OMB Number: 4040-0004
Expiration Date: 8/31/2016

Application for Federal Assistance SF-424

* 1. Type of Submission:
- [ ] Preapplication
- [x] Application
- [ ] Changed/Corrected Application

* 2. Type of Application:
- [x] New
- [ ] Continuation
- [ ] Revision

* If Revision, select appropriate letter(s):

* Other (Specify):

* 3. Date Received: 06/24/2015

4. Applicant Identifier:

5a. Federal Entity Identifier:

5b. Federal Award Identifier:

State Use Only:

6. Date Received by State:

7. State Application Identifier:

8. APPLICANT INFORMATION:

* a. Legal Name: Dolores Water Conservancy District

* b. Employer/Taxpayer Identification Number (EIN/TIN): 84-0625315

* c. Organizational DUNS: 0187829610000

d. Address:

* Street1: 60 S. Cactus Street
Street2: P.O. Box 1150
* City: Cortez
County/Parish:
* State: CO: Colorado
Province:
* Country: USA: UNITED STATES
* Zip / Postal Code: 81321-1110

e. Organizational Unit:

Department Name:

Division Name:

f. Name and contact information of person to be contacted on matters involving this application:

Prefix: Mr.
* First Name: Steven
Middle Name: C
* Last Name: Harris
Suffix:

Title: Project Manager

Organizational Affiliation: Consulting Engineer at Harris Water Engineering, Inc.

* Telephone Number: 970-259-5322
Fax Number: 970-247-0587

* Email: steve@durangowater.com

Application for Federal Assistance SF-424

*** 9. Type of Applicant 1: Select Applicant Type:**

D: Special District Government

Type of Applicant 2: Select Applicant Type:

Type of Applicant 3: Select Applicant Type:

* Other (specify):

*** 10. Name of Federal Agency:**

Bureau of Reclamation

11. Catalog of Federal Domestic Assistance Number:

15.514

CFDA Title:

Reclamation States Emergency Drought Relief

*** 12. Funding Opportunity Number:**

R15AS00047

* Title:

WaterSMART: Drought Contingency Planning Grants for Fiscal Year 2015

13. Competition Identification Number:

Title:

14. Areas Affected by Project (Cities, Counties, States, etc.):

Add Attachment | Delete Attachment | View Attachment

*** 15. Descriptive Title of Applicant's Project:**

Dolores Project Drought Contingency Plan

Attach supporting documents as specified in agency instructions.

Add Attachments | Delete Attachments | View Attachments

Application for Federal Assistance SF-424

16. Congressional Districts Of:

* a. Applicant: CO-003 * b. Program/Project: CO-003

Attach an additional list of Program/Project Congressional Districts if needed.

Add Attachment | Delete Attachment | View Attachment

17. Proposed Project:

* a. Start Date: 09/14/2015 * b. End Date: 09/15/2017

18. Estimated Funding ($):

* a. Federal	100,000.00
* b. Applicant	50,000.00
* c. State	0.00
* d. Local	0.00
* e. Other	50,000.00
* f. Program Income	0.00
* g. TOTAL	200,000.00

*** 19. Is Application Subject to Review By State Under Executive Order 12372 Process?**

☐ a. This application was made available to the State under the Executive Order 12372 Process for review on .

☐ b. Program is subject to E.O. 12372 but has not been selected by the State for review.

☒ c. Program is not covered by E.O. 12372.

*** 20. Is the Applicant Delinquent On Any Federal Debt? (If "Yes," provide explanation in attachment.)**

☐ Yes ☒ No

If "Yes", provide explanation and attach

Add Attachment | Delete Attachment | View Attachment

21. *By signing this application, I certify (1) to the statements contained in the list of certifications and (2) that the statements herein are true, complete and accurate to the best of my knowledge. I also provide the required assurances** and agree to comply with any resulting terms if I accept an award. I am aware that any false, fictitious, or fraudulent statements or claims may subject me to criminal, civil, or administrative penalties. (U.S. Code, Title 218, Section 1001)**

☒ ** I AGREE

** The list of certifications and assurances, or an internet site where you may obtain this list, is contained in the announcement or agency specific instructions.

Authorized Representative:

Prefix: Mr. * First Name: Steven

Middle Name: C

* Last Name: Harris

Suffix:

* Title: Project Manager

* Telephone Number: 970-259-5322 Fax Number: 970-247-0587

* Email: steve@durangowater.com

* Signature of Authorized Representative: Kenneth Curtis * Date Signed: 06/24/2015

BUDGET INFORMATION - Non-Construction Programs

OMB Number: 4040-0006
Expiration Date: 06/30/2014

SECTION A - BUDGET SUMMARY

Grant Program Function or Activity (a)	Catalog of Federal Domestic Assistance Number (b)	Estimated Unobligated Funds		New or Revised Budget		
		Federal (c)	Non-Federal (d)	Federal (e)	Non-Federal (f)	Total (g)
1. Reclamation States Emergency Drought Relief (WaterSMART: Drought Contingency Planning Grant)	15.514	$ 0.00	$ 0.00	$ 100,000.00	$ 100,000.00	$ 200,000.00
2.						
3.						
4.						
5. Totals		$	$	$ 100,000.00	$ 100,000.00	$ 200,000.00

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SECTION B - BUDGET CATEGORIES

