

Department of Natural Resources

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TO: Colorado Water Conservation Board of Directors

FROM: Nora Flynn, Water Supply Planning Section

Laura Spann, Administration and Operations Section

DATE: November 15-16, 2023

AGENDA ITEM: Consent Agenda Item 4a - San Luis Valley Rye Resurgence Project

- Change of Grantee

Staff Recommendation:

Staff recommends changing the grantee for the San Luis Valley Rye Resurgence Project from the San Luis Valley Water Conservancy District (SLVWCD) to the Colorado Rio Grande Restoration Foundation (CRGRF) for the Water Plan Grant approved on September 20, 2023 for \$405,000.

Background:

At the September 2023 meeting, the CWCB board approved a Water Plan Grant to the SLVWCD for the San Luis Valley Rye Resurgence Project in the amount of \$405,000. The Water Plan Grant will support the launch of a robust, value-added market for San Luis Valley rye—a low-water crop-within Colorado's distilling and baking communities. Ten farmers will grow 120 acres (one typical center-pivot-irrigated field) each of winter cover crop, including 30 acres of distilling or baking rye that will be marketed at a premium price. During the two-year market launch time frame, participating farmers will grow a total of 300 acres of rye and sell 900,000 pounds of market rye.

Success of this innovative project would mean the creation of a San Luis Valley rye market, one more option for farmers seeking to reduce groundwater water use, prevent erosion, and improve soil health—all while making a profit. CWCB dollars would go toward cleaning, processing, bagging, and transporting the rye, along with professional market development, including graphic design and marketing materials.

Discussion:

Due to potential TABOR revenue limitations, the SLVWCD is requesting that the CWCB Board change the grantee for this project to the CRGRF. This grant has not been contracted and no work has yet been completed. No changes to the budget, scope of work, or project goals are anticipated with this change in grantee.

