



**COLORADO**  
**Colorado Water Conservation Board**  
Department of Natural Resources

1313 Sherman Street, Room 718  
Denver, CO 80203  
P (303) 866-3441  
F (303) 866-4474

Jared Polis, Governor  
Dan Gibbs, DNR Executive Director  
Rebecca Mitchell, CWCB Director

**TO:** Colorado Water Conservation Board Members  
**FROM:** Kirk Russell, P.E., Chief, Finance Section  
**DATE:** November 18-19, 2020 Board Meeting  
**AGENDA ITEM:** 8b. 2021 Projects Bill  
Non-Reimbursable Project Investments - Presentations

---

### Recommendation

Staff recommends the Board approve a Non-Reimbursable Investment to the Rio Grande Water Conservation District for the purchase of the North Star Farm as part of the Confined Aquifer Recovery Project for inclusion in the 2021 Projects Bill.

(1) San Luis Valley - Confined Aquifer Recovery Project	Rio Grande	\$3,000,000
---	------------	-------------

### Introduction

The Finance Committee heard a presentation regarding a NRI application from the Rio Grande Water Conservation District to purchase the North Star Farm in the northern San Luis Valley as part of the Confined Aquifer Recovery Project. The purchase of the large tract of land and the associated suspension of at least 8,000 acre-feet of groundwater pumping annually from the deep confined aquifer will help the Valley make significant progress toward reaching a sustainable aquifer.

In addition to restoring groundwater levels, a reduction of pumping in this region will have a positive impact on local surface water supplies, which include significant wetlands and upland habitats managed by private, State, and Federal land managers.

The \$3,000,000 NRI is approximately 15% of the appraised value of the Farm. The District and other sponsors in the Valley will be working to secure the remaining funds needed, including a possible loan from the CWCB.

The Committee requested the applicant and others involved in the Project present this Project to the full Board at the November 2020 Board meeting.

Attachments: Project Data Sheet

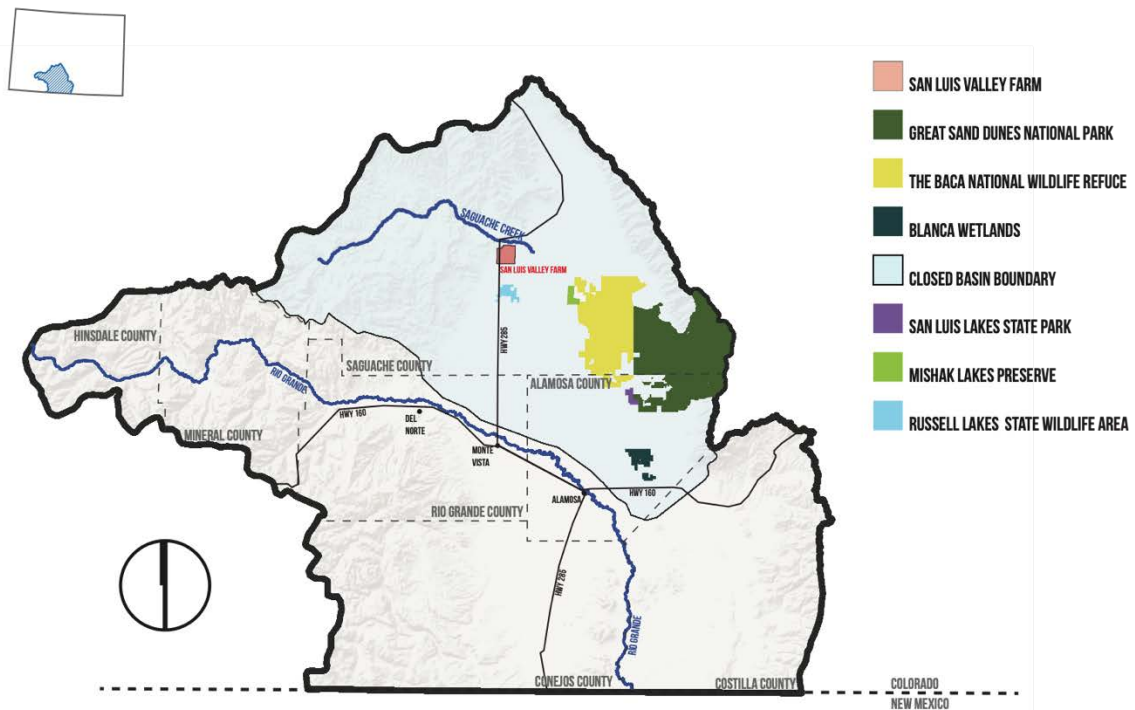


The project includes the purchase of a large land tract in the Northern San Luis Valley and the associated suspension of at least 8,000 acre-feet of groundwater pumping annually from the deep confined aquifer. The property is shown on the map below as the San Luis Valley Farm (aka. North Star Farm). The water resources in the San Luis Valley are facing greater demand than the hydrology can consistently supply. This scarcity has necessitated the promulgation of rules governing the use of groundwater in the basin by the State Engineer. Therefore, the communities in the Valley are working to reduce groundwater pumping and bring aquifers to sustainable levels. This project will support this effort and allow the communities in the San Luis Valley to make great progress toward reaching sustainable aquifers. In addition to restoring groundwater levels, a reduction of pumping in this region will have positive impacts on local surface water supplies, which include significant wetlands and upland habitats managed by private, State, and Federal land managers. Of note is the proximity and hydraulic connectivity to the Russell Lakes State Wildlife Area, TNC’s Mishack Lakes, the Baca National Wildlife Refuge, and other aquatic ecosystems connected to Saguache Creek and the confined aquifer. The total project cost is \$19,400,000. An appraisal has valued the water rights as \$14,550,000. The non-reimbursable contribution request to the project is \$3,000,000 toward the purchase of the water rights.

PROJECT DETAILS	
Project Cost:	\$19,400,000
NRI Funding Request:	\$3,000,000
Funding Source:	Construction Fund
Project Type:	Aquifer Recovery
Type of Grantee:	Water District

LOCATION	
Benefits:	Agriculture, Environment, Water Administration.
Water Source:	Various
Drainage Basin:	Rio Grande

## RIO GRANDE BASIN



North Star Farms, identified on the map as San Luis Valley Farm, is in the Rio Grande Basin near notable private, State, and Federal wetlands, wildlife areas, and parks.