

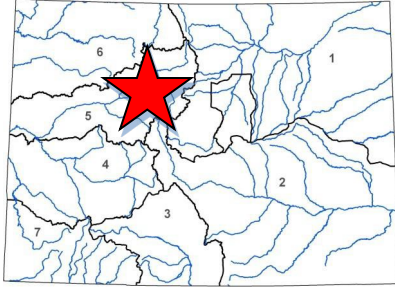


Water and Its Relationship to the Economies of the Headwaters Counties Study Update and Outreach Northwest Colorado Council of Governments

September 2023 Board Meeting

Water Plan Grant Application

Lat: 39.62960
Long: -106.07129



LOCATION

Counties: Grand, Eagle, Summit, Pitkin, Gunnison

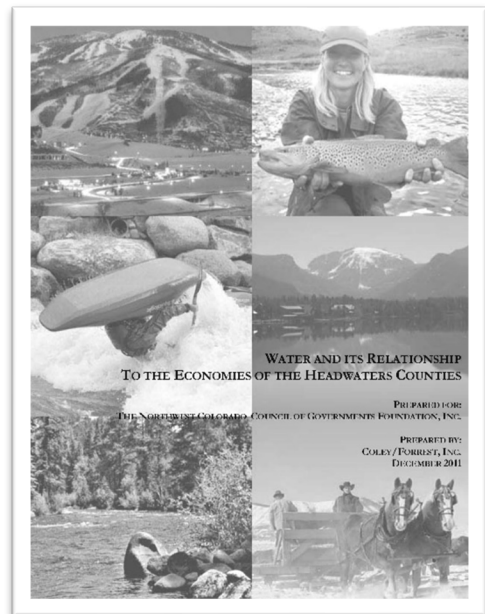
Drainage Basin: Colorado; Yampa/White/Green;
Gunnison

DETAILS

<i>Total Project Cost:</i>	\$143,865.50
<i>Water Plan Grant Request:</i>	\$99,724.50
<i>Recommended Amount:</i>	\$99,724.50
<i>Other CWCB Funding:</i>	\$0.00
<i>Other Funding Amount:</i>	\$33,248.00
<i>Applicant Match:</i>	\$10,875.00
<i>Project Type:</i>	Study
<i>Project Category:</i>	Engagement & Innovation Activities
<i>Measurable Result:</i>	Regional report and outreach roadshow to diverse audiences

The Northwest Colorado Council of Governments Water Quality/Quantity Committee (QQ) seeks funding to update the report “Water and Its Relationship to the Economies of the Headwaters Counties (2012).” This report evaluates the importance of water resources to the economy of the headwaters counties (Eagle, Grand, Gunnison, Pitkin, Routt, Summit), and its value to the economy of the state as a whole. The original report is now more than a decade old and needs to be updated to reflect current data, new studies, additional examples of economic impacts already being felt in the region from fluctuating flow and temperature regimes, and better projections of future impacts of climate change to river and stream flows.

Through a collaborative process with hydrologists, economists, policy communication consultants, and water and land use attorneys, the report will be updated using best practices, the most recent research available, and qualitative interviews with impacted stakeholders. The updated report will be used in outreach and decision-making as it has done for the past decade. The report update will include findings on some of the critical Colorado River Basin issues that the PEPO Education Action Plan identifies, including understanding the economic impacts of transmountain diversions to industries such as agriculture and recreation.



The report is meant for a statewide audience, including elected officials, water professionals, and members of the public. As such, the report update has the potential for statewide impact. The project includes a “road show” to conferences, county and municipal local government meetings, and other events, which is expected to reach more than 1,000 Coloradans directly. The project also includes a digital outreach campaign for QQ’s 44 members comprised of counties, municipalities, water conservancy districts, and water & sanitation districts. Those members will be directly involved in interviews and outreach.

Funding Recommendation: Staff recommends Board approval of \$99,724.50 to the Northwest Colorado Council of Governments for the Water and Its Relationship to the Economies of the Headwaters Counties Study and Outreach project through Engagement and Innovation category.



