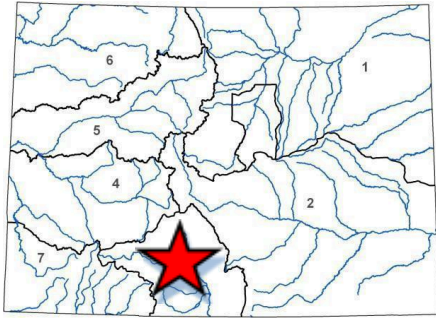




Water Plan Grant Program



LOCATION	
Counties:	Alamosa; Conejos; Costilla; Mineral; Rio Grande; Saguache
Basin:	Rio Grande

DETAILS	
Total Project Cost:	\$390,208.50
Water Plan Grant Request:	\$288,208.68
Recommended Amount:	\$288,208.68
Match Commitment:	\$101,999.82
Grant to Match Ratio:	74/26
Project Type:	Study
Primary Project Category:	Agriculture
Measurable Result:	surface and groundwater tools, a water rights accounting and trading platform, and geodatabase to facilitate replacement of approximately 16,000 acre-feet of annual stream depletions through water-leasing

Colorado Open Lands is a non-profit organization seeking Colorado Water Plan grant funding to support Phase 2 of the Rio Grande Cooperative Project in the San Luis Valley.

The Rio Grande River basin supports a 500,000-acre agricultural system that utilizes a combination of surface water rights and groundwater wells. 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 fully remedy well depletions to the streams. The Subdistricts have identified the creation of a water market as another potential tool to facilitate water transactions between and within their boundaries, increase flexibility to sustain the agricultural economy, and achieve aquifer sustainability. The effort to explore this tool is called the Rio Grande Cooperative Project.

Phase 1 of the Rio Grande Cooperative Project is partially funded by a 2021 Water Plan Grant and scheduled for completion in August 2025. Phase 1 has explored the creation of a water market to enhance water efficiency, encourage conservation, and facilitate water trades among users in the basin. It has involved developing the initial components of surface and groundwater tools and an implementation plan for a water rights accounting and trading platform. This work has been guided by a steering committee that includes the Rio Grande Water Conservation District (RGWCD), Conejos County Water Conservancy District, San Luis Valley Water Conservancy District (SLVWCD), and other local water managers. In November 2023, more than 40 subdistrict board members and users participated in a workshop to discuss how to facilitate water transactions while establishing the necessary sideboards to protect the San Luis Valley from speculation.

Phase 2 of the project will fully build out and implement these tools, which would be housed with and controlled by the RGWCD. This includes creating a water rights accounting and trading platform, a geodatabase, and a web-based platform. The full functionality and integration of these tools in Phase 2 will allow Subdistrict administrators to make timely and effective decisions that support sustainable groundwater management and stream depletion replacement. The project will also develop a pilot water trading module within Subdistrict 1. If successful, proponents will develop a strategy to expand the platform to other Subdistricts and water users across the San Luis Valley.

This project furthers several Colorado Water Plan actions, including facilitating collaborative water-sharing agreements that sustain agriculture and provide multiple benefits. The project will help address an estimated 16,000 acre-feet water gap through water-sharing agreements, thereby directly assisting Subdistricts in avoiding mandatory well closures and permanent retirement of irrigated agriculture if aquifer sustainability goals are not met.

The RGWCD has committed cash and in-kind match. Phase 2 has the support of the Rio Grande Basin Roundtable and SLVWCD.

Funding Recommendation:

Staff recommends a Water Plan Grant award not to exceed \$288,208.68 to Colorado Open Lands for the Rio Grande Cooperative Project—Phase 2.