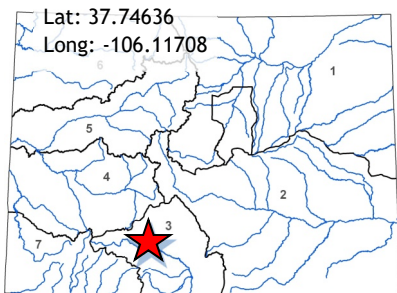


Water Plan Grant Application



L O C A T I O N	
County/Countries: Rio Grande, Saguache, Conejos, Alamosa, Costilla	
Drainage Basin:	Rio Grande

D E T A I L S	
Total Project Cost:	\$8,240,000
Water Plan Grant Request:	\$1,415,000
Other CWCB Funding:	\$0
Other Funding Amount:	\$6,800,000
Applicant Match:	\$25,000
Project Type(s):	Other
Project Category(Categories):	Water Storage & Supply (Water Sharing/ATM)
Measurable Result:	8,000 acre-feet/year new water supplies developed or conserved, 8,000 acres of restored or preserved habitat

In 2019, Colorado Open Lands was awarded a Colorado Water Plan grant to explore how a conservation easement might be designed to restrict groundwater pumping in the San Luis Valley and allow for greater flexibility once the aquifers have recovered. This work involved convening listening sessions in each of the groundwater subdistricts, regular meetings of a stakeholder working group, concept development, and identification of pilot projects. The partners produced a report Groundwater Conservation Easements for Aquifer Recovery in the San Luis Valley discussing the legal and valuation findings, which conclude that conservation easements are a trusted, enforceable tool that leverage existing land conservation tax incentives and funding sources.

Building on this work, Colorado Open Lands will utilize USDA and CWCB funds to implement these conservation easements and to develop accompanying management plans to successfully guide irrigation transition under different scenarios, including: revegetation establishment shifting cropland to rangeland (full or partial) or landcover development for rotational fallow, or transition of irrigation systems from groundwater and surface water to exclusively surface water. Colorado Open Lands will utilize the long-term land protection tools provided by Natural Resources Conservation Service through the Agricultural Conservation Easement Program (ACEP) Agricultural Land Easements (ALE) program, to place groundwater conservation easements to achieve aquifer restoration and support continued agricultural operations with reduced groundwater dependence.

This project furthers several Colorado Water Plan critical action goals relating to agriculture. The project will help facilitate the conservation of at least 8,000 acre-feet, which will be critical in assisting local subdistricts in meeting their groundwater recovery objectives through voluntary approaches, which sustain agricultural production. The project also directly addresses a key theme identified in the Colorado Water Plan Update Scoping Process, namely providing additional resources to support voluntary, local water conservation alternatives in groundwater-dependent basins facing possibilities of mandatory well curtailment. Funding will also provide a variety of environmental benefits, including preserving working landscapes and associated water features, promoting soil health management practices, and enhancing water efficiency.

Funding Recommendation:

Staff recommends Board approval of \$1,415,000 to Colorado Open Lands for the Upper Rio Grande Partnership to Preserve Agriculture and Restore Aquifers (PARA) Project.



Last Updated: May 2021

Colorado Water Conservation Board

Water Plan Grant Application

Instructions

To receive funding for a Water Plan Grant, applicant must demonstrate how the project, activity, or process (collectively referred to as “project”) funded by the CWCB will help meet the measurable objectives and critical actions in the Water Plan. Grant guidelines are available on the CWCB website.

If you have questions, please contact CWCB at (303) 866-3441 or email the following staff to assist you with applications in the following areas:

Water Storage & Supply Projects	Matthew.Stearns@state.co.us
Conservation, Land Use Planning	Kevin.Reidy@state.co.us
Engagement & Innovation Activities	Ben.Wade@state.co.us
Agricultural Projects	Alexander.Funk@state.co.us
Water Sharing & ATM Projects	Alexander.Funk@state.co.us
Environmental & Recreation Projects	Chris.Sturm@state.co.us

FINAL SUBMISSION: Submit all application materials in one email to

waterplan.grants@state.co.us

in the original file formats [Application (word); Statement of Work (word); Budget/Schedule (excel)]. Please do not combine documents. In the subject line, please include the funding category and name of the project.

Water Project Summary

Name of Applicant	Colorado Open Lands	
Name of Water Project	Upper Rio Grande Partnership to Preserve Agriculture and Restore Aquifers (PARA)	
CWP Grant Request Amount		\$1,415,000
Other Funding Sources	____ NRCS - RCPP ____	\$6,000,000
Other Funding Sources	____ Landowner Contributions ____	\$300,000
Other Funding Sources	____ Groundwater Subdistricts ____	\$500,000
Applicant Funding Contribution (In-kind)		\$25,000
Total Project Cost		\$8,240,000



Last Updated: May 2021

Applicant & Grantee Information	
Name of Grantee(s)	Colorado Open Lands
Mailing Address	1546 Cole Blvd. #200, Lakewood, CO 80401
FEIN	84-0866211
Organization Contact	Sarah Parmar
Position/Title	Director of Conservation
Email	sparmar@coloradoopenlands.org
Phone	(303)988-2373 ext. 220
Grant Management Contact	Sarah Parmar
Position/Title	Director of Conservation
Email	sparmar@coloradoopenlands.org
Phone	(303)988-2373 ext. 220
Name of Applicant (if different than grantee)	
Mailing Address	
Position/Title	
Email	
Phone	
Description of Grantee/Applicant	
Provide a brief description of the grantee's organization (100 words or less).	
<p>Colorado Open Lands (COL) is a 501(c)3 nonprofit land trust that exists to protect Colorado's land and water resources. Founded in 1981, Colorado Open Lands holds over 500 conservation easements in 44 Colorado counties where we have conserved 560,000 acres and over 358 miles of Colorado's waterways. Led by a full-time staff of twenty and governed by a Board of Directors with wide ranging expertise, Colorado Open Lands operates efficiently and effectively.</p>	



Last Updated: May 2021

Type of Eligible Entity (check one)	
	Public (Government): Municipalities, enterprises, counties, and State of Colorado agencies. Federal agencies are encouraged to work with local entities. Federal agencies are eligible, but only if they can make a compelling case for why a local partner cannot be the grant recipient.
	Public (Districts): Authorities, Title 32/special districts (conservancy, conservation, and irrigation districts), and water activity enterprises.
	Private Incorporated: Mutual ditch companies, homeowners associations, corporations.
	Private Individuals, Partnerships, and Sole Proprietors: Private parties may be eligible for funding.
X	Non-governmental organizations (NGO): Organization that is not part of the government and is non-profit in nature.
	Covered Entity: As defined in Section 37-60-126 Colorado Revised Statutes .

Type of Water Project (check all that apply)	
	Study
	Construction
X	Other

Category of Water Project (check the primary category that applies and include relevant tasks)		
X	<p>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, multi-beneficial projects, water sharing agreements, Alternative Transfer Methods, and those projects identified in basin implementation plans to address the water supply and demand gap. <i>Applicable Exhibit A Task(s):</i></p> <p>Note: For Water Sharing Agreements or ATM Projects - please include the supplemental application available on the CWCB's website.</p>	
	<p>Conservation and Land Use Planning - Activities and projects that implement long-term strategies for conservation, land use, water efficiency, and drought planning. <i>Applicable Exhibit A Task(s):</i></p>	
	<p>Engagement & Innovation - Activities and projects that support water education, outreach, and innovation efforts. <i>Applicable Exhibit A Task(s):</i></p>	
	<p>Agricultural - Projects that provide technical assistance and improve agricultural efficiency. <i>Applicable Exhibit A Task(s):</i></p>	
	<p>Environmental & Recreation - Projects that promote watershed health, environmental health, and recreation. <i>Applicable Exhibit A Task(s):</i></p>	
	Other	Explain:



Last Updated: May 2021

Location of Water Project

Please provide the general county and coordinates of the proposed project below in **decimal degrees**. The Applicant shall also provide, in Exhibit C, a site map if applicable.

County/Counties	Rio Grande, Saguache, Conejos, Alamosa, Costilla
Latitude	
Longitude	

Water Project Overview

Please provide a summary of the proposed water project (200 words or less). Include a description of the project and what the CWP Grant funding will be used for specifically (e.g., studies, permitting process, construction). Provide a description of the water supply source to be utilized or the water body affected by the project, where applicable. Include details such as acres under irrigation, types of crops irrigated, number of residential and commercial taps, length of ditch improvements, length of pipe installed, and area of habitat improvements, where applicable. If this project addresses multiple purposes or spans multiple basins, please explain.