6. Object Class Categories	GRANT PROGRAM, FUNCTION OR ACTIVITY (1)	(2)	(3)	(4)	Total (5)
	Reclamation States Emergency Drought Relief (WaterSMART: Drought Contingency Planning Grant)				
a. Personnel	$ 46,153.00	$	$	$	$ 46,153.00
b. Fringe Benefits	23,807.00				23,807.00
c. Travel	0.00				
d. Equipment	0.00				
e. Supplies	5,040.00				5,040.00
f. Contractual	125,000.00				125,000.00
g. Construction	0.00				
h. Other	0.00				
i. Total Direct Charges (sum of 6a-6h)	200,000.00				$ 200,000.00
j. Indirect Charges					$
k. TOTALS (sum of 6i and 6j)	$ 200,000.00	$	$	$	$ 200,000.00
7. Program Income	$ 0.00	$	$	$	$

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Prescribed by OMB (Circular A -102) Page 1A

SECTION C - NON-FEDERAL RESOURCES

(a) Grant Program	(b) Applicant	(c) State	(d) Other Sources	(e)TOTALS
8. Reclamation States Emergency Drought Relief (WaterSMART: Drought Contingency Planning Grant)	$ 50,000.00	$	$ 50,000.00	$ 100,000.00
9.				
10.				
11.				
12. TOTAL (sum of lines 8-11)	$ 50,000.00	$	$ 50,000.00	$ 100,000.00

SECTION D - FORECASTED CASH NEEDS

	Total for 1st Year	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
13. Federal	$ 35,000.00	$	$	$ 10,000.00	$ 25,000.00
14. Non-Federal	$ 18,000.00			5,000.00	13,000.00
15. TOTAL (sum of lines 13 and 14)	$ 53,000.00	$	$	$ 15,000.00	$ 38,000.00

SECTION E - BUDGET ESTIMATES OF FEDERAL FUNDS NEEDED FOR BALANCE OF THE PROJECT

(a) Grant Program	FUTURE FUNDING PERIODS (YEARS) (b)First	(c) Second	(d) Third	(e) Fourth
16. Reclamation States Emergency Drought Relief (WaterSMART: Drought Contingency Planning Grant)	$ 95,000.00	$ 40,000.00	$	$
17.				
18.				
19.				
20. TOTAL (sum of lines 16 - 19)	$ 95,000.00	$ 40,000.00	$	$

SECTION F - OTHER BUDGET INFORMATION

21. Direct Charges: 0

22. Indirect Charges: 0

23. Remarks:

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Funding Opportunity Number:R15AS00047 Received Date:Jun 24, 2015 05:02:14 PM EDT

OMB Number: 4040-0007
Expiration Date: 06/30/2014

ASSURANCES - NON-CONSTRUCTION PROGRAMS

PLEASE DO NOT RETURN YOUR COMPLETED FORM TO THE OFFICE OF MANAGEMENT AND BUDGET. SEND IT TO THE ADDRESS PROVIDED BY THE SPONSORING AGENCY.

NOTE: Certain of these assurances may not be applicable to your project or program. If you have questions, please contact the awarding agency. Further, certain Federal awarding agencies may require applicants to certify to additional assurances. If such is the case, you will be notified.

As the duly authorized representative of the applicant, I certify that the applicant:

1. Has the legal authority to apply for Federal assistance and the institutional, managerial and financial capability (including funds sufficient to pay the non-Federal share of project cost) to ensure proper planning, management and completion of the project described in this application.

2. Will give the awarding agency, the Comptroller General of the United States and, if appropriate, the State, through any authorized representative, access to and the right to examine all records, books, papers, or documents related to the award; and will establish a proper accounting system in accordance with generally accepted accounting standards or agency directives.

3. Will establish safeguards to prohibit employees from using their positions for a purpose that constitutes or presents the appearance of personal or organizational conflict of interest, or personal gain.

4. Will initiate and complete the work within the applicable time frame after receipt of approval of the awarding agency.

5. Will comply with the Intergovernmental Personnel Act of 1970 (42 U.S.C. §§4728-4763) relating to prescribed standards for merit systems for programs funded under one of the 19 statutes or regulations specified in Appendix A of OPM's Standards for a Merit System of Personnel Administration (5 C.F.R. 900, Subpart F).

6. Will comply with all Federal statutes relating to nondiscrimination. These include but are not limited to: (a) Title VI of the Civil Rights Act of 1964 (P.L. 88-352) which prohibits discrimination on the basis of race, color or national origin; (b) Title IX of the Education Amendments of 1972, as amended (20 U.S.C.§§1681-1683, and 1685-1686), which prohibits discrimination on the basis of sex; (c) Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. §794), which prohibits discrimination on the basis of handicaps; (d) the Age Discrimination Act of 1975, as amended (42 U. S.C. §§6101-6107), which prohibits discrimination on the basis of age; (e) the Drug Abuse Office and Treatment Act of 1972 (P.L. 92-255), as amended, relating to nondiscrimination on the basis of drug abuse; (f) the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970 (P.L. 91-616), as amended, relating to nondiscrimination on the basis of alcohol abuse or alcoholism; (g) §§523 and 527 of the Public Health Service Act of 1912 (42 U.S.C. §§290 dd-3 and 290 ee- 3), as amended, relating to confidentiality of alcohol and drug abuse patient records; (h) Title VIII of the Civil Rights Act of 1968 (42 U.S.C. §§3601 et seq.), as amended, relating to nondiscrimination in the sale, rental or financing of housing; (i) any other nondiscrimination provisions in the specific statute(s) under which application for Federal assistance is being made; and, (j) the requirements of any other nondiscrimination statute(s) which may apply to the application.

7. Will comply, or has already complied, with the requirements of Titles II and III of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (P.L. 91-646) which provide for fair and equitable treatment of persons displaced or whose property is acquired as a result of Federal or federally-assisted programs. These requirements apply to all interests in real property acquired for project purposes regardless of Federal participation in purchases.

8. Will comply, as applicable, with provisions of the Hatch Act (5 U.S.C. §§1501-1508 and 7324-7328) which limit the political activities of employees whose principal employment activities are funded in whole or in part with Federal funds.