Colorado Water Conservation Board

Water Plan

Water Project Summary

Name of Applicant	Northwest Colorado Council of Governments
Name of Water Project	Water and Its Relationship to the Economies of the Headwaters Counties Study Update and Outreach
Grant Request Amount	\$99,742.50
Primary Category	\$99,742.50
<i>Engagement & Innovation Activities</i>	
Total Applicant Match	\$0.00
<i>Applicant Cash Match</i>	
<i>Applicant In-Kind Match</i>	
Total Other Sources of Funding	\$44,123.00
<i>Colorado River Water Conservation</i>	\$33,248.00
<i>District's Community Funding Partnership</i>	
<i>NWCCOG Water Quality/Quantity</i>	\$10,875.00
<i>Committee Member Dues</i>	
Total Project Cost	\$143,865.50

Applicant & Grantee Information

Name of Grantee: Northwest Colorado Council of Governments
Mailing Address: 249 Warren Ave Silverthorne CO 80498
FEIN: 840,639,906

Organization Contact: Claire Carroll
Position/Title: QQ Co-Director Email: ccarroll@nwccog.org
Phone: 719-740-0785

Grant Management Contact: Claire Carroll
Position/Title: QQ Co-Director Email: ccarroll@nwccog.org
Phone: 719-740-0785

Description of Grantee/Applicant

Northwest Colorado Council of Governments Water Quality/Quantity Committee (QQ)

Type of Eligible Entity

- ☒ Public (Government)
- ☐ Public (District)
- ☐ Public (Municipality)
- ☐ Ditch Company
- ☐ Private Incorporated
- ☐ Private Individual, Partnership, or Sole Proprietor

- ☐ Non-governmental Organization
- ☐ Covered Entity
- ☐ Other

Category of Water Project

- ☐ Agricultural Projects
Developing communications materials that specifically work with and educate the agricultural community on headwater restoration, identifying the state of the science of this type of work to assist agricultural users among others.
- ☐ Conservation & Land Use Planning
Activities and projects that implement long-term strategies for conservation, land use, and drought planning.
- ☒ Engagement & Innovation Activities
Activities and projects that support water education, outreach, and innovation efforts. Please fill out the Supplemental Application on the website.
- ☐ Watershed Restoration & Recreation
Projects that promote watershed health, environmental health, and recreation.
- ☐ Water Storage & Supply
Projects that facilitate the development of additional storage, artificial aquifer recharge, and dredging existing reservoirs to restore the reservoirs' full decreed capacity and Multi-beneficial projects and those projects identified in basin implementation plans to address the water supply and demand gap.

Location of Water Project

Latitude 39.629600
 Longitude 106.071300
 Lat Long Flag Other: Coordinates based on other boundaries or locations
 Water Source
 Basins Colorado; Yampa/White/Green; Gunnison
 Counties Eagle; Gunnison; Summit; Pitkin; Routt; Grand
 Districts 36-Blue River Basin; 37-Eagle River Basin; 50-Muddy/Troublesome Creeks; 38-Roaring Fork River Basin; 51-Upper Colorado/Fraser Rivers; 62-Upper Gunnison River

Water Project Overview

Major Water Use Type
 Type of Water Project Education
 Scheduled Start Date - Design 1/1/2024
 Scheduled Start Date - Construction
 Description
 The Northwest Colorado Council of Governments Water Quality/Quantity Committee (QQ) is applying for a Colorado Water Plan Grant to update Water and Its Relationship to the Economies of the Headwaters Counties (2012) ("Report" and "Report Update"). This Report evaluates the importance of water resources not only to the economy of the headwaters counties (Eagle, Grand, Gunnison, Pitkin, Routt, Summit), but its value to economy of the state as a whole.
 The 2012 Report has served as an important resource for water and land use policy planning and decision-making in Colorado—including being utilized in the Colorado Basin Implementation Plan and presentations before the Interim Water Resource Review Committee of the General Assembly, Colorado Water Congress, and to elected official boards statewide. The Report is now more than a decade old and needs to be updated to reflect current data, new studies, additional examples of economic impacts already being felt in the

region from low flows and high temperatures, and better projections of future impacts of climate change to river and stream flows.

After the Report Update is complete, a strategic communications plan including digital and in-person outreach will ensure that key audiences are engaging and utilizing the Report Update.

This project will be funded primarily by a Colorado Water Plan Grant with planned match from the Colorado River District's Community Funding Partnership and QQ member dues.

Measurable Results

New Storage Created (acre-feet)
New Annual Water Supplies Developed or Conserved (acre-feet), Consumptive or Nonconsumptive
Existing Storage Preserved or Enhanced (acre-feet)
New Storage Created (acre-feet)
Length of Stream Restored or Protected (linear feet)
Length of Pipe, Canal Built or Improved (linear feet)
Efficiency Savings (dollars/year)
Efficiency Savings (acre-feet/year)
Area of Restored or Preserved Habitat (acres)
Quantity of Water Shared through Alternative Transfer Mechanisms or water sharing agreement (acre-feet)
Number of Coloradans Impacted by Incorporating Water-Saving Actions into Land Use Planning

200,000 Number of Coloradans Impacted by Engagement Activity

Other

The report is meant for a statewide audience, including elected officials, water professionals, and members of the public. As such, the Report Update has the potential for statewide impact. More specifically, the project includes a "road show" to conferences, county and municipal local government meetings, and other events, which is expected to reach more than 1,000 Coloradans directly. The project also includes a digital outreach campaign involving QQ's 44 members comprised of counties, municipalities, water conservancy districts, and water & sanitation districts. Those members will be directly involved in interviews and outreach. We will then provide guidance to them on further disseminating findings from the report, with the potential to reach more than 15,000 Coloradans indirectly. Depending on whether stories are published, outreach to statewide journalism outlets has the potential to reach up to 200,000 Coloradans, for example by publication in the Colorado Sun or Denver Post.

