

**COLORADO**Colorado Water  
Conservation Board

Department of Natural Resources

## Colorado Water Conservation Board

**Water Plan****Water Project Summary**

Name of Applicant	Farmers Water Development Company	
Name of Water Project	Straw Canyon Dam Feasibility Study	
Grant Request Amount		<b>\$77,355.00</b>
Primary Category		\$77,355.00
<i>Water Storage &amp; Supply</i>		
Total Applicant Match		<b>\$25,785.00</b>
<i>Applicant Cash Match</i>		\$25,785.00
<i>Applicant In-Kind Match</i>		\$0.00
Total Other Sources of Funding		<b>\$0.00</b>
Total Project Cost		<b>\$103,140.00</b>

**Applicant & Grantee Information**

Name of Grantee: Farmers Water Development Company  
Mailing Address: PO Box 10 Norwood CO 81423

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Grant Management Contact: Kerri Trosper

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Position/Title: Grant Writer

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**Description of Grantee/Applicant**

FWDC provides agricultural water to 210 shareholders covering approx. 12,000 acres of land. Additionally, FWDC supplies water to the Norwood Water Commission for municipal water.

**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	38.052330
Longitude	-108.234756
Lat Long Flag	Reservoir location: Coordinates based on location of reservoir
Water Source	Beaver Creek Stream Mile 5.11
Basins	Southwest
Counties	San Miguel
Districts	60-San Miguel River Basin

### Water Project Overview

Major Water Use Type	Agricultural
Type of Water Project	Study
Scheduled Start Date - Design	7/1/2026
Scheduled Start Date - Construction	
Description	Gurley Reservoir (Gurley) supplies water to about 12,000 irrigated acres and municipal water to the Town of Norwood. Owned and operated by Farmer's Water Development Company (FWDC), the reservoir has not had sufficient capacity to store water available to FWDC. Persistent drought and increasing aridification continue to strain the agricultural community that relies on this supply. Municipal water from Gurley is currently recaptured in small holding basins before treatment, but long retention times increase pollutant loads and treatment requirements.

Straw Canyon Dam is a proposed project to increase storage by constructing a new dam directly downstream of Gurley. FWDC holds conditional water rights supporting up to 6,000 acre-ft of storage. The project aims to

implement a traditional water storage solution that helps mitigate risks associated with long-term warming and multi-year droughts. With construction of the dam, the Town of Norwood could install a supply line to the new reservoir, greatly improving water quality.

Grant funding will support a preliminary investigation into previously identified potential alignments to select the preferred alternative. To accomplish this, the investigation will evaluate critical success factors, update the water availability analysis, develop a concept design and cost estimates for the recommended site, and identify potential funding opportunities.

### Measurable Results

6,000	New Storage Created (acre-feet)
	New Annual Water Supplies Developed or Conserved (acre-feet), Consumptive or Nonconsumptive
	Existing Storage Preserved or Enhanced (acre-feet)
6,000	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
	Number of Coloradans Impacted by Engagement Activity

Other

This project will assess the feasibility of Straw Canyon Reservoir, which is anticipated to benefit all shareholders within FWDC and residents of the Town of Norwood estimated to be at least 700 Coloradans when constructed. The feasibility study will assess constructing 3,400 to 6,000 acre-feet of new storage.

### Water Project Justification

The Straw Canyon Dam Feasibility study strongly supports the goals and values of the Colorado Water Plan (CWP), the Southwest Basin Implementation Plan (BIP) by progressing a project that when constructed addresses critical water supply gaps, thereby enhancing regional resilience, supporting agriculture, and promoting multi-purpose water development.

The CWP is founded on four interconnected action areas (Vibrant Communities, Robust Agriculture, Thriving Watersheds, and Resilient Planning). The Straw Canyon Dam project aligns with these action areas by contributing to water storage when constructed, which is identified as a critical solution tool identified in Chapter 5 of the CWP. The feasibility study aligns with the need for strategically located, thoughtful and well-planned storage facilities that meet multiple needs.