9. Will comply, as applicable, with the provisions of the Davis-Bacon Act (40 U.S.C. §§276a to 276a-7), the Copeland Act (40 U.S.C. §276c and 18 U.S.C. §874), and the Contract Work Hours and Safety Standards Act (40 U.S.C. §§327-333), regarding labor standards for federally-assisted construction subagreements.

10. Will comply, if applicable, with flood insurance purchase requirements of Section 102(a) of the Flood Disaster Protection Act of 1973 (P.L. 93-234) which requires recipients in a special flood hazard area to participate in the program and to purchase flood insurance if the total cost of insurable construction and acquisition is $10,000 or more.

11. Will comply with environmental standards which may be prescribed pursuant to the following: (a) institution of environmental quality control measures under the National Environmental Policy Act of 1969 (P.L. 91-190) and Executive Order (EO) 11514; (b) notification of violating facilities pursuant to EO 11738; (c) protection of wetlands pursuant to EO 11990; (d) evaluation of flood hazards in floodplains in accordance with EO 11988; (e) assurance of project consistency with the approved State management program developed under the Coastal Zone Management Act of 1972 (16 U.S.C. §§1451 et seq.); (f) conformity of Federal actions to State (Clean Air) Implementation Plans under Section 176(c) of the Clean Air Act of 1955, as amended (42 U.S.C. §§7401 et seq.); (g) protection of underground sources of drinking water under the Safe Drinking Water Act of 1974, as amended (P.L. 93-523); and, (h) protection of endangered species under the Endangered Species Act of 1973, as amended (P.L. 93-205).

12. Will comply with the Wild and Scenic Rivers Act of 1968 (16 U.S.C. §§1271 et seq.) related to protecting components or potential components of the national wild and scenic rivers system.

13. Will assist the awarding agency in assuring compliance with Section 106 of the National Historic Preservation Act of 1966, as amended (16 U.S.C. §470), EO 11593 (identification and protection of historic properties), and the Archaeological and Historic Preservation Act of 1974 (16 U.S.C. §§469a-1 et seq.).

14. Will comply with P.L. 93-348 regarding the protection of human subjects involved in research, development, and related activities supported by this award of assistance.

15. Will comply with the Laboratory Animal Welfare Act of 1966 (P.L. 89-544, as amended, 7 U.S.C. §§2131 et seq.) pertaining to the care, handling, and treatment of warm blooded animals held for research, teaching, or other activities supported by this award of assistance.

16. Will comply with the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. §§4801 et seq.) which prohibits the use of lead-based paint in construction or rehabilitation of residence structures.

17. Will cause to be performed the required financial and compliance audits in accordance with the Single Audit Act Amendments of 1996 and OMB Circular No. A-133, "Audits of States, Local Governments, and Non-Profit Organizations."

18. Will comply with all applicable requirements of all other Federal laws, executive orders, regulations, and policies governing this program.

19. Will comply with the requirements of Section 106(g) of the Trafficking Victims Protection Act (TVPA) of 2000, as amended (22 U.S.C. 7104) which prohibits grant award recipients or a sub-recipient from (1) Engaging in severe forms of trafficking in persons during the period of time that the award is in effect (2) Procuring a commercial sex act during the period of time that the award is in effect or (3) Using forced labor in the performance of the award or subawards under the award.

SIGNATURE OF AUTHORIZED CERTIFYING OFFICIAL	TITLE
Kenneth Curtis	Project Manager
APPLICANT ORGANIZATION	DATE SUBMITTED
Dolores Water Conservancy District	06/24/2015

Standard Form 424B (Rev. 7-97) Back

This is a WaterSMART Application to prepare a drought contingency plan by the Dolores Water Conservancy District, Ute Mountain Ute Tribe Farm and Ranch Enterprise, and Montezuma Valley Irrigation Company.

Dolores Project Drought Contingency Plan

June 24, 2015

Bureau of Reclamation
Funding Opportunity Annoucement
#R15AS00047

Submitted By: Dolores Water Conservancy District

60 S. Cactus Street
PO Box 1150
Cortez, Colorado 81321

Project Manager: Steven C. Harris
954 E. 2nd Ave, Suite 202
Durango, Colorado 81301
(970) 259-5322
(970) 247-0587 Fax
steve@durangowater.com

Table of Contents

Executive Summary

Applicant:	Dolores Water Conservancy District 60 S. Cactus Street (P.O. Box 1150) Cortez, Colorado 81321
Project Title:	Dolores Project Drought Contingency Plan
Funding Stakeholders:	Dolores Water Conservancy District (planning lead) Montezuma Valley Irrigation Company Ute Mountain Ute Tribal Farm and Ranch Enterprise
Project Manager:	Steven C Harris, PE Harris Water Engineering, Inc. 954 E. 2nd Ave, Suite 202 Durango, Colorado 81301 (970) 259-5322 steve@durangowater.com
Grant Title:	Funding Opportunity Announcement No. R15AS00047 WaterSMART Drought Contingency Planning Grants for FY 2015
Project Financing:	Reclamation Share: $100,000 Funding Stakeholders Share: $100,000 Total Project Cost: $200,000
Project Timeline:	Submitted on June 24, 2015 Start date: September 14, 2015 with a 2 year time period