An additional outcome is that the Report Update will include updated economic data and outreach materials that will provide education on the economic value of water in the headwaters region and assist planning and decision-making.

Water Project Justification

This project will update the 2012 Water and Its Relationship to the Economies of the Headwaters Counties ("Report" and "Report Update"), commissioned by the Northwest Colorado Council of Governments Water Quality/Quantity Committee. The Report has already been integral to the development of the 2015 Water Plan and the 2023 Water Plan Update. The Report was also useful in the development of the Colorado Basin Implementation Plan. The Report has been used in presentations at conferences and before the Colorado General Assembly. The Report is consistent with, and advances, the goals of the Colorado Water Plan, Basin Implementation Plan, and Education Action Plan as outlined below.

Colorado Water Plan (2023)

The Colorado Water Plan provides a foundational, shared understanding of the risks Colorado faces and outlines actions that will contribute to a more water-resilient Colorado (Water Plan, Ch 1, pg 3). This project adds to that comprehensive understanding of the value water has to the state's economy. This project also advances each of the four Focus Areas in the Water Plan in the following ways:

1) Vibrant Communities –The Report Update will provide a more current, comprehensive understanding of the economic value of water in the headwaters region. That data will be able to be utilized in decision-making and strategic land use planning to audiences across Colorado such as state and local decision-makers, watershed groups, special districts, water professionals, and members of the public, consistent with this focus area of the Plan, which says: “Colorado communities need resilient water supplies, water conscious and attractive urban landscapes, planning that integrates land use and water solutions, and residents who understand the importance of water to their lives and economy” (Water Plan, Ch 1, pg 9).

The Report Update will analyze the three primary economic drivers in the headwaters regions: recreation tourism, agriculture, and resource extraction. The Update will also integrate current data to better understand the relationship between reductions in stream flows to the economies in the headwaters counties as well as the state's economy as a whole.

It will provide information on the current state of the agricultural economy as well as forecast potential economic impacts of fallowing fields and other scenarios, primarily by integrating existing studies into the Report Update. This will provide decisionmakers with more economic information for strategic land use planning. This is consistent with the Vibrant Communities Partner Action of Integration with Other Water Sectors where “supply and One Water strategies should seek to support the agricultural economy and a healthy environment and prepare for extremes” (Water Plan, Ch 6, pg 176).

2) Robust Agriculture – The Report Update will analyze water and its economic value to agriculture. It will also describe what the economic impacts of potential fallowing of fields may have on the headwaters region and the state. As the Water Plan states, agriculture is not only critical in providing food and fiber, but it's important to Colorado's culture, heritage, and economy as well (Water Plan, Ch 1, pg 9). As the Water Plan also acknowledges, agriculture is facing unprecedented challenges. The Report Update will emphasize the region's agricultural economy and the importance of water to this industry. The Report Update will provide evidence of the importance of this economic sector despite increasing challenges. These findings could be valuable to decision-makers when considering methods for supporting and preserving agriculture.

Agriculture producers and local elected officials will be able to utilize findings from the Report Update to protect their agricultural economies in line with the Robust Agriculture Partner Action of Healthy Lands that states, “Agriculture can increase water use efficiency, protect its economy, and provide ecosystem and other benefits” (Water Plan, Ch 6, pg 176).

3) Thriving Watersheds – The Report Update would provide more current information on the value of water to agriculture and recreation as well as water-intensive industries' impact on downstream communities and ecosystem function. “As our state's water source, the health of watersheds affects agriculture, downstream communities, recreation, tourism, and ecosystem function” (Water Plan, Ch 1, pg 9).

Specifically, the Report Update will integrate more information about the economic impacts of variations in river and stream flows, in particular the impact of shorter runoff seasons, lower flows, and elevated water temperatures on rafting and fishing businesses (e.g., the economic consequences of increased water temperatures leading to voluntary or mandatory fishing or recreation closures on some rivers). It will also explore whether there is an economic impact from reduction in visitors (e.g. lost hotel and restaurant revenue).