The Applicant shall also provide, in Exhibit A, a detailed Statement of Work, Budget, Other Funding Sources/Amounts and Schedule.

With Colorado Open Lands as lead partner, a group comprised of land trusts and water districts proposes to implement voluntary groundwater-focused conservation easements that will restrict pumping to allow for aquifer recovery with continued agricultural use. The partners will work closely with NRCS staff and utilize experience from the Conservation Reserve Enhancement Program to inform management plans to transition agricultural operations under different scenarios that will protect soil health and wildlife habitat. The restored aquifer will increase river flows, maintain and enhance wetlands, and increase climate resiliency for the Upper Rio Grande.

For the last two years, the partners have met to explore tools, legal mechanisms and practical feasibility of the bringing land conservation easements to bear as a voluntary tool that provides water managers the perpetual certainty they need to meet aquifer sustainability, while providing irrigators the ability to tailor the terms to meet the unique needs of their land and operation. We request funds to implement these conservation easements and to develop accompanying management plans to successfully guide irrigation transition under different scenarios, including: revegetation establishment shifting cropland to rangeland (full or partial) or landcover development for rotational fallow, or transition of irrigation systems from groundwater and surface water to exclusively surface water.

Utilize the long-term land protection tools provided by NRCS through the ACEP ALE program, to place groundwater conservation easements to achieve aquifer restoration and support continued agricultural operations with reduced groundwater dependence. Reducing the dependence of farmers and ranchers on the groundwater aquifers will increase viability of operations in the face of drought and other climatic events.



Last Updated: May 2021

Measurable Results		
To catalog measurable results achieved with the CWP Grant funds, please provide any of the following values as applicable:		
	New Storage Created (acre-feet)	
8,000 ac/ft/yr	New Annual Water Supplies Developed or Conserved (acre-feet), Consumptive or Nonconsumptive	
	Existing Storage Preserved or Enhanced (acre-feet)	
	Length of Stream Restored or Protected (linear feet)	
	Efficiency Savings (indicate acre-feet/year OR dollars/year)	
8,000	Area of Restored or Preserved Habitat (acres)	
	Quantity of Water Shared through Alternative Transfer Mechanisms or water sharing agreement	
	Number of Coloradans Impacted by Incorporating Water-Saving Actions into Land Use Planning	
	Number of Coloradans Impacted by Engagement Activity	
	Other	Explain:

Water Project Justification
<p>Provide a description of how this water project supports the goals of Colorado's Water Plan, the Analysis and Technical Update to the Water Plan, and the applicable Roundtable Basin Implementation Plan and Education Action Plan. The Applicant is required to reference specific needs, goals, themes, or Identified Projects and Processes (IPPs), including citations (e.g. document, chapters, sections, or page numbers).</p> <p>The proposed water project shall be evaluated based upon how well the proposal conforms to Colorado's Water Plan Framework for State of Colorado Support for a Water Project (CWP, Section 9.4, pp. 9-43 to 9-44;)</p>
<p>The Technical Update to the Colorado Water Plan for the Rio Grande Basin notes that the greatest challenge for the basin is groundwater sustainability and that groundwater sustainability is tied to the ability of agricultural producers and municipalities alike to comply with the State Engineer's Rules and Regulations or risk shut-down. Such a shut-down would have ripple effects across the human and ecological communities of the San Luis Valley. The Update notes that "The Rio Grande Basin has an abundance of terrestrial and aquatic wildlife populations, rare and important habitats, diverse ecosystems, and exceptional recreational opportunities; however, the increasingly water-short nature of the Basin makes sustaining these attributes challenging."</p> <p>The Valley has a rich wetland network, supported by irrigation and impacted by groundwater levels, which provides critical habitat for a variety of waterfowl and most prominently, the Sandhill Crane. A comprehensive wetland conservation survey found that 70% of wet acres in the San Luis Valley are found on private lands fed by irrigation. Consequently, while a regulatory shutdown may have a measurable positive impact on river levels, ironically, the complete collapse of irrigation systems may further harm wetlands. This project will restore groundwater aquifer levels, boosting river flows and maintaining surface irrigation to maintain the wetland complex upon which wildlife depend. This proposal directly impacts three of the five updated Rio Grande Basin Roundtable updated goals:</p>



Last Updated: May 2021

- 1) Healthy watersheds that provide critical ecosystem services, are resilient to disturbances, and benefit from ongoing efforts to protect water sources, improve water quality, enhance aquatic, riparian, wetland, and upland habitat, and maintain connected ecosystems.
- 2) Aquifers with sustainable supplies of groundwater for farmers and ranchers, towns, and wildlife habitat.
- 3) Vibrant and resilient agriculture, recreation, municipal, and industrial economies that support thriving communities.

By decreasing groundwater pumping across many producers strategically in each groundwater subdistrict, a full-scale shutdown of wells can be avoided, which allows for a critical threshold of agriculture to continue, supporting the economy and allowing for the current connections between irrigation and the various habitat types that depend upon it.

Related Studies

Please provide a list of any related studies, including if the water project is complementary to or assists in the implementation of other CWCB programs.

In 2019, Colorado Open Lands was awarded a Colorado Water Plan grant to explore how a conservation easement might be designed to restrict groundwater pumping in the San Luis Valley and allow for greater flexibility once the aquifers have recovered. This work involved convening listening sessions (6) in each of the groundwater subdistricts, regular meetings of a stakeholder working group, concept development, identification of pilot projects. The partners produced a [report](#) Groundwater Conservation Easements for Aquifer Recovery in the San Luis Valley discussing the legal and valuation findings, which conclude that conservation easements are a trusted, enforceable tool that leverage existing land conservation tax incentives and funding sources.

Previous CWCB Grants, Loans or Other Funding

List all previous or current CWCB grants (including WSRF) awarded to both the Applicant and Grantee. Include: 1) Applicant name; 2) Water activity name; 3) Approving RT(s); 4) CWCB board meeting date; 5) Contract number or purchase order; 6) Percentage of other CWCB funding for your overall project.



Last Updated: May 2021

WSRF

- 1) Colorado Open Lands
- 2) Education & Outreach Implementation in RG Basin
- 3) Rio Grande Basin
- 4) CWCB Board Date 2016
- 5) POGG1 PDAA 201700000375

- 1) Colorado Open Lands
- 2) Anderson Lazy EA Conservation Easement
- 3) Rio Grande Basin
- 4) CWCB Board Date 2017
- 5) CMS 127247 CTGGI 20193078

- 1) Colorado Open Lands
- 2) South Platte ATM and Riverview Farm
- 3) South Platte Basin
- 4) CWCB Board Date 2019
- 5) CMS 125999 CTGGII 20192940

- 6) Colorado Open Lands
- 7) Jackson Conservation Easement
- 8) Rio Grande Basin
- 9) CWCB Board Date 2020
- 10) CMS 166822 CTGGII 2021*303

CWP

- 1) Colorado Open Lands
- 2) Enhancing the Colorado Water Plan through Comprehensive Education and Outreach
- 3) Rio Grande Basin RT- PEPO Project
- 4) CWCB Board Date 2017
- 5) POGG1 PDAA 2018000

- 1) Colorado Open Lands
- 2) Acequia Conservation Initiative - Protecting Colorado's Oldest Agricultural Communities
- 3) Rio Grande Basin
- 4) CWCB Board Date 2018
- 5) POGG1 PDAA 201900002510

- 1) Colorado Open Lands
- 2) San Luis Valley River & Aquifer Recovery & Enhancement (RARE) Partnership
- 3) Rio Grande Basin
- 4) CWCB Board Date March 2019
- 5) POGG1 PDAA 20200008

- 1) Colorado Open Lands
- 2) Riparian Reconnect – Restoration Projects
- 3) South Platte Basin
- 4) CWCB Board Date 2019
- 5) POGG1 PDAA 20202061

- 1) Colorado Open Lands
- 2) Educating for Understanding of Critical Resource Issues
- 3) Rio Grande Basin



COLORADO

Colorado Water
Conservation Board

Department of Natural Resources

Last Updated: May 2021

- 4) CWCB Board Date 2020
- 5) POGG1 PDAA 20210000228

- 1) Colorado Open Lands
- 2) Riparian Reconnect
- 3) South Platte Basin
- 4) CWCB Board Date 2021
- 5) POGG1 PDAA 202100002908

ATM Grants:

- 1) Colorado Open Lands
- 2) South Platte Basin ATM
- 3) South Platte Basin
- 4) CWCB Board Date 2019
- 5) POGG1 PDAA 2018745

Taxpayer Bill of Rights

The Taxpayer Bill of Rights (TABOR) may limit the amount of grant money an entity can receive. Please describe any relevant TABOR issues that may affect your application.