Technical Description: This application for a WaterSMART grant to prepare a Drought Contingency Plan (Plan) for Reclamation's Dolores Project (Project) is submitted by the Dolores Water Conservancy District who will be the contracting entity and the Ute Mountain Ute Tribe Farm and Ranch Enterprise (Tribal Farm) and the Montezuma Valley Irrigation Company (MVIC). The three entities will provide the matching cash and in-kind contribution for the grant. The Project experienced severe shortages in 2013 (25% supply) and as of May first in 2014 and 2015 were projecting shortage conditions but late spring rains provided sufficient water to achieve a full supply. The three funding entities represent the Project contracted water users that are most vulnerable to shortages due to drought. The Plan will allow a comprehensive formal evaluation of mitigation and response actions to reduce the water shortages and provide greater drought resiliency for the Project water users primarily the irrigators and fishery downstream of the Project. The water supplied to the Tribal Farm is from a Federal Reserved Water Rights settlement known as the Colorado Ute Indian Water Rights Settlement Act. There is also water released to provide fishery and environmental enhancement to the Dolores River downstream of the Project that has been proportionately impacted by the water shortages. DWCD is fully capable of conducting the Plan having just completed an update to the Project Water Management and Conservation Plan in December 2014, with extensive stakeholder involvement which provides an excellent foundation for the more in-depth work required to formulate a drought plan.

Dolores Project Background

The Dolores Project (Project) is a Bureau of Reclamation (Reclamation) multi-purpose project in southwest Colorado in Montezuma and Dolores Counties. The Project is operated by the Dolores Water Conservancy District (DWCD). The primary facility is the 381,000 acre-foot McPhee Dam and Reservoir (McPhee), with 229,000 acre-feet of active capacity, located on the Dolores River just downstream from the Town of Dolores, which was completed in 1986. Delivery canals and irrigation laterals were completed in 1999 when all Project waters users could receive their full allocations of water. In 1993 the DWCD and Reclamation initiated the process for transferring responsibility for the operation, maintenance and replacement (OM&R) of Project facilities, which was completed by 1998; DWCD provides OM&R for the Project.

The Project is a Federal project authorized by the Colorado River Basin Projects Act of September 30, 1968 (Public Law 90-537) as a participating project under the Colorado River Storage Project (CRSP) Act of April 11, 1956 (Public Law 84-487). The Project is unique in that irrigation and municipal and industrial (M&I) water is provided to the Ute Mountain Ute Tribe to satisfy the Tribe's federal reserved water rights claims in the Mancos River and Dolores River basins as part of the "Colorado Ute Indian Water Rights Settlement Act." The Project also includes an allocation of storage water to release for fishery purposes downstream of McPhee. Figure A is a map of the Project area.

The cost of the Project, including interest during construction, totaled $752.4 million. Reimbursable costs of the Project, totaling $426.5 million, are paid by a combination of CRSP power revenues, Project water users yearly assessments over 50 years, and property taxes from landowners within the DWCD boundaries. Non-reimbursable costs of the Project, which do not have to be repaid by the local community, include archeological mitigation, fish and wildlife mitigation, fishery enhancement in the Dolores River downstream of McPhee, recreation, salinity features, and facility relocations.

DWCD fulfills the OM&R responsibilities with 25 permanent employees including: (1) 1 general manager and 2 administrative staff working at the main District office in Cortez; (2) field staff of 1 O&M Superintendent, 3 Mechanics, 3 Electricians, 1 Fleet Mechanic, 1 Weed Supervisor, 1 Welder, 2 Field Technicians & 2 Equipment Operators; and (3) the Chief of Engineering & Construction, 1 Control Room Supervisor with 4 Operators and 2 Engineering Technicians. The Project utilizes fiber optic cables to monitor and control delivery facilities (e.g. pumps, check structures).

Flows in the Dolores River, both naturally and as regulated by McPhee, vary considerably within and between years. Peak flows result from spring snowmelt in the headwaters of the San Juan Mountains, usually occurring in May and averaging 2,000 cfs, but reaching 5,000 cfs in some years. The volume of spring runoff is similarly variable, ranging from about 60,000 to over 500,000 AF per year.

McPhee's active pool of approximately 229,000 AF has been fully allocated to specific water users through contracts with Reclamation to: (a) individual farmers with approximately 28,900 allocated acres of full service irrigation land northwest of McPhee delivered by the Dove Creek Canal: (2) 7,700 acres on the Ute Mountain Ute Reservation operated by the Ute Mountain Ute Tribe Farm and Ranch Enterprise (Tribal Farm) delivered through the Towaoc-Highline Canal; (3) Montezuma Valley Irrigation Company (MVIC) which receives a supplemental irrigation supply from the Project to supplement their historic Colorado water rights; (4) City of Cortez, the Town of Dove Creek, and the Tribal community of Towaoc

that receive M&I water; and (5) water to release from McPhee for downstream fish and wildlife purposes. During drought conditions all allocations except M&I water share *pro rata* in the shortage. Any water remaining in the Reservoir at the end of a water year on October 31st is carried over to the next year for re-allocation to all users; no users can carry over water from one year to the next.

DWCD estimates evaporation and seepage from Project facilities prior to allocating annual deliveries of available Project water supplies. The McPhee evaporation loss varies greatly with the elevation of the reservoir, from approximately 2,200 surface acres at elevation 6856 feet, the minimum elevation for irrigation diversions, up to approximately 4,500 surface acres at elevation 6924 feet, a full reservoir. Actual evaporative losses have varied from 7,500 AF to 11,500 AF.

DWCD maintains what is known as the "inflow/outflow" spreadsheet which keeps track of the water availability and water usage for each Project user versus their allocation on a daily basis during the irrigation season (April through October) and weekly during the non-irrigation season. The inflow/outflow spreadsheets are available from the middle 1990's to present and provide detailed data on historic water availability and usage which will be used extensively in evaluation of actions in the Plan. The inflow/outflow spreadsheet is distributed by email to Project water users and other interested persons four times a week.

