



COLORADO

**Colorado Water
Conservation Board**

Department of Natural Resources

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TO: Colorado Water Conservation Board Members

FROM: Cole Bedford, P.E., Project Manager

DATE: January 24-25, 2022 Board Meeting

CONSENT AGENDA ITEM: 3a. Change to Existing Grants - Water Plan Grant
Colorado's Rio Grande Basin Water Cooperative Project

Staff Recommendation:

Staff recommends a change to the Water Plan Grant awarded to the Rio Grande Water Conservation District for the Colorado Rio Grande Basin Water Cooperative Project. The grant was approved by the Board as Agenda Item 25p at the September 2021 Board Meeting. The recommended change is to amend the grantee from Rio Grande Water Conservation District to Colorado Open Lands. No changes to the project scope are necessary.

Background:

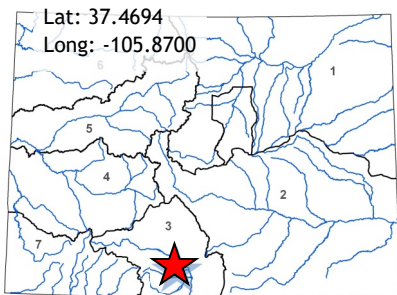
Groundwater Management Subdistricts and individual water rights holders in the upper Rio Grande basin are well-positioned to develop conservation and water sharing agreements among themselves, but have not as-yet done so on a large scale. This lack of coordination has led to ongoing depletions of groundwater in the basin. In order to ease these depletions, this project envisions bringing together the seven Groundwater Management Subdistricts, and others, to identify water rights that could participate in an in-basin water market with a target of 16,000 acre-feet conserved. Grant funding would go toward outreach and partnership building. The grant request amount is \$163,406.

As approved, the grantee is the Rio Grande Water Conservation District with Colorado Open Lands directing the work in a fiscal agent capacity. As a result of conversations with the State Controller's Office during the contracting process, Colorado Open Lands will take on the role of the grantee while maintaining close coordination with the District as envisioned in the original project proposal. All other aspects of the project will remain unchanged.

Attachment: September 2021 WPG Datasheet

Water Plan Grant Application

September 2021 Board Meeting



L O C A T I O N	
County/Countries:	Alamosa, Conejos, Costilla, Mineral, Rio Grande, Saguache
Drainage Basin:	Rio Grande

D E T A I L S	
Total Project Cost:	\$425,511
Water Plan Grant Request:	\$163,406
Other CWCB Funding:	\$0
Other Funding Amount:	\$232,105
Applicant Match:	\$30,000
Project Type(s):	Other
Project Category(Categories):	Water Storage & Supply (Water Sharing/ATM)
Measurable Result:	16,000 acre-feet shared through a water sharing agreement annually

The Upper Rio Grande River basin in Colorado supports an agricultural system that utilizes a combination of surface water rights and groundwater wells. Over 1,000,000 ac-ft/yr. of surface water diversions are combined with almost 500,000 ac-ft/yr. of groundwater withdrawals to irrigate over 500,000 acres of agricultural land. Groundwater Management Subdistricts currently utilize several programs, including: the Conservation Reserve Enhancement Program, short-term fallow programs, and contracts with both surface and groundwater rights owners to achieve well withdrawal reductions and to fully remedy well depletions to the streams.

Funding will be used to support outreach and partnership building to educate and encourage the participation of the Subdistricts and surface water right holders in an in-basin water market strategy. The aim is to design water sharing mechanisms such as temporary water leases or rotational fallowing. The project team will identify water rights that could participate in an in-basin water market that would help us meet the approximate 16,000 acre-feet of water needed by Subdistricts collectively to remedy stream depletions. The effort will involve analysis of potential water rights for feasibility of participation in an in-basin water market, storage and infrastructure needs, and potential benefits or impacts to the basin regarding socio-economic, environmental, and recreational values. Based on this scoping and planning work, an implementation plan will be developed that details the key elements of the in-basin water marketing strategy, including: its operations, administration, finances, governance and legal framework.

This project furthers several Colorado Water Plan critical action goals including facilitating collaborative water-sharing agreements that sustain agriculture and provide multiple benefits. Overall, the project will help address a potentially 16,000 acre-foot water gap through water-sharing agreements, which will help CWCB meet the Colorado Water Plan objective of 50,000 acre-feet of voluntary water-sharing efforts by 2030. Furthermore, the project will demonstrate the viability of water-sharing agreements to address a broader suite of water resource challenges including groundwater sustainability and augmentation. The project will also directly assist subdistricts in avoiding mandatory well closures and permanent retirement of irrigated agriculture.

Funding Recommendation:

Staff recommends Board approval of \$163,406 to Rio Grande Water Conservation District for the Colorado's Rio Grande Basin Water Cooperative Project.