We are a nonprofit entity and not subject to TABOR.



Last Updated: May 2021

Submittal Checklist	
X	I acknowledge the Grantee will be able to contract with CWCB using the Standard Contract .
Exhibit A	
X	Statement of Work ⁽¹⁾
X	Budget & Schedule ⁽¹⁾
	Engineer's statement of probable cost (projects over \$100,000)
X	Letters of Matching and/or Pending 3 rd Party Commitments ⁽¹⁾
Exhibit C	
X	Map (if applicable) ⁽¹⁾
	Photos/Drawings/Reports
X	Letters of Support (Optional)
X	Certificate of Insurance (General, Auto, & Workers' Comp.) ⁽²⁾
X	Certificate of Good Standing with Colorado Secretary of State ⁽²⁾
	W-9 ⁽²⁾
	Independent Contractor Form ⁽²⁾ (If applicant is individual, not company/organization)
Water Sharing Agreements and Alternative Transfer Methods ONLY	
X	Water Sharing Agreements and Alternative Transfer Methods Supplemental Application ⁽¹⁾

(1) Required with application.

(2) Required for contracting. While optional at the time of this application, submission can expedite contracting upon CWCB Board approval.



Last Updated: May 2021

Colorado Water Conservation Board

Water Plan Grant - Exhibit A

Statement Of Work

Date:	June 22, 2021
Name of Grantee:	Colorado Open Lands
Name of Water Project:	Upper Rio Grande Partnership to Preserve Agriculture and Restore Aquifers (PARA)
Funding Source:	Colorado Water Plan Grant

Water Project Overview:

Colorado Open Lands will implement voluntary groundwater-focused conservation easements to restrict pumping at a level proposed by landowners and determined to be appropriate by a local advisory group comprised of the partners (Rio Grande Water Conservation District, San Luis Valley Conservancy District, Conejos Water Conservancy District, Division of Water Resources, and relevant subdistrict manager). The partners will work closely with NRCS staff and utilize experience from the Conservation Reserve Enhancement Program to inform management plans to transition agricultural operations under different scenarios that will protect soil health and wildlife habitat. The restored aquifer will increase river flows, maintain and enhance wetlands, and increase climate resiliency for the Upper Rio Grande.

Project Objectives:

To implement groundwater conservation easements with irrigators to permanently conserve groundwater by holding it in nonuse, so that it will remain in the aquifer in perpetuity. Contracts of nonuse may be utilized by the District or subdistricts to secure immediate savings while the easement is in process.

To develop management plans, which may be updated as needed (change of ownership, change of market or on the ground circumstances, etc.) to guide on the ground operations under reduced pumping level. This may include full dry-up and revegetation, rotational fallow with cover cropping, or crop switching, or other scenarios that are sustainable for the agricultural operation and protect soil health and wildlife habitat.

To install remote monitors on pumps to allow irrigators to closely monitor and adjust to remain in compliance and to allow Colorado Open Lands to easily check for compliance as well.

In cooperation with NRCS and COL's RCPP award, to provide technical assistance and cost-share assistance for surface capture systems as they transition to reduced groundwater use.



Last Updated: May 2021

Tasks
Task 1 – Implement voluntary groundwater conservation easements
<p>Description of Task:</p> <p>Colorado Open Lands has identified several landowners interested in participating to permanently reduce pumping and we continue to do outreach and work with subdistricts to identify the highest priority lands for participation and to have conversations with those owners to explore their options.</p> <p>COL secured a \$6.7M award from the NRCS Regional Partnership Program for conservation easement acquisition funding for these groundwater easements and will work to leverage that funding, together with state and federal tax incentives.</p>
<p>Method/Procedure:</p> <p>Colorado Open Lands is an accredited land trust under the National Land Trust Alliance (LTA) and follows LTA Standards and Practices for conservation easement acquisition and stewardship and COL has a robust set of due diligence policies and procedures, including for title and appraisal.</p> <p>COL has worked with CWCB on conservation easements and is familiar with CWCB's new conservation easement policy.</p> <p>Once a landowner has expressed interest and proposed a pumping reduction, this proposal will be screened by the partners to ensure that the project will have meaningful impact toward the sustainability goals of the subdistrict in which it participates. Priority may also be placed on those water rights which are believed to be more vulnerable to sale for export. The use of data from the Rio Grande Basin Subdistricts' Plans of Water Management will be used understand the impacts of water retirement and its benefit to the aquifer, as well as to assess export threat. These reports are based on extensive groundwater modeling by the Rio Grande Decision Support System.</p>
<p>Deliverable:</p> <p>Colorado Open Lands anticipates conserving at least 8,000 acres of land and achieving a corresponding water savings of 8,000 acre-feet of groundwater/year in perpetuity. The Division of Water Resources has confirmed that any water rights included in a groundwater conservation easement will be counted toward sustainability to avoid shutdown per the well rules and regulations.</p>



Last Updated: May 2021

Tasks
Task 2 – Management planning and transition support for participating irrigators
Description of Task: <p>Colorado Open Lands staff will work closely with NRCS to develop management plans for participating landowners, based on site specific needs and the presence or absence of any surface water rights to transition their operation to less groundwater use.</p> <p>Some landowners may choose to eliminate all pumping, while others may be reducing groundwater use by 30-75%, so each plan will be tailored to the specific reduction and property, but all will share goals of maintaining or improving land health (preventing erosion, prohibition of tilling for fully dried properties, aggregate structure, weed control, etc.).</p> <p>Additionally, for properties that are reducing, but not eliminating pumping, remote well monitor systems will be installed to allow for ease of monitoring and enforcement over time, so that compliance can be addressed throughout the season, rather than after the fact.</p> <p>Within the RCPP award, COL has designated \$300,000 to assist farmers and ranchers from across the basin in transitioning their center pivot irrigation from groundwater to surface water capture.</p>
Method/Procedure: <p>Identify resource concerns of reduced/eliminated pumping, using local experience with CREP.</p> <p>COL, NRCS, and consultants will develop site-specific plans with participating landowners to guide properties through transition and after, ensuring resource protection, financial viability, and groundwater reduction.</p>
Deliverable: <p>Management plans, enforceable by Colorado Open Lands, to protect surface resources while achieving groundwater savings.</p> <p>Install remote monitoring systems on those participating farms who will be reducing, but not eliminating pumping for ease and transparency of monitoring.</p> <p>EQIP contracts in place to transition 10 pivots to surface water capture.</p>



Last Updated: May 2021

Budget and Schedule

This Statement of Work shall be accompanied by a combined Budget and Schedule that reflects the Tasks identified in the Statement of Work and shall be submitted to CWCB in excel format.

Reporting Requirements

Progress Reports: The applicant shall provide the CWCB a progress report every 6 months, beginning from the date of issuance of a purchase order, or the execution of a contract. The progress report shall describe the status of the tasks identified in the statement of work, including a description of any major issues that have occurred and any corrective action taken to address these issues.

Final Report: At completion of the project, the applicant shall provide the CWCB a Final Report on the applicant's letterhead that:

- Summarizes the project and how the project was completed.
- Describes any obstacles encountered, and how these obstacles were overcome.
- Confirms that all matching commitments have been fulfilled.
- Includes photographs, summaries of meetings and engineering reports/designs.

The CWCB will pay out the last 10% of the budget when the Final Report is completed to the satisfaction of CWCB staff. Once the Final Report has been accepted, and final payment has been issued, the purchase order or grant will be closed without any further payment.

Payment

Payment will be made based on actual expenditures and must include invoices for all work completed. The request for payment must include a description of the work accomplished by task, an estimate of the percent completion for individual tasks and the entire Project in relation to the percentage of budget spent, identification of any major issues, and proposed or implemented corrective actions.

Costs incurred prior to the effective date of this contract are not reimbursable. The last 10% of the entire grant will be paid out when the final deliverable has been received. All products, data and information developed as a result of this contract must be provided to as part of the project documentation.

Performance Measures

Performance measures for this contract shall include the following:

(a) Performance standards and evaluation: Grantee will produce detailed deliverables for each task as specified. Grantee shall maintain receipts for all project expenses and documentation of the minimum in-kind contributions (if applicable) per the budget in Exhibit B. Per Water Plan Grant Guidelines, the CWCB will pay out the last 10% of the budget when the Final Report is completed to the satisfaction of CWCB staff. Once the Final Report has been accepted, and final payment has been issued, the purchase order or grant will be closed without any further payment.