With all water users fully drawing their allocations of water beginning in 2000, the Project has 16 years of good operational data of which 3 years have seen significant shortages beyond the Definite Plan Report pre-project estimates due to the continual drought in the upper Colorado River basin. Also, in 2014 and 2015, shortages were project based on the April first runoff forecast and shortage conditions were initiated but April and/or May precipitation was adequate to provide a full supply, but carry-over storage remains below average. Therefore in the last three years there was either an actual shortage (2013) or projected shortage as late as May first (2014 and 2015).

Appendix A includes the following seven tables. Below are descriptions of each table that: (1) provide the data showing the persistent drought from 2000 to 2015, 16 years; and (2) provide examples of the kind of water supply and water usage data that DWCD has compiled for the Project that will be used to develop the Plan.

Included in Appendix B is Figure A showing the Project area. Tables 1 through 7 are described below; showing the water availability and the water supply.

Table 1 – McPhee Maximum Active Capacities 2000 – 2014: The table shows that McPhee has only been full in 6 of the last 15 years and it will not fill in 2015.

Table 2 – Total McPhee Reservoir Inflow: The graph shows the total inflow to McPhee from 1986, the first year McPhee was operational, to 2014. Since 2000, there are only two years where the inflow was greater than the average. The average for the last 15 years is over 100,000 acre-feet less than the first 14 years of the Project's operation.

Table 3 – McPhee Ending Active Capacity and Spill: The capacity of McPhee at the end of the water year on October 31 and the amount of spill, if any, from 1986 to 2014 is shown. Active storage in McPhee is near empty in six of the 15 years shown (2015 not completed) creating below average carry-over for 8 of the last 15 years. Only two years with significant spills and four years with minimal spills.

Table 4 – Precipitation Great Cut: The DWCD operation office is located at Great Cut on the west edge of McPhee where a weather station is maintained. The precipitation data from that weather station is shown on this table. Since 2000, there is only three years of the 15 years shown where precipitation was above average.

Table 5 – HI Four Snow Pack: The combined inches of water for the four highest SNOTEL gages on May 1st in the Dolores River basin are shown on the graph. May first suitably indicates the amount of runoff that will occur into McPhee. As in the other graphs, the low amount of snow can be seen since 2000, with three years with no snow left on May first, well below the longer term average.

Table 6 – Percentage of Full Allocation Available: Tables 1 through 5 show data on the water supply and storage available since 2000. Table 6 shows the resulting supply to the non-Indian irrigators, the Tribal Farm, and the fishery release as a percentage of full supply. The table shows that there were actual shortages in three of the 15 years. The table doesn't show years that shortages were predicted on May first but wet late springs provided just enough water to provide a full supply (2004, 2014, and 2015).

Table 7 – Full Service Farmers' Crop Types and Acreages: The acreage of each crop type grown under Full Service Area is shown for the 300 Project deliveries. A breakdown for approximately the other 40,000 acres served is not readily available.

The data in the tables show that the Project has been in drought since 2000 with especially dry periods in 2002 to 2004 and 2013 to present. The WaterSMART grant funding provides an opportunity for the Project water users to take a broad look at how better to mitigate and respond to persistent drought and associated shortage conditions. DWCD will be the lead contracting entity for the grant to prepare a Drought Contingency Plan (Plan) with the Tribal Farm and MVIC providing funding, in-kind services, and oversight.

The Plan will utilize information from and build upon previous studies that include:

- "Water Management and Conservation Plan" prepared by DWCD in 2014
- "Reconnaissance Study to Evaluate Potential Water Needs and Supplies" prepared by DWCD and the Ute Mountain Ute Tribe, January of 2012
- "Hydropower Feasibility Study of Potential Sites within the Dolores Project Water Delivery System" by DWCD, December of 2010
- "WETPACK Feasibility Report" by DWCD, October of 2002
- "WETPACK Reconnaissance Study" by DWCD, 1999
- "Dolores Project Definite Plan Report and Appendices" prepared by and for Bureau of Reclamation, April of 1977
- Records from the three participating partners, MVIC, Tribal Farm and DWCD, on their system annual operations
- In 2015 DWCD Board held a workshop to discuss and address ongoing water supply challenges that set the stage for DWCD to pursue a drought plan with partners pursuant to this application. DWCD staff created the attached graphic titled "DWCD Managing for Drought Resilience Interrelated Strategic Components" located in Appendix B. This graphic depicts how water availability, finances, and infrastructure/capital are all interconnected within the Project.

The Plan will be developed jointly with the Funding Stakeholders and numerous non-funding stakeholders. DWCD represents the full service non-Indian irrigators and the fishery releases downstream of McPhee. The Tribal Farm represents the Ute Mountain Ute Tribe's irrigation interests. MVIC represents the largest irrigation water user within the Project area when including non-Project and Project water deliveries. The three Funding Stakeholders represent most of the water deliveries from the Project. There will be non-funding stakeholders such as: Colorado Water Conservation Board, Colorado Parks and Wildlife, Bureau of Land Management, US Forest Service, cities, towns, County Governments, environmental organizations, interested individuals, etc.

Technical Project Description

The following three sections describe the technical proposal to develop the Plan. The sections address the six drought planning elements, the three planning steps, and the evaluation criteria.

Six Elements Required for a Drought Contingency Plan

The following describes how the six required elements of a Plan will be evaluated and addressed

1. Drought Monitoring

"The Plan must establish a process for monitoring near and long-term water availability, and a framework for predicting the probability of future droughts or confirming an existing drought."

A significant amount of water supply and drought related data is available from DWCD particularly the inflow/outflow spreadsheet which tabulates Project water supply and usage on a daily basis (e.g. refer to Tables 1 through 7). DWCD also monitors low elevation snowpack, between about 7,500 and 9,000 feet, which are manually checked monthly during the winter to supplement the daily NRCS SNOTEL data for high elevation snow pack.

