



MEMORANDUM

APRIL 6, 2017

TO: ERIC KUHN, GENERAL MANAGER
CC: BOARD OF DIRECTORS
FROM: DAVE KANZER, P.E., DEPUTY CHIEF ENGINEER
SUBJECT: LOWER GUNNISON PROJECT AND REGIONAL CONSERVATION PARTNERSHIP PROGRAM (RCPP) UPDATE

*This informational memo briefly summarizes activities related to the Lower Gunnison Project and the Regional Conservation Partnership Program; **Enterprise Board action is requested to approve and authorize staff to prepare application(s) for additional federal funding under the RCPP.***

Background and Status Update

To support the modernization of agricultural infrastructure and to promote water use efficiency projects in four water conservancy and irrigation districts in the Lower Gunnison Basin, the River District is acting as an agent of the US Natural Resource Conservation Service to directly manage \$8 million of directed funding under the Regional Conservation Partnership Program (RCPP).

To date, project activities have been focused on developing planning, design and funding details for both large scale off-farm implementation projects and smaller on-farm irrigation projects, while completing the required Environmental Assessment (EA) under the Watershed Program funding requirements.

The completion of the EA and related permitting should clear the way for some project construction to begin this fall. The first project scheduled is the Fire Mountain Canal Reconfiguration Project near Hotchkiss in the North Fork, cooperatively funded with USBR salinity funding with a combined cost of approximately \$4.6 million. Other projects will be begin construction in the fall of 2018.

Related Activities and Application for Additional RCPP Funding

The Announcement for Program Funding (APF) for 2018 RCPP funding has been released and River District staff is currently working with local partners to help prepare up to three applications that seek additional funding for the LGP and for two new areas: the Silt Water Conservancy District and the Fruitland Mesa Irrigation Company. Some brief project details are listed below. The application deadline is April 21st.

- 1.) Lower Gunnison Project - Integration and Extension

- a. This is an expansion of the existing LGP; this project will request funding to help expand and extend the existing efforts and to further integrate these irrigation projects into the nearly completed watershed plan
 - b. This includes requests for cooperative funding for Technical and Financial Assistance to leverage USBR power revenues to support:
 - i. Rogers Mesa Water Delivery Project (re-regulation facility and pipeline)
 - ii. Crawford irrigation efficiency improvement projects (piping and integrated water management system)
 - iii. Bostwick Park irrigation efficiency improvement projects (piping and integrated water management system)
- 2.) Silt Water Conservancy District – Water Supply System Stabilization and Efficiency Project
- a. This is a new RCPP effort to upgrade and modernize critical irrigation water conveyance, storage and delivery infrastructure;
 - b. This project will request funding to begin efforts to improve and to integrate irrigation system components into a new watershed plan;
 - c. This includes requests for cooperative funding for Technical and Financial Assistance to leverage USBR power revenues to support:
 - i. Grass Valley Canal stabilization and improvement
- 3.) Fruitland Mesa Irrigation Company
- a. This is a new effort to upgrade and modernize critical irrigation water conveyance, storage and delivery infrastructure;
 - b. This project will request funding to begin efforts to improve and to integrate irrigation system components into an expanded Lower Gunnison Watershed plan;
 - c. This includes requests for cooperative funding for Technical and Financial Assistance to leverage USBR power revenues and Salinity Control dollars along with State Grant and Loan Funding to support:
 - i. Fruitland Mesa Tunnel and Canals system stabilization and improvement

Although discussions are on-going regarding the proposed details and project sponsorship for these applications, staff requests that the Board adopt a motion authorizing the General Manager to provide Letter(s) of Support / Participation that affirms the River District's commitment to directly assist in the development of RCPP applications and to potentially be the Lead Partner and to dedicate some in-kind and financial support to these efforts.

Specifically, it is recommended that up to \$75,000 of in-kind services be provided per year for five years, as part of this commitment. This amount reflects a little less than a day per week of staff time. It is anticipated that some post-award RCPP funding may be available to reimburse some applicable River District expenses. Any future contractual commitments (both in-kind and expenditures) are subject to the Board's annual appropriation and budget approval processes.

Lastly, a series of standard federal forms, attestations, and certifications are required as part of the grant application process. Thus, it is requested that the Board authorize the General Manager to file all such paperwork in satisfaction of grant requirements.