(b) Accountability: Per Water Plan Grant Guidelines full documentation of project progress must be submitted with each invoice for reimbursement. Grantee must confirm that all grant conditions have been complied with on each invoice. In addition, per Water Plan Grant Guidelines, Progress Reports must be submitted at least once every 6 months. A Final Report must be submitted and approved before final project payment.



COLORADO

Colorado Water
Conservation Board

Department of Natural Resources

Last Updated: May 2021

(c) Monitoring Requirements: Grantee is responsible for ongoing monitoring of project progress per Exhibit A. Progress shall be detailed in each invoice and in each Progress Report, as detailed above. Additional inspections or field consultations will be arranged as may be necessary.

(d) Noncompliance Resolution: Payment will be withheld if grantee is not current on all grant conditions. Flagrant disregard for grant conditions will result in a stop work order and cancellation of the Grant Agreement.

WATER SHARING AGREEMENTS AND ALTERNATIVE TRANSFER METHODS SUPPLEMENTAL APPLICATION

Introduction & Purpose

The Colorado Water Plan sets a goal of supporting alternative transfer methods (“ATMs”) and water-sharing agreements that address water supply gaps, while minimizing permanent dry-up of irrigated agriculture and reducing socioeconomic impacts to communities from traditional “buy-and-dry” transactions. ATMs and water-sharing agreements include a variety of approaches such as short-term leases and interruptible water supply agreements. ATMs and water-sharing agreements can meet a variety of water supply needs including drought recovery, environmental and recreational flows, groundwater sustainability, and compact compliance.

Colorado Water Plan grant funding for water-sharing agreements and alternative transfer methods aims to address the key barriers to the adoption, promote innovative uses of these tools to address water supply challenges, and encourage the development of projects that demonstrate the feasibility of water-sharing agreements and ATMs as a water supply tool. The grant fund prioritizes the development of new water-sharing arrangements and ATMs that seek to address an identified water supply gap, while generating significant regional and community benefit, and answer known research gaps in project development. Funding may be utilized for all stages of the water-sharing agreement and ATM project development process, but cannot be used for participation in any water court proceeding.

Application Questions

*The grant fund request is referred to as “project” in this application.

Does the proposed project build upon the work of former alternative water transfer methods and water sharing agreements, address critical barriers that have been identified (e.g. permanency, risk, infrastructure) in the Colorado Water Plan, or help address known research gaps? Does the proposed project address one or more key recommendation(s) in the 2020 [“Alternative Transfer Methods in Colorado” status report](#)?

This project builds upon the work of Colorado Open Lands to expand the use of conservation easements to facilitate ATM agreements to facilitate leasing instead of buy and dry - that model, outlined in the report *Sharing Water to Save the Farm*, outlined how use of a conservation easement could introduce permanency, address resource concerns, and leverage funds.

The *Alternative Transfer Methods in Colorado* status report notes how the ATM concept and definition can be inclusive of tools to address water-short agricultural communities whose pressures may come from aquifer sustainability rather than municipal conversion.

This project brings together these two ideas and builds on two years of local partnership and stakeholder outreach to determine interest and feasibility of using conservation easements as a tool to reduce groundwater pumping - creating permanent water savings while tailoring management plans to a specific property and producer, provider the flexibility desired by irrigators. Rather than create wholesale shutdowns to achieve aquifer sustainability, this incentivizes producers for savings and transition, allowing savings with production.

This project furthers two recommendations provided in the ATM program status report:

1) Leverage other funding sources:

- This proposal leverages federal funding that has been secured through the Regional Conservation Partnership Program (RCPP) as well as tax incentives for donated easement value, in the form of federal tax deduction and Colorado state tax credits, allowing for the advancement of Colorado Water Plan goals supported by land conservation funding.

2) Reduce regulatory uncertainty

- The success of this project puts the San Luis Valley on the path to aquifer sustainability, reducing uncertainty for producers and communities about the potential for regulatory intervention.

Does the proposed project address a specific water supply shortfall and provide benefits to multiple sectors, including agricultural, municipal/industrial, environmental, and recreation sectors? How and to what extent the proposed project will improve water supply reliability in general in the region upon implementation of the project (e.g. reducing conflict over water resource management, increasing resilience to drought, sustaining agricultural and rural communities, etc.)?

This project is built on the sustainability gaps identified by the Rio Grande Decision Support System model and upon which the operations of the six groundwater management subdistricts are built. The goal of the partners is to implement strategic conservation easements in each subdistrict, scaled to the sustainability requirement of that subdistrict. Cumulatively, this project will impact reliability for the entire San Luis Valley, not only through groundwater savings in the aquifers, but also by reducing the threat of large-scale water export.

Voluntary reductions compensated by federal and state funding and tax benefits reduce conflict over how to achieve sustainability by avoiding a scenario where only those who can afford skyrocketing pumping fees will be able to continue in production. This project also supports continued production while supporting a transition away from unsustainable groundwater use, fostering resilience to continued climactic variability.

Are there complex issues, including issues of law or policy, that would need to be resolved before the project could be implemented? Can the project be implemented under existing legal frameworks? Does the project have local support and include diverse partnerships? Does the project complement or help implement other ongoing or recent planning or programming efforts in the project region?

This partnership explored anticipated legal question and issues in depth over the last year, engaging two water attorneys and a conservation easement attorney, together with the Division Engineer, to ensure that we could provide certainty before implementing groundwater conservation easements.

These questions included:

- If perpetual nonuse of all or a portion of a [ground]water right is required by a conservation easement, will that water right be at risk for abandonment?

The statute on abandonment specifies that any water right participating in a formal conservation program adopted by a water conservation district cannot be tolled for abandonment. The Rio Grande Conservation District plans to adopt such a conservation program late summer so that any groundwater conservation easement participant will be a participant of the District's conservation program and protected from abandonment.

- Will the Division of Water Resources "count" water savings provided by groundwater conservation easements toward required sustainability goals?

The Division has confirmed that any pumping reductions achieved via groundwater conservation easements will be recognized as permanent annual contributions toward sustainability.

The findings of these and other questions are included in the partners' report Groundwater Conservation Easements for Aquifer Recovery in the San Luis Valley.

**COLORADO**Colorado Water
Conservation Board

Department of Natural Resources

Colorado Water Conservation Board**Water Plan Grant - Exhibit B
Budget and Schedule****Prepared Date: 6/28/2021****Name of Applicant: Colorado Open Lands****Name of Water Project:****Project Start Date: 8/1/21****Project End Date: 8/1/25**

Task No.	Task Description	Task Start Date	Task End Date	Grant Funding Request	Match Funding	Total
1	Conservation Easement Implementation - Due Diligence and Acquisition	8/1/2021	8/1.2025	\$1,100,000	\$6,500,000	\$7,600,000
2	Management Plan Development (10 properties)	10/1/2021	8/1.2025	\$175,000	\$25,000	\$200,000
2	Remote monitoring for wells (20 circles)	12/1/2021	8/1.2025	\$25,000		\$25,000
2	Surface Water Capture - EQIP match (10 properties)	2/1/2022	8/1/2025	\$115,000	\$300,000	\$415,000
Total				\$1,415,000	\$6,825,000	\$8,240,000

Page 1 of 1**Sources**

NRCS RCPP Easement	\$ 5,700,000
Landowners (donated easement value)	\$ 300,000
Groundwater Subdistricts	\$ 500,000
NRCS RCPP EQIP	\$ 300,000
In-kind	\$ 25,000
	\$ 6,825,000

From: [Judy Lopez](#)
To: [Sarah Parmar](#)
Subject: Fwd: RCPP Upper Rio Grande Partnership to PARA (#2478)
Date: Thursday, April 22, 2021 1:16:25 PM
Attachments: [RCPP Communications Toolkit for Partners - FY 20-21 Classic Awards.docx](#)

Woo - hoo!