DWCD also utilizes water supply and drought monitoring by other agencies such as: the Bureau of Reclamation; NRCS SNOTEL stations during the winter; the NOAA Colorado River Basin Forecast Center; the Colorado Water Conservation Board (CWCB); Colorado Division of Water Resources; US Geological Service; and other agencies. These agencies provide information for the Colorado River Basin and the State of Colorado which may be useful in predicting the beginning and length of past and current droughts. The drought data from these agencies that is appropriate for the Project area will be assembled, reviewed, and incorporated. DWCD staff monitors information from these agencies on a daily basis during the winter to track the likelihood of drought conditions.

Baseline data will be inventoried and assembled such as: stream flow, water diversions, reservoir contents, climate (e.g. temperature, precipitation, and evaporation), crop consumptive use, irrigated land, crop yield. The sources of the data will include:

- Reclamation Reservoir Operating Plan for McPhee three times a year which include projections of full supply or partial supply due to drought.
- Colorado Decision Support System (CDSS),
- DWCD Data (e.g. Inflow/Outflow Spreadsheets, flow measurements, weather station, low elevation snow pack, etc.),
- Colorado Division of Water Resources,
- US Geological Service stream gages,

- Climate data from weather stations kept by DWCD, CSU Experimental Station, NOAA,
- Tribal Farm,
- NRCS SNOTEL Stations,
- NIDIS Drought Monitor Index,
- Irrigated land for Dolores and McElmo Basins from CDSS, DWCD, MVIC, Reclamation, and USDA.

The current drought monitoring process by DWCD, Reclamation, and other agencies will be reviewed and evaluated for improvement to more specifically provide drought indicators and severity indexes used to trigger response and mitigation actions identified in the Plan at appropriate times within the water year. The majority of the above evaluations are typically conducted on an annual or monthly basis; in addition to short term evaluations, long term evaluations of the relative water data will be conducted. This includes long term monitoring of the data to potentially recognize drought cycles, drought recovery cycles, and development of drought indicators as they pertain to long term cycles.

2. Vulnerability Assessment

"The Plan must include a vulnerability assessment evaluating the risks and impacts of drought."

The assets and resources in the Project area will be catalogued including: agricultural lands, fishery and environmental assets downstream of McPhee, boating on and downstream of McPhee, municipal and industrial (M&I) users, Ute Mountain Ute Tribe Federal Trust Assets (agricultural lands and M&I), and secondary assets that depend upon agricultural production (e.g. seed, fertilizer, implement dealers).

The effect of drought on the above assets and resources will be qualitatively and quantitatively described utilizing the experiences of the Project water users during the three shortage and the last near shortage years since 2002. The drought impacts can be quantified using actual full supply versus shortage data for water supply, crop yield, employment, farm income, regional income, and other metrics. The assessment will be based on actual information collected to describe the impacts of the past drought and extrapolate those impacts into the future. The most current modeling of climate change for the Project area will be reviewed to estimate potential climate change impacts that could exacerbate historic drought conditions.

A sample of the Project's critical resources that have experienced negative impacts from water shortages from drought include:

- DWCD income is primarily sale of water to the full service irrigators. During drought there is less water to sell so the income to DWCD is reduced. DWCD has experienced budget deficits of $500,000 to $1 million in 2002, 2003 and 2013 which required use of reserves that had been designated for other purposes.
- The full service irrigators have less yield which reduces the income to them and ripples through the local economy.
- The Tribal Farm raises less crops which results in less income and less seasonal employment on the Ute Mountain Ute Reservation.
- Shortages in MVIC's Groundhog and Narraguinnep Reservoirs impacts MVIC's deliveries and negatively impacts recreational opportunities along with some local economic impacts.
- Low McPhee water level elevations increase pumping costs to both MVIC and DWCD, while also diminishing local recreation and it's supported economic activities.

- The reduction in fishery release causes greater stress on the trout fishery near McPhee and the sensitive native fishery lower in the Dolores River. The Native Fish Monitoring and Recommendation Team has developed significant data on the fishery that will be utilized to further assess this critical resource.

The underlying reasons for the vulnerability of the critical resources will be evaluated to determine factors that drive the vulnerability. These factors, along with future conditions (including effects of climate change), will be used to develop mitigation and response actions described in the following sections.

3. Mitigation Actions

"The Plan must identify, evaluate, and prioritize mitigation actions and activities that will build long-term resiliency to drought and that will mitigate the risks posed by drought."

The heart of the Plan will be to evaluate numerous aspects of the Project and the water supplies available in the Dolores River and McElmo Creek basins to determine if there are structural and/or non-structural actions that can be implemented prior to a drought to better utilize the available water supply and/or make the water users more resilient to drought. The evaluations will include a detailed review of all aspects of the current operations that will include modeling as described below to result in a suite of "Mitigation Actions" that will be described and prioritized for implementation. The work in this section will also provide information to be used in development of "Response Actions."

MODELING TO ASSESS MITIGATION ACTIONS

The development of the Plan will utilize modeling to assess the existing and future drought scenarios and test actions that may mitigate the effects of drought. StateMod, which is a modeling tool developed by the CWCB to assist in evaluation of stream basin water supplies and usage, will be used or a similar model. For example, StateMod has already been generally developed for the Dolores River and McElmo Creek basins, including the Project, but modifications may be necessary to directly evaluate the specifics required for the Plan. The modeling will consider structural and non-structural improvements to current operations.