The project's central purpose is to identify a feasible project that will bolster agricultural water supplies, directly serving the vision of Robust Agriculture. According to page 40 of the Southwest Basin Implementation Plan, the existing Gurley Reservoir already supplies the most supplemental water in the San Miguel Subbasin to meet agricultural demands. The feasibility study will look at the storage expansion as a means to provide additional storage capacity to capture and store water that currently spills or bypasses Beaver Creek, increasing the predictability of water delivery to farmers. Construction of new storage capacity will increase the capacity for carry-over storage to mitigate short-duration droughts.

The project addresses the needs of Vibrant Communities by securing clean reliable water supplies, particularly in a high-growth region. An objective of constructing the Straw Canyon Dam is to provide municipal raw water storage for the Town of Norwood. The Town currently has an agreement to lease water from FWDC. The construction of this project would allow the Town to consider constructing a supply line to the new reservoir to feed their treatment plant directly increasing raw water quality and temperature, reducing treatment costs. This supports the CWP partner actions on page 179 of the CWP on that communities need resilient water supplies to meet future demands. This feasibility study will ensure pursuing final design, permitting and construction meets the overarching themes of thoughtful storage.

The CWP emphasizes Resilient Planning to manage risks associated with aridification, drought, and climate variability. Storage is identified as a critical tool for managing water supplies, especially against variable hydrology and climate change (Page 165, CWP). The project aligns with Partner Actions under Resilient Planning for Thoughtful Storage, helping communities identify and develop reliable supplies identified in chapter 6 of the CWP.

The Straw Canyon Dam Projects development directly targets several of the Southwest Basin Roundtable's (BRT) Basin Implementation Plan (BIP) seven primary goals and is listed as a Basin Identified Project.

Goal A: Balance all needs and reduce conflict- The Southwest BRT supports community-directed projects that address single and/or multiple water needs (M&I, E&R, agricultural, risk management, and compact compliance). As a multi-purpose project that has the potential to provide both agricultural and municipal storage, the Straw Canyon Reservoir aligns with this core goal.

Goal B: Support the needs of agriculture- Agriculture is central to the Southwest Basin's culture and economy, and the region experiences water shortages every year, a challenge anticipated to worsen under planning scenarios. The San Miguel Subbasin currently relies heavily on agriculture and requires improved storage to meet needs. This feasibility study includes updating a water supply analysis to ensure storage meets water availability. The BIP strategy B4 is to support appropriate measures and efforts to increase carryover storage in Southwest Colorado reservoirs. Construction of New Gurley Reservoir directly accomplishes this by adding capacity (ranging from 3,400 to 4,700 acre-feet in preliminary design) and increasing carry-over storage flexibility. This additional storage would help minimize irrigated acres being removed from production identified as strategy B1. The project supports Strategy B3 to support implementation of projects that work toward meeting agricultural water supply shortages and address delivery concerns created by aging infrastructure.

Goal C: Meet municipal and industrial water needs- The BIP notes that M&I needs are increasing due to rapid population growth and that the infrastructure to deliver these future water supplies is yet to be constructed. The current Water Masterplan (2020) for the Town of Norwood projects water demands to exceed the current lease of 300 acre-ft in 2040. The town used a total of 300 acre-ft of leased water in 2024, maxing out the available water supply. The project helps meet Strategy C1: Pursue projects to meet the current municipal and future municipal demand. It specifically meets strategy C2 when constructed by providing municipal raw water storage and improved quality for the Town of Norwood.

### Related Studies

Preliminary Site Evaluation of New Gurley Canyon Dam by GEI Consultants October 2003 included in the files of this grant.

Norwood Water Commission - Water Masterplan November 2020, this study shows the Town of Norwood water demand exceeds the 300 acre-ft of leased water by 2040 in Table 5-1. It indicates a need for additional water

supply.

Norwood Water Commission – Water Supply Adequacy August 2022, this memo states that at a 2% growth rate, the 300 AF lease will be reached in 2042 and at a 3% growth rate will be reached in 2036. This memo indicates high levels of Total Organic Carbon.

Water Right Decrees are included in the files of this application. Additional information can be provided as requested. Straw Reservoir can be found on the DWR website using WDID 6003898

#### **Taxpayer Bill of Rights**

Farmers Water Development Company does not have any TABOR issues related to this application.