Sent from my iPhone

Begin forwarded message:

From: "With, Elizabeth - NRCS, Gunnison, CO" <elizabeth.with@usda.gov>
Date: April 22, 2021 at 12:49:20 PM MDT
To: Tony Caligiuri <tcalagiuri@coloradoopenlands.org>
Cc: Judy Lopez <jlopez@coloradoopenlands.org>, "Evans, Clinton - NRCS, Denver, CO" <clint.evans@usda.gov>, "Sperry, James - NRCS, Walsenburg, CO" <james.sperry@usda.gov>, "Foley, Heather - NRCS, Denver, CO" <heather.foley@usda.gov>
Subject: RCPP Upper Rio Grande Partnership to PARA (#2478)

Dear Colorado Open Lands,

Congratulations! Your fiscal year 20/21 Regional Conservation Partnership Program Classic proposal is tentatively selected to become a RCPP project with USDA's Natural Resources Conservation Service (NRCS). James Sperry, Colorado RCPP Coordinator, will be in touch soon to initiate project negotiations. Until then, please carefully review the information below.

NRCS has reserved RCPP funding in the amount of \$6,718,182 for this project which is less than you had initially requested. While RCPP project funding project is strictly limited to this maximum amount, NRCS may authorize or require other changes to the initial project proposal during negotiations. For instance, if RCPP funding offered above is less than requested in the proposal, partners are afforded the opportunity to reduce their partner contributions so long as the proposal's ratio between partner contributions and RCPP funding is maintained and NRCS determines the changes are consistent with the original project scope and purpose. If you do not wish to proceed with the project, please let James Sperry know as soon as possible.

The full list of RCPP awards is scheduled to be announced by USDA on **Monday, April 26, 2021**. The agency is notifying you ahead of the award announcement so that awarded entities may prepare their own press releases and associated media products to amplify the April 26th NRCS announcement.

Please do not share this information beyond the individuals required to help develop press releases and other media products. Until the official announcement, which will occur through a press release posted to the [NRCS website](#), the information in this email and the fact that you've received an award is confidential.

A national orientation webinar has been scheduled for all new RCPP awardees. **Please join us on Thursday, May 6, 2021 at 3 p.m. Eastern Time.** The webinar will be recorded and made available to awardees that are unable to participate on May 6th. Coordinates for the webinar are provided below.

This email does not authorize your entity to begin project activities for which you intend to charge against the NRCS funding. James Sperry will be reaching out to you soon to begin the partnership agreement negotiation process. He can help answer any questions you may have about the timeline for starting project implementation. Unlike RCPP funded activities, project partners may begin expending creditable partner contributions as of the date of the USDA award announcement—April 26, 2021. If contribution expenditures commence prior to PPA negotiations, the lead partner must accept the risk that, during project negotiations, a proposed contribution might be determined ineligible or inappropriately valued, and ultimately may not be creditable as part of the project.

Attached to this email are three documents to help with the development of partner press releases and associated media products:

- <!--[if !supportLists]-->a. <!--[endif]-->Summary information about RCPP
- <!--[if !supportLists]-->b. <!--[endif]-->Sample social media comments
- <!--[if !supportLists]-->c. <!--[endif]-->Ideas for making virtual announcements

Please remember:

1. Don't tell anyone (other than necessary individuals within your organization) about this notification until April 26, 2021.
2. Begin developing partner press releases to amplify the announcement on April 26th or after.
3. Kick back and celebrate a bit and then get ready to negotiate the specifics of your award with the James Sperry, the Colorado RCPP Coordinator.

Please feel free to reach out to James (james.sperry@usda.gov) or Liz With (Elizabeth.with@usda.gov) with any questions.

Congratulation and welcome to RCPP!

Liz

Elizabeth With
Assistant State Conservationist for Programs
USDA- Natural Resource Conservation Service
216 N. Colorado Street
Gunnison, CO 81230
(970)765-1485

New Awardee Orientation Webinar for FY 20/21 RCPP Classic Awards
May 6th 3-4:15 p.m. Eastern

Step 1: Dial into the conference.
Dial-in: 888-251-2949 or 215-861-0694
Access Code: 7437186#

[Need an international dial-in number?](#)

Step 2: Join the conference on your computer.

Entry Link: <https://ems8.intellor.com/login/838482>

When you access the entry link above, you will be provided a choice - to install the WebEx plug-in for your preferred browser or to join the web conference using a temporary path. Either option is acceptable.

Need technical assistance?

Audio Connection: 1-888-796-6118

WebEx Connection: 1-888-793-6118

This electronic message contains information generated by the USDA solely for the intended recipients. Any unauthorized interception of this message or the use or disclosure of the information it contains may violate the law and subject the violator to civil or criminal penalties. If you believe you have received this message in error, please notify the sender and delete the email immediately.

MICHAEL F. BENNET
COLORADO

COMMITTEES:
AGRICULTURE, NUTRITION, AND FORESTRY
FINANCE
INTELLIGENCE

United States Senate
WASHINGTON, DC 20510-0609

WASHINGTON, DC:
261 RUSSELL SENATE OFFICE BUILDING
WASHINGTON, DC 20510
(202) 224-5852

COLORADO:
CESAR E. CHAVEZ BUILDING
1244 SPEER BOULEVARD
DENVER, CO 80204
(303) 455-7600
<http://www.bennet.senate.gov>

November 17, 2020

Mr. Clint Evans, State Conservationist
Natural Resources Conservation Service-Colorado
Denver Federal Center
Building 56, Room 2604
PO Box 25426
Denver, CO 80225-0426

Dear Mr. Evans:

I write to express support for the application submitted by the Upper Rio Grande Partnership to Preserve Agriculture and Restore Aquifers (PARA) to the U.S. Department of Agriculture, Natural Resources Conservation Service, for funding from the Regional Conservation Partnership Program (RCPP). If awarded, PARA will implement an innovative ground water conservation easement model to pilot in the San Luis Valley of Colorado.

The San Luis Valley is part of the Upper Rio Grande Basin and supports large-scale crop production, a staple of the regional economy. A rich network of wetlands, together with the crops, the San Luis Valley provides critical habitat for a variety of waterfowl and most prominently, the Sandhill Crane. Additionally, a historic drought in 2002 revealed the unsustainable nature of the current level of groundwater withdrawals, leading the state of Colorado to impose a deadline for the community to come to a solution or face a shutdown of groundwater wells.

PARA focuses on coupling permanence and flexibility to address groundwater depletion while maintaining a community's agricultural economy and the wildlife habitat it creates. The partnership brings together the groundwater management experience of water districts with the collaborative expertise and conservation tools of land trusts to work with irrigators on a voluntary basis to bring aquifer levels to a sustainable level. If funded, PARA will purchase conservation easements in the San Luis Valley that will focus on groundwater pumping restrictions to keep 8,000 acre-feet of water in the aquifers. Additionally, monies will enable a cost-share program to allow irrigators to install surface capture irrigation systems to remain viable as they reduce or discontinue groundwater pumping. This new tool would enable a community to build resiliency to recover and maintain sustainable aquifers, to the benefit of residents, visitors, and wildlife.

I learned about this project first-hand during a field visit this past August outside Center, Colorado. As a long-time supporter of RCPP and member of the Senate Agriculture, Nutrition, and Forestry Committee, this proposal meets many of the priorities Congress intended including land and water conservation, which will serve as a model for groundwater solutions across the United States. I encourage you to give the application submitted by the Upper Rio Grande Partnership to Preserve Agriculture and Restore Aquifers every appropriate consideration consistent with all applicable laws and regulations. Thank you for your consideration, and please notify my office of any funds awarded.

Sincerely,



Michael F. Bennet
United States Senator

Rio Grande Conservation District
0048 W County Road 10 N
Center, CO 81125

November 19, 2020

Re: Application of Colorado Open Lands to the NRCS Regional Conservation Partnership Program for 2020-2021
-Application Number: 2478

To Whom it May Concern:

The Rio Grande Conservation District enthusiastically supports Colorado Open Lands application for funding the NRCS Regional Conservation Partnership Program (RCPP) entitled Upper Rio Grande Partnership to Preserve Agriculture and Restore Aquifers (PARA).

The Regional Conservation Partnership Program helps NRCS co-invest with partners on projects that demonstrate innovative solutions to conservation challenges and provide measurable improvements and outcomes tied to the resource concerns they seek to address. This project embodies the spirit in which the program was created by applying an innovative conservation solution to a resource concern that not only impacts Colorado's San Luis Valley but many areas of the country. This project seeks to couple permanence and flexibility to address groundwater depletion while maintaining a community's agricultural economy and the wildlife habitat it creates. This project brings together the groundwater management experience of water districts with the collaborative expertise and conservation tools of land trusts to work with irrigators on a voluntary basis to bring aquifers back to a sustainable level.

The project partners have spent the past 2 years developing a groundwater conservation easement model to pilot in Colorado's San Luis Valley. This tool utilizes a trusted legal mechanism that leverages tax incentives and unique funding sources to address a water management issue that has significant conservation value.