The modeling will address:

- Legal and institutional constraints from contracts, agreements, court settlements, water rights, Colorado water law, Reclamation Law, etc.
- Historic and potential improved operation of the existing Totten, Groundhog and Narraguinnep Reservoirs.
- The amount of inflow to McPhee Reservoir from the Dolores River, Lost Canyon, and ungaged tributaries.
- Determination of MVIC supplies according to Exhibit A from the recent court settlement.
- The operation and distribution of water that flows through or is stored in McPhee to the various users and purposes including excess water used for downstream boating.
- The historic consumptive uses by category (e.g. irrigation, M&I, conveyance losses, induced wetlands/vegetation, etc.) in the Dolores and McElmo basins.
- The 30,000 acre-feet per year that flows out of the McElmo Basin that is essentially all from Dolores River diversions. The modeling will attempt to develop a water balance of diversions from Dolores River into McElmo basin versus consumptive uses and outflow from McElmo Creek at the Colorado Stateline.

- The overall efficiency of water delivered versus consumption. Also estimate efficiency of sub-areas such as: Dolores basin, McElmo basin, MVIC, lower McElmo lands, and Tribal Farm.
- The modeled water supplies will be adjusted under various scenarios to account for potential climate change.

EFFICIENCY EVALUATIONS

Models, inflow/outflow spreadsheets, existing Reclamation reservoir operation plans, and other tools will be used to assess the efficiency of the current operations and existing facilities. These evaluations will assist in determining if there are modifications to management and facilities that can be made to mitigate drought such as:

- The operation of the existing reservoirs (McPhee, Groundhog, Narraguinnep, Totten) being used to the full capability.
- Evaluate if there is capacity in existing reservoirs that can be filled in wet years then "saved" for release in drought years.
- Evaluate delivery facilities (e.g. canals, pipe laterals, on-farm sprinklers, etc.) to determine if water is being used as effectively and efficiently as possible.
- Approximately 30,000 AF per year flows out of Colorado from McElmo Creek that has been diverted from the Dolores River through McPhee. Evaluations will be made on whether some of this water might be used within the Project.
- Determine the effectiveness of expansion of existing facilities or construction of new facilities to improve the efficiency and water supply during drought conditions.

The assessments, evaluations and studies will result in a suite of "Mitigation Actions" that will be described including the cost and schedule for implementation. The Drought Planning Task Force (see subsection "Required Drought Planning Steps" for further detail) will determine priorities of the "Mitigation Actions" based upon agreed evaluation criteria (e.g. costs, timeline, impacts).

4. Response Actions

"*The Plan must identify, evaluate, and prioritize response actions and activities that can be implemented during a drought to mitigate the impacts. Response actions are different than mitigation measures in that they are triggered during specific stages of drought to manage the limited supply and decrease the severity of immediate impacts."*

The "Response Actions" will largely be identified and developed using the evaluations described under the "Mitigation Actions" section. The "Response Actions" will be triggered when the water supply projections in the spring, March to May indicate there may not be sufficient water for a full supply to Project users. Shortages have occurred in three years since 2000. In the last three years (2013, 2014, and 2015) the May first projections indicates shortages however only in 2013 did shortages actually occur. The first action in the past has been to notify Project users that there may not be a full supply so that they can take appropriate actions to their operations. Evaluations conducted as part of the Plan will look in much greater detail at the past actions using modeling and a thorough review to "tease out" additional actions that could be made by DWCD and the individual users to better utilize the available water.

The types of evaluations that will be conducted include but not restricted to:

- Is water delivered in the most efficient pattern during a drought to minimize losses?
- Are there crops that can be grown during a drought that use less water but and be marketed?

- Potential ways to address multi-year crops like alfalfa that is not conducive to crop pattern changes during a drought.
- Are the on-farm sprinkler systems as efficient as possible and if not what can be done to improve them? Possibly comparisons of consumptive use vs deliveries.
- Can water be transferred between Project users in order to use water for the "highest and best" use? How is the highest and best use determined?
- Even though M&I users will have a full supply, can conservation measures be implemented to reduce their usage.

The assessments, evaluations and studies will result in a suite of "Response Actions" that will be described including the action to be taken, triggers for implementation, benefits of specific action, and the process for implementation (more fully described in the following section). The Drought Planning Task Force (see subsection "Required Drought Planning Steps" for further detail) will determine priorities of the "Response Actions" based upon agreed evaluation criteria (e.g. triggers, benefits, impacts).

5. Operational and Administrative Framework

"An operational and administrative framework must be developed to identify who is responsible for undertaking the actions necessary to implement each element of the Plan, including communicating with the public about those actions."

The Operational and Administrative Framework will be prepared as outlined in the WaterSMART Drought Contingency Planning Grant FOA, specifically organized using a matrix addressing each of the following items.

CONTENT OF THE ADMINISTRATIVE AND OPERATIONAL FRAMEWORK

The operational and administrative framework to implement the Plan will be led by DWCD who, as explained in the introduction, is responsible for the Project operations and the delivery of water to the users. DWCD already has an administrative framework established with the various water users that have bas developed. The current framework involves coordination on nearly a daily basis beginning in early February as projections of the yearly water supply are being made. The daily coordination continues during the irrigation season and other critical times. The existing framework will be evaluated to assess how improvements can be made to more effectively monitor drought conditions, implement "Mitigation Actions", and implement "Response Actions" when a drought occurs or is predicted to occur.

DWCD drought responsibilities will include:

- Drought monitoring and notification to direct Project water users (e.g. funding stakeholders)
- Drought notification to general public and second level stakeholders (e.g. non-funding stakeholders)
- Notification of the potential and amount of water shortage due to drought
- Implementation of drought response actions described in the Plan with MVIC and Tribal Farm
- Implementation of mitigation actions described in the Plan
- Initiate securing resources to assist during drought other than DWCD resources
- Request for State and/or National Disaster Declaration
- Following the drought, review the Plan to assess if updates are needed.

