel Backfill (4.0 acres)
- Reach 6 River Realignment Corridor (4.6 acres)
- Highway Salvage Area & Riparian Restoration (1.0 acres)

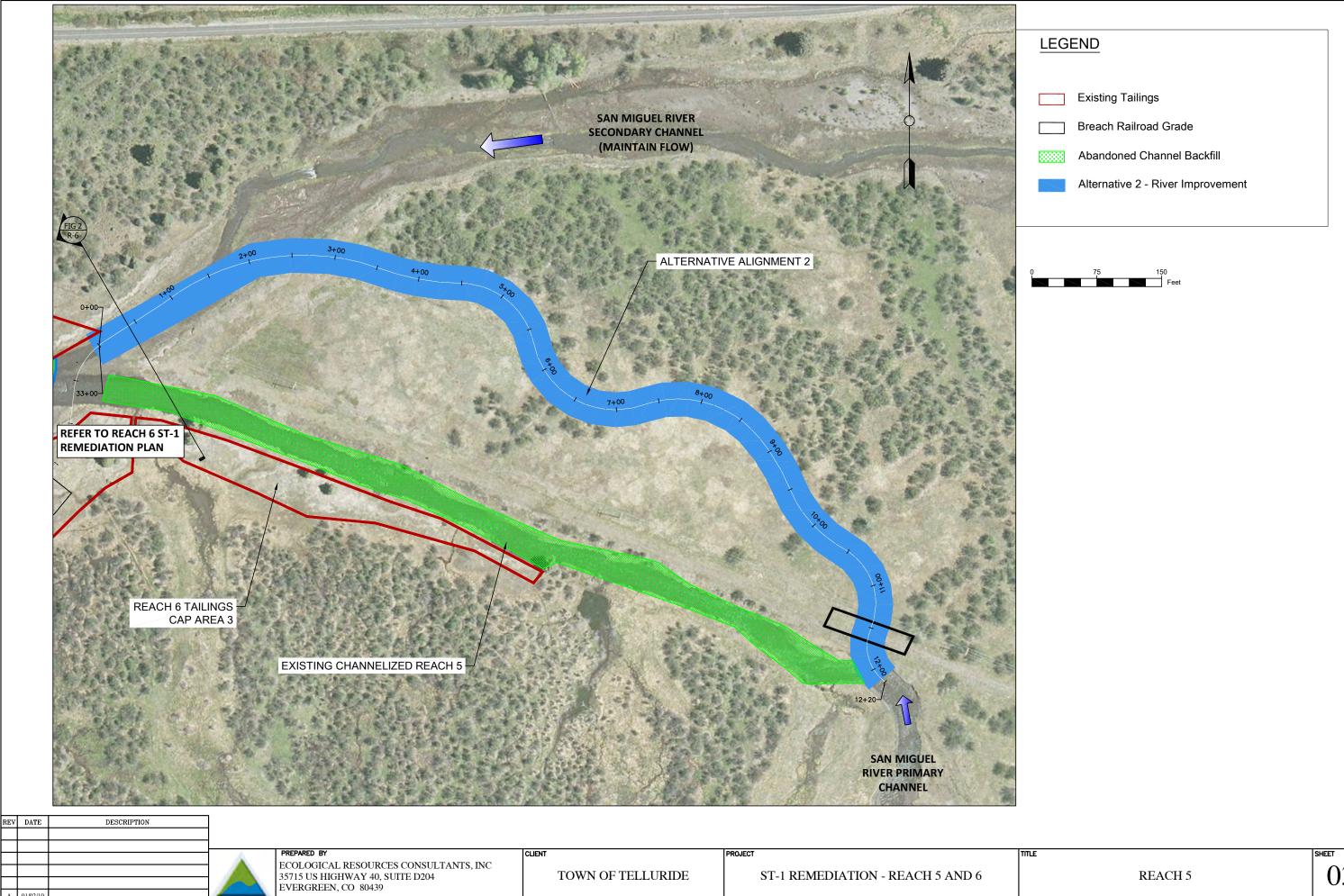
SHEET

02

TITLE

ST-1 REMEDIATION - REACH 5 AND 6

REACH 6



1/02/19