Colorado's San Luis Valley, part of the Upper Rio Grande Basin, supports large scale crop production, which is the staple of the regional economy. The San Luis Valley also contains a rich network of wetlands, which together with the crops, provide critical habitat for a variety of waterfowl and most prominently, for the Sandhill Crane. In their biannual journeys in the fall and spring, they tend to bottleneck in great concentrations specifically in the San Luis Valley, needing shallow wetlands and forage to prepare for their continued journey.

A historic drought in 2002 revealed the unsustainable nature of the current level of groundwater withdrawals, leading the state of Colorado to impose a deadline for the community to come to a solution or face a shutdown of groundwater wells. A regulatory shutdown may stop aquifer decline, but at the cost of both wildlife and people.

The groundwater conservation easement model developed by the partnership focuses on permanently restricting groundwater pumping volume while providing flexibility to the irrigator to choose how to transition their operation to achieve that reduction. Rather than forcing dry-up, this model achieves measurable long-term savings for the aquifer while allowing producers to stay in operation.

The Rio Grande Conservation District is proud to lend their support to implement this new tool in Colorado, enabling a community to build resiliency by recovering and maintaining sustainable aquifers, and which could serve as a model for groundwater solutions throughout the United States.

Thank You for your consideration of this valuable project.

Jason Benton

President



COLORADO
Division of Water Resources
Department of Natural Resources
Water Division 3 - Main Office

November 19, 2020

Re: Application of Colorado Open Lands to the NRCS Regional Conservation Partnership Program for 2020-2021 -
Application Number: 2478

To Whom It May Concern:

The Colorado Division of Water Resources, Division 3, wholeheartedly supports Colorado Open Lands' application for funding through the NRCS Regional Conservation Partnership Program (RCPP) entitled Upper Rio Grande Partnership to Preserve Agriculture and Restore Aquifers (PARA).

Colorado's San Luis Valley, part of the Upper Rio Grande Basin, supports large scale crop production, which is the staple of the regional economy. The San Luis Valley also contains a rich network of wetlands, which together with the crops, provide critical habitat for a variety of waterfowl and most prominently, for the Sandhill Crane.

A historic drought in 2002 revealed the unsustainable nature of the current level of groundwater withdrawals, leading the state of Colorado to impose a deadline for the community to come to a solution or face a shutdown of groundwater wells. A regulatory shutdown may stop aquifer decline, but likely at the cost of both wildlife and people. The state, water users, and public and private partners have been working collaboratively to develop alternatives to wholesale well shutdowns that would protect the valley's agricultural economy while at the same time preserve the groundwater aquifers and wildlife habitat. In this instance, the project partners have spent the past 2 years developing a groundwater conservation easement model to pilot in the San Luis Valley. This tool utilizes a trusted legal mechanism that leverages tax incentives and unique funding sources to address a water management issue that has significant conservation value. This project seeks to couple permanence and flexibility to address groundwater depletions while maintaining a community's agricultural economy and the wildlife habitat it creates. This project brings together the groundwater management experience of water districts with the collaborative expertise and conservation tools of land trusts to work with irrigators on a voluntary basis to bring aquifers back to a sustainable level.

The groundwater conservation easement model developed by the partnership focuses on permanently limiting groundwater pumping while providing flexibility to the irrigator to choose how to transition their operation to achieve that reduction. Rather than forcing dry-up, this model achieves measurable long-term savings for the aquifer while allowing producers to stay in operation.

I am proud to lend my support to implement this new tool in Colorado, enabling a community to build resiliency by recovering and maintaining sustainable aquifers, and which could serve as a model for groundwater solutions throughout the United States. Thank you for your favorable consideration of this valuable project.

Sincerely,

Craig W. Cotten
Division Engineer,
Colorado Division of Water Resources, Division 3





COLORADO
Department of Agriculture
Commissioner's Office

November 11, 2020

Re: Application of Colorado Open Lands to the Regional Conservation Partnership Program for 2020-2021

To Whom It May Concern:

On behalf of the Colorado Department of Agriculture, I would like to support Colorado Open Lands' application for funding the Upper Rio Grande Partnership to Preserve Agriculture and Restore Aquifers (PARA).

Over-pumping, drought, and a looming regulatory well shutdown are threatening the agricultural economy of the San Luis Valley. PARA partners will marry flexibility and permanence and join diverse entities like land trusts and water districts to leverage expertise to achieve measurable conservation outcomes and aquifer recharge through an innovative groundwater conservation easement pilot program.

The Colorado Department of Agriculture recognizes that climate conditions are changing and farmers and ranchers are the first to both feel and absorb these changes. We are seeing bigger swings between increasingly intense events, which makes it not only more difficult for farmers and ranchers to plan, but also more difficult to adapt. The Department believes it is critical for farmers and ranchers to lead on climate solutions and voluntary groundwater-focused conservation easements to manage an aquifer for sustainability while keeping an agricultural economy intact is the type of innovative solution we are thrilled to support.

Colorado has been a leader in developing a transferable conservation easement tax credit which has leveled millions of dollars of federal conservation funding. The application of a proven legal mechanism and its associated tax incentives to address a critical water management issue would be incredibly beneficial for our state's agricultural community.

The groundwater conservation easement model developed by the partnership focuses on permanently restricting groundwater pumping volume while providing flexibility to the irrigator to choose how to transition their operation to achieve that reduction. Rather than forcing dry-up, this model achieves measurable long-term savings for the aquifer while allowing producers to stay in operation.

The Colorado Department of Agriculture strongly encourages you to fund this proposal.

Sincerely,

Kate Greenberg
Commissioner
Colorado Department of Agriculture





Center Conservation District
48 W County Road 10 N
Center, CO 81125

Date: November 19, 2020

Re: Application of Colorado Open Lands to the NRCS Regional Conservation Partnership Program for 2020-2021 -Application Number: 2478

To Whom it May Concern:

The Center Conservation District enthusiastically supports Colorado Open Lands application for funding the NRCS Regional Conservation Partnership Program (RCPP) entitled Upper Rio Grande Partnership to Preserve Agriculture and Restore Aquifers (PARA).

The Regional Conservation Partnership Program helps NRCS co-invest with partners on projects that demonstrate innovative solutions to conservation challenges and provide measurable improvements and outcomes tied to the resource concerns they seek to address. This project embodies the spirit in which the program was created by applying an innovative conservation solution to a resource concern that not only impacts Colorado's San Luis Valley but many areas of the country. This project seeks to couple permanence and flexibility to address groundwater depletion while maintaining a community's agricultural economy and the wildlife habitat it creates. This project brings together the groundwater management experience of water districts with the collaborative expertise and conservation tools of land trusts to work with irrigators on a voluntary basis to bring aquifers back to a sustainable level.

The project partners have spent the past 2 years developing a groundwater conservation easement model to pilot in Colorado's San Luis Valley. This tool utilizes a trusted legal mechanism that leverages tax incentives and unique funding sources to address a water management issue that has significant conservation value.

Colorado's San Luis Valley, part of the Upper Rio Grande Basin, supports large scale crop production, which is the staple of the regional economy. The San Luis Valley also contains a rich network of wetlands, which together with the crops, provide critical habitat for a variety of waterfowl and most prominently, for the Sandhill Crane. In their biannual journeys in the fall and spring, they tend to bottleneck in great concentrations specifically in the San Luis Valley, needing shallow wetlands and forage to prepare for their continued journey.

A historic drought in 2002 revealed the unsustainable nature of the current level of groundwater withdrawals, leading the state of Colorado to impose a deadline for the community to come to a solution or face a shutdown of groundwater wells. A regulatory shutdown may stop aquifer decline, but at the cost of both wildlife and people.

The groundwater conservation easement model developed by the partnership focuses on permanently restricting groundwater pumping volume while providing flexibility to the irrigator to choose how to transition their operation to achieve that reduction. Rather than forcing dry-up, this model achieves measurable long-term savings for the aquifer while allowing producers to stay in operation.

The Center Conservation District supports projects that consider healthy aquifers, soil health and a booming agricultural community. The Center Conservation District is proud to lend their support to implement this new tool in Colorado, enabling a community to build resiliency by recovering and maintaining sustainable aquifers, and which could serve as a model for groundwater solutions throughout the United States. Thank You for your consideration of this valuable project.