The Report Update will weave the interconnectedness of the economic and ecological importance of water in the headwaters region and across the state and advance the Thriving Watersheds Partner Action of Wise Water Use that states, “Resilient systems recognize social, ecological, and economic connections” (Water Plan, Ch 6, pg 177).

4) Resilient Planning – The Report Update will provide a clearer summary of where we stand now with the economic value of water in the headwaters region and across the state. It will also forecast potential economic impacts from changing water availability for economic sectors to provide a tool for more nimble and resilient planning. As the Water Plan notes, “Water security is critical to the quality of life, environment, and economy of Colorado. The future is uncertain, and Colorado needs to be adaptive and resilient to face the challenges ahead” (Water Plan, Ch 1, pg 9). This project fully acknowledges how vital water is to our lives and livelihoods and will provide a tool for resilient planning.

The Report Update will become a useful resource for local governments to make strategic decisions for their communities’ economies that meets the goals of the Resilient Planning Partner Action of Engaged Partners that seeks “creative solutions supported by thoughtful and efficient government” that “can promote sustainability and resiliency” (Water Plan, Ch 6, pg 176).

Finally, this project would achieve some of the goals highlighted in the Water Plan’s Agency Action 3.6: Enhance use of Water Plan grant funding for watersheds, environment, and recreation (Water Plan, Ch 6, pg 222). This project would qualify as a “watershed health-related and recreation focused study” that would be funded by a Water Plan grant, and notably, this study will have a strong focus on “studying economic impacts of recreation and reduced recreation due to low flows/high water temperatures” (Water Plan, Ch 6, pg 222).

Colorado Basin Implementation Plan

This Report Update will be beneficial for Colorado Basin Roundtable (CBRT) usage to meet the following CBRT and PEPO joint goals: “Encourage awareness and development of holistic locally driven collaborative solutions supported by best available hydrologic and watershed data;” and “Increase collaborations and partnerships with other Colorado basin organizations that wish to promote water awareness, education and engagement” (Colorado BIP, Section 5, page 172).

The initial Report informed the economic analysis in the latest volume of the Colorado Basin Implementation Plan (BIP). Updating the Report will ensure the CBRT continues to reflect on and integrate up-to-date economic information. One citation to the initial Report in the BIP second volume states, “Headwaters counties are highly dependent on and vulnerable to changes in environmental conditions that impact tourism. Risks to environmental and recreational uses already exist. For example, the ecosystems of many headwater streams have been significantly altered from depletions by transmountain diversions and local water uses. Further development of transmountain diversions...may further impact the available recreational and environmental flows which in turn may impact recreationally related industries in the Basin. Recreation, the economic mainstay for many counties in the Basin, requires virtually no consumptive use of water” (Colorado BIP, Section 1, pg 31). The Report Update will integrate recent economic impacts of increased temperature and low flow events in the region as well as the potential increases in such events due to climate change.

Colorado BIP Education Action Plan

“Public Education, Participation and Outreach (PEPO) goals of the Colorado Basin Roundtable are to promote a well-informed and high-functioning basin roundtable and to support water awareness and broad scale participation of diverse water-dependent communities” (EAP, pg 1). The Report was already important to the most recent BIP update, and the Report Update will integrate recent economic findings related to water. With the plan to conduct both digital communications and in-person outreach, these important updated findings will help inform and increase the functioning of the basin roundtable.

Additionally, the Report Update will include findings on some of the critical Colorado River Basin issues that the Education Action Plan (EAP) identifies, including understanding the economic impacts of demand management and transmountain diversions to industries such as agriculture and recreation (EAP, pg 5). As part of the outreach process, this project will engage businesses and other economic-focused entities into discussions with water-focused entities.

Finally, in the section of the Report Update that includes land use trends in conservation, development, and affordable housing, a specific focus will be placed on equity and environmental justice. Housing affordability for Colorado's workforce is a critical issue in the headwaters region and statewide. This section of the Report Update will identify the economic linkages of housing affordability and environmental justice.

Related Studies

It is expected that the Report Update would integrate the wealth of statewide or regional studies related to economic impacts of recreation/ tourism, including:

- i. Statewide Comprehensive Outdoor Recreation Plan (2019)
- ii. Business for Water Stewardship: The Economic Contributions of Water-related Outdoor Recreation in Colorado (2020)
- iii. Colorado Fiscal Institute: Community Perspectives on the Impact of Climate Change in Colorado (2022)
- iv. Forthcoming American Whitewater Report (funded by the Water Plan grant program as well)
- v. Forthcoming Colorado Climate Center 2023 Climate Change in Colorado Report

Taxpayer Bill of Rights

We are unaware of any TABOR issues affecting this application.