Sincerely,

Nikita Christensen
District Manager



United States Department of Agriculture

Natural Resources Conservation Service
Center Agricultural Service Center
101 S Craft Drive Suite A
Alamosa, Colorado 81101
ron.riggenbach@usda.gov

719-992-3668 - Office

719-588-2917 - Cell

11/17/2020

Re: Application of Colorado Open Lands to the NRCS Regional Conservation Partnership Program for 2020-2021 -Application Number: 2478

To Whom it May Concern:

The local Natural Resources Conservation Service Resource Team is aware of and supports Colorado Open Lands application for funding the NRCS Regional Conservation Partnership Program (RCPP) entitled Upper Rio Grande Partnership to Preserve Agriculture and Restore Aquifers (PARA).

The declining aquifer in the area has been a resource concern in the area since the historic drought in the area that occurred in 2002. At that time, it became apparent that the current demands on the aquifer were not sustainable and needed to be addressed.

Working with partners and private landowners the local NRCS offices have been using existing programs to work to treat the resource concern of the declining aquifer, however the groundwater easement proposal would add another valuable tool.

Being able to permanently restrict groundwater pumping volume while providing flexibility to the private landowners to choose how to transition their operation to achieve that reduction while limiting the impact on the local economy would be very valuable.

This project could have potential to serve as a template for other areas that may be facing the same resource concern.

Sincerely,

Ronald Riggenbach
Resource Team Lead
Colorado Resource Team 8

Helping People Help the Land

USDA is an equal opportunity provider, employer, and lender.



COLORADO

**Department of
Natural Resources**

Executive Director's Office
1313 Sherman Street, Room 718
Denver, CO 80203

November 24, 2020

Re: Application of Colorado Open Lands to the Regional Conservation Partnership Program for 2020-2021

To Whom it May Concern:

On behalf of the Colorado Department of Natural Resources (CDNR) and its division, the Colorado Water Conservation Board (CWCB), we would like to support Colorado Open Lands' application for funding the Upper Rio Grande Partnership to Preserve Agriculture and Restore Aquifers (PARA).

CDNR's mission is to develop, preserve, and enhance the state's natural resources for the benefit and enjoyment of current and future citizens and visitors. CDNR's water policy goals are led by the Colorado Water Conservation Board, representing each major water basin in the state in our joint effort to protect our water for future generations. The CWCB directs a broad range of programs and provides technical and financial assistance to support the Colorado Water Plan.

Colorado's San Luis Valley, fed by the Upper Rio Grande River, is at a critical juncture. Decades of groundwater pumping and prolonged drought have lowered its aquifers to unacceptable levels at an unsustainable rate despite community efforts. If required, a regulatory shutdown of wells would threaten both the agricultural economy and complex wetland ecology that is supported by current irrigation.

CWCB's financial investment in the project recognizes the critical nature of the aquifer depletion and the innovative nature of this groundwater easement tool. State funds will assist with stakeholder outreach, legal and valuation analysis, and pilot project development of the groundwater conservation easement to test both its attractiveness to irrigators and feasibility. We remain supportive of the project and interested in supporting its implementation.



Colorado has been a leader in developing a transferable conservation easement tax credit that has leveraged millions of dollars of federal conservation funding. The application of a proven legal mechanism and its associated tax incentives to address a critical water management issue would be incredibly beneficial for our state's Water Plan goals.

The CDNR and CWCB urge you to strongly consider this proposal for funding and to invest in a locally-driven pilot that could have national transferability across a network of land trusts.

Sincerely,

A handwritten signature in blue ink, appearing to read "Dan Gibbs".

Dan Gibbs, Director

Colorado Department of Natural Resources

A handwritten signature in blue ink, appearing to read "Rebecca Mitchell".

Rebecca Mitchell, Director

Colorado Water Conservation Board

Colorado Rio Grande Restoration Foundation
Rio Grande Headwaters Restoration Project
623 Fourth Street
Alamosa, CO 81101
(719) 589-2230



November 18, 2020

Re: Application of Colorado Open Lands to the NRCS Regional Conservation Partnership Program for 2020-2021 -
Application Number: 2478

To Whom it May Concern:

The Colorado Rio Grande Restoration Foundation enthusiastically supports Colorado Open Lands application for funding the NRCS Regional Conservation Partnership Program (RCPP) entitled Upper Rio Grande Partnership to Preserve Agriculture and Restore Aquifers (PARA).

The Regional Conservation Partnership Program helps NRCS co-invest with partners on projects that demonstrate innovative solutions to conservation challenges and provide measurable improvements and outcomes tied to the resource concerns they seek to address. This project embodies the spirit in which the program was created by applying an innovative conservation solution to a resource concern that not only impacts Colorado's San Luis Valley but many areas of the country. This project seeks to couple permanence and flexibility to address groundwater depletion while maintaining a community's agricultural economy and the wildlife habitat it creates. This project brings together the groundwater management experience of water districts with the collaborative expertise and conservation tools of land trusts to work with irrigators on a voluntary basis to bring aquifers back to a sustainable level.

The project partners have spent the past 2 years developing a groundwater conservation easement model to pilot in Colorado's San Luis Valley. This tool utilizes a trusted legal mechanism that leverages tax incentives and unique funding sources to address a water management issue that has significant conservation value.

Colorado's San Luis Valley, part of the Upper Rio Grande Basin, supports large scale crop production, which is the staple of the regional economy. The San Luis Valley also contains a rich network of wetlands, which together with the crops, provide critical habitat for a variety of waterfowl and most prominently, for the Sandhill Crane. In their biannual journeys in the fall and spring, they tend to bottleneck in great concentrations specifically in the San Luis Valley, needing shallow wetlands and forage to prepare for their continued journey.

A historic drought in 2002 revealed the unsustainable nature of the current level of groundwater withdrawals, leading the state of Colorado to impose a deadline for the community to come to a solution or face a shutdown of groundwater wells. A regulatory shutdown may stop aquifer decline, but at the cost of both wildlife and people.

The groundwater conservation easement model developed by the partnership focuses on permanently restricting groundwater pumping volume while providing flexibility to the irrigator to choose how to transition their operation to achieve that reduction. Rather than forcing dry-up, this model achieves measurable long-term savings for the aquifer while allowing producers to stay in operation.

The Colorado Rio Grande Restoration Foundation is proud to lend their support to implement this new tool in Colorado, enabling a community to build resiliency by recovering and maintaining sustainable aquifers, and which could serve as a model for groundwater solutions throughout the United States.

Thank you for your consideration of this valuable project.

Emma Reesor, Executive Director



Conejos Water Conservancy District

P. O. Box 550

Manassa, CO 81141

Cwcd1971@hotmail.com

Phone 719-843-5261 fax 5452

November 9, 2020

Re: Application of Colorado Open Lands to the Regional Conservation Partnership Program for 2020-2021

To Whom it May Concern:

The Conejos Water Conservancy District enthusiastically supports Colorado Open Lands application for funding the NRCS Regional Conservation Partnership Program (RCPP) entitled Upper Rio Grande Partnership to Preserve Agriculture and Restore Aquifers (PARA).

The Regional Conservation Partnership Program helps NRCS co-invest with partners on projects that demonstrate innovative solutions to conservation challenges and provide measurable improvements and outcomes tied to the resource concerns they seek to address. This project embodies the spirit in which the program was created by applying an innovative conservation solution to a resource concern that not only impacts Colorado's San Luis Valley but many areas of the country. This project seeks to couple permanence and flexibility to address groundwater depletion while maintaining a community's agricultural economy and the wildlife habitat it creates. This project brings together the groundwater management experience of water districts with the collaborative expertise and conservation tools of land trusts to work with irrigators on a voluntary basis to bring aquifers back to a sustainable level.

The project partners have spent the past 2 years developing a groundwater conservation easement model to pilot in Colorado's San Luis Valley. This tool utilizes a trusted legal mechanism that leverages tax incentives and unique funding sources to address a water management issue that has significant conservation value.

Colorado's San Luis Valley, part of the Upper Rio Grande Basin, supports large scale crop production, which is the staple of the regional economy. The San Luis Valley also contains a rich network of wetlands, which together with the crops, provide critical habitat for a variety of waterfowl and most prominently, for the Sandhill Crane. In their biannual journeys in the fall and spring, they tend to bottleneck in great concentrations specifically in the San Luis Valley, needing shallow wetlands and forage to prepare for their continued journey.

A historic drought in 2002 revealed the unsustainable nature of the current level of groundwater withdrawals, leading the state of Colorado to impose a deadline for the community to come to a solution or face a shutdown of groundwater wells. A regulatory shutdown may stop aquifer decline, but at the cost of both wildlife and people.

The groundwater conservation easement model developed by the partnership focuses on permanently restricting groundwater pumping volume while providing flexibility to the irrigator to choose how to transition their operation to achieve that reduction. Rather than forcing dry-up, this

model achieves measurable long-term savings for the aquifer while allowing producers to stay in operation.

The Conejos Water Conservancy District is proud to lend their support to implement this new tool in Colorado, enabling a community to build resiliency by recovering and maintaining sustainable aquifers, and which could serve as a model for groundwater solutions throughout the United States.

Thank You for your consideration of this valuable project.

Sincerely,

A handwritten signature in blue ink, appearing to read "N. L. Banks".

Manager



Kevin Terry, Rio Grande Basin Project Manager, Colorado Water and Habitat Project

Date: 11/18/20

Re: Application of Colorado Open Lands to the NRCS Regional Conservation Partnership Program for 2020-2021 -Application Number: 2478

To Whom it May Concern:

Please accept Trout Unlimited's support of Colorado Open Land's application for funding through the NRCS Regional Conservation Partnership Program (RCPP) entitled; Upper Rio Grande Partnership to Preserve Agriculture and Restore Aquifers (PARA).

The Regional Conservation Partnership Program helps NRCS co-invest with partners on projects that demonstrate innovative solutions to conservation challenges and provide measurable improvements and outcomes tied to the resource concerns they seek to address. This project provides a creative and innovative conservation solution to a resource issue that not only impacts Colorado's San Luis Valley but many areas of the country. This project seeks to couple permanence and flexibility in order to address groundwater depletion while maintaining a community's agricultural economy.

This project brings together the groundwater management experience of water districts with the collaborative expertise and conservation tools of land trusts to work with irrigators on a voluntary basis to bring aquifers back to a sustainable level.

The project partners have spent the past 2 years developing a groundwater conservation easement model to pilot in Colorado's San Luis Valley. This tool utilizes a trusted legal mechanism that leverages tax incentives and unique funding sources to address a water management issue that has significant conservation value. Colorado's San Luis Valley, part of the Upper Rio Grande Basin, supports large scale crop production, which is the staple of the regional economy. The San Luis Valley also contains a rich network of streams and wetlands, which together with the crops, provide critical habitat for a variety of aquatic species, waterfowl and most prominently, for the Sandhill Crane.

Sustainable groundwater levels are critical for keeping wetlands wet and contribute significantly to maintaining baseflows on perennial surface streams, impacting wild and native trout populations.

The groundwater conservation easement model developed by the partnership focuses on permanently restricting groundwater pumping volume to while providing flexibility to the irrigator to choose how to transition their operation to achieve that reduction.

Trout Unlimited: America's Leading Coldwater Fisheries Conservation Organization

85 Pinon Circle, South Fork, CO 81154

(970) 799-7682 • kevin.terry@tu.org • www.tu.org

Rather than forcing dry-up, this model achieves measurable long-term savings for the aquifer while allowing producers to stay in operation.

Trout Unlimited is proud to lend our support to implement this new tool in Colorado, enabling a community to build resiliency by recovering and maintaining sustainable aquifers, and which could serve as a model for groundwater solutions throughout the United States.

Thank You for your consideration of this valuable project,

A handwritten signature in black ink, appearing to be 'M. B.', written in a cursive style.

Rio Grande Basin Project Manager, Western Water and Habitat Program

Rio Grande Conservation District
0048 W County Road 10 N
Center, CO 81125

November 19, 2020

Re: Application of Colorado Open Lands to the NRCS Regional Conservation Partnership Program for 2020-2021
-Application Number: 2478

To Whom it May Concern:

The Rio Grande Conservation District enthusiastically supports Colorado Open Lands application for funding the NRCS Regional Conservation Partnership Program (RCPP) entitled Upper Rio Grande Partnership to Preserve Agriculture and Restore Aquifers (PARA).

The Regional Conservation Partnership Program helps NRCS co-invest with partners on projects that demonstrate innovative solutions to conservation challenges and provide measurable improvements and outcomes tied to the resource concerns they seek to address. This project embodies the spirit in which the program was created by applying an innovative conservation solution to a resource concern that not only impacts Colorado's San Luis Valley but many areas of the country. This project seeks to couple permanence and flexibility to address groundwater depletion while maintaining a community's agricultural economy and the wildlife habitat it creates. This project brings together the groundwater management experience of water districts with the collaborative expertise and conservation tools of land trusts to work with irrigators on a voluntary basis to bring aquifers back to a sustainable level.

The project partners have spent the past 2 years developing a groundwater conservation easement model to pilot in Colorado's San Luis Valley. This tool utilizes a trusted legal mechanism that leverages tax incentives and unique funding sources to address a water management issue that has significant conservation value.

Colorado's San Luis Valley, part of the Upper Rio Grande Basin, supports large scale crop production, which is the staple of the regional economy. The San Luis Valley also contains a rich network of wetlands, which together with the crops, provide critical habitat for a variety of waterfowl and most prominently, for the Sandhill Crane. In their biannual journeys in the fall and spring, they tend to bottleneck in great concentrations specifically in the San Luis Valley, needing shallow wetlands and forage to prepare for their continued journey.

A historic drought in 2002 revealed the unsustainable nature of the current level of groundwater withdrawals, leading the state of Colorado to impose a deadline for the community to come to a solution or face a shutdown of groundwater wells. A regulatory shutdown may stop aquifer decline, but at the cost of both wildlife and people.

The groundwater conservation easement model developed by the partnership focuses on permanently restricting groundwater pumping volume while providing flexibility to the irrigator to choose how to transition their operation to achieve that reduction. Rather than forcing dry-up, this model achieves measurable long-term savings for the aquifer while allowing producers to stay in operation.

The Rio Grande Conservation District is proud to lend their support to implement this new tool in Colorado, enabling a community to build resiliency by recovering and maintaining sustainable aquifers, and which could serve as a model for groundwater solutions throughout the United States.

Thank You for your consideration of this valuable project.

Jason Benton

President



Natural Resources Conservation Service
Denver Federal Center
Bldg. 56, RM. 2604
P.O. Box 25426
Denver, CO 80225-0426

November 16,2020

Sarah Parmar, Director of Conservation
Colorado Open Lands
1546 Cole Boulevard, Suite 200
Lakewood, CO 80401

RCPP FY2021 Letter of Intent for the Saguache County Ground Water Conservation Project

Dear Ms. Parmar:

Thank you for making us aware of your intent to submit a Regional Conservation Partnership Program (RCPP) proposal.

Based on the limited information we have received, it appears this proposal may address the appropriate conservation goals, objectives, and resource concerns.

This letter is not an endorsement of the project. Rather, it documents that Colorado NRCS is aware of your intent. We appreciate your conservation efforts.

Sincerely,

Randy Randall
Acting State Conservationist

cc:

Liz With, Assistant State Conservationist for Programs, Gunnison, CO
James Sperry, RCPP Program Manager, Walsenburg, CO
Heather Foley, Easement Specialist, Denver, CO
Laura Trimboli, Easement Specialist, Durango, CO

Helping People Help the Land

An Equal Opportunity Provider and Employer





Rio Grande Water Conservation District

8805 Independence Way • Alamosa, Colorado 81101

Phone: (719) 589-6301 • Fax: (719) 992-2026

Protecting & Conserving San Luis Valley Water

DATE: June 29, 2021

TO: Colorado Water Conservation Board
ATTN: Alex Funk
Department of Natural Resources
1313 Sherman Street Room 721
Denver, CO 80203

RE: Subdistrict No.1 2022 Budgeted amount for groundwater conservation easements

To Whom It May Concern,

On June 1, 2021 Subdistrict No.1 drafted a preliminary 2022 Budget. The Board of Managers allocated \$5,600,000 towards conservation programs geared towards aquifer recovery. From the 5.6 million \$500,000 was ear marked for groundwater conservation/easement projects.

Subdistrict No.1 must meet specific recovery levels of the unconfined aquifer, as outlined in their decree, by 2031 or face the possibility of over 3,000 wells being curtailed. Recognizing the magnitude of this potential threat to the valley's economy Subdistrict No.1 is aggressively pursuing every option to help recover the aquifer through various means, including any additional support and funding that may be available to producers from programs and grants that CWCB may offer. The 2022 Budget will be finalized in December of 2021.

If you have any questions, please let me know.

A handwritten signature in blue ink that reads "Marisa Fricke".

Marisa Fricke
Program Manager- Subdistrict No.1
Rio Grande Water Conservation District