ROLES

The Plan will identify the roles of DWCD relative to Project water users (e.g. Tribal Farm and MVIC), other stakeholders, the public, and public officials (local, State, Federal). The roles may be outlined using a flow chart or some other visual method to quickly show who is doing what to respond to a drought.

PROCEDURES

The Plan will describe procedures that may be available to DWCD, MVIC, Tribal Farm, and others to implement drought actions and contingency plans.

RESOURCES

The Plan will include an inventory of resources available from entities other than DWCD which may be useful in responding to a drought.

6. Plan Update Process

"The Plan must describe a process and schedule for monitoring, evaluating, and updating the Plan."

The Plan is not a static document that will apply indefinitely into the future but will require periodic updating as the actions are implemented and/or new data is collected. The following are specific items to be addressed in the Plan.

PLAN EVALUATION PROCESS

The National Drought Mitigation Center 10 step drought planning process will provide a guide for how the Plan evaluation will be conducted to test the Plan effectiveness. The evaluations will address climatic and environmental aspects, how pre-drought planning was useful, and weaknesses or problems with the Plan.

MEASURING EFFECTIVENES OF THE PLAN

The Plan will include a set of criteria to attempt to measure the effectiveness of the Plan after it is implemented. The criteria will be developed to address crucial drought aspects that the Plan was meant to partially or fully resolve and will include a review and evaluation after any shortage of 25% or greater.

TIMING OF PLAN UPDATES

A process and schedule for updating the Plan will be presented that attempts to effectively respond to problems with the Plan that need to be addressed yet not be a bureaucratic step that is implemented whether needed or not. Triggers for re-evaluation might be any or a combination of: simulated drought testing; after a drought; periodically at least every 5 years; or new information from climate change studies is developed.

Required Drought Planning Steps

The WaterSMART grant application requires that the following "Planning Steps" be finalized before development of the Plan can begin. This section describes how those steps will be followed during preparation of the Plan. To reiterate the three Funding Stakeholders represent all of the water users that have contracted water allocations from the Project and are susceptible to water shortages during drought. The M&I water users have contracts but do share in water shortages during a drought.

Establishment of a Drought Planning Task Force

DWCD will be the planning lead and establish a two level planning task force. The top level will be the three Funding Stakeholders (DWCD, Tribal Farm, MVIC) and a Reclamation representative(s), since this is a Reclamation Project, to act as an "Executive Committee". The second level will be stakeholders from

a diverse group of any and all agencies, entities, individuals and organizations interested in the Plan. The stakeholders that may be interested are listed under Evaluation Criteria B" subsection.

Under the leadership of the planning lead, DWCD, the Funding Stakeholders will oversee the overall direction to develop the Plan and organize the involvement of the stakeholders. Stakeholder input will be sought continuously throughout the process, sometimes from the entire group and sometimes from subsets of the group for specific issues. As the Project is complex and multi-purpose with many, often competing interests, the stakeholder involvement must be well organized and kept on point to develop a Plan. Due to the continuing water shortages and the fact that the Project is highly efficient with no extra available water, even when no drought is occurring nearly all Project water users have just the amount of water they need and will be interested in improving the supplies for their particular purpose. The stakeholder process will be conducted to attempt to balance the various interests in development of the Plan and the Plan's actions.

Development of a Detailed Work Plan

Once the contract between DWCD and Reclamation is completed, the first task will be development of a detailed work plan. DWCD will take the lead, with close coordination with the Funding Stakeholders and Reclamation (aka "Executive Committee"). The initial version of the work plan will describe the entire process from beginning to completion of the Plan with flexibility to be modified to address unforeseen circumstances as the process unfolds. Once the stakeholders are organized, there is likely to be input that will cause the work plan to be modified to balance any additional interests not initially addressed.

The work plan will include the sections described in the FOA: introduction, planning approach, documentation and reporting, schedules, and communication and outreach plan. The work plan will have identified tasks and subtasks to address each of the sections. Each task and subtask will have an estimated completion time and be linked to the other tasks to form a schedule of tasks to be completed within 2 years. Scheduling software (such as Microsoft PROJECT) is likely to be used to manage the work plan. Major tasks are described later in this application under "Evaluation Criteria C – Project Implementation."

The work plan schedule will include the requirement for the draft Plan to be submitted to Reclamation for review and approval at least 30 days prior to the end of the 2 year period. Reclamation will be continually involved in the Plan because of the Project being a Reclamation Project and some actions may require involvement of Reclamation to implement. The schedule will include time for Reclamation to review a final draft and incorporation of any comments. The Planning Task Force (aka "Executive Committee") will review the final draft and provide the ultimate approval of the Plan for implementation.

Development of a Communication and Outreach Plan

As required by the WaterSMART grant, the detailed work plan will include a communication and outreach plan for the stakeholders and the public. Participation will occur on specific topics and the overall Plan through various forms including public meetings, newsletters, forums, conference calls, webinars, etc. The involvement will utilize appropriate technology to best involve the maximum number of stakeholders. As stated other places in this application, involvement will not always include all stakeholders but may have specific topics that only interest a subset of all of the stakeholders.

Evaluation Criteria

Evaluation Criterion A – Need for a Drought Contingency Plan or Plan Update (40 points)

Describe existing or potential drought conditions to be addressed in the Drought Contingency Plan.

- *Will the proposed Plan or Plan update address a geographic area that is currently suffering from drought or which has recently suffered from drought?*

Yes. As shown on Tables 1 through 7, the Project has suffered water shortages in 2002, 2003 and 2013 and projected May first shortages in 2014 and 2015. For instance, on May first of 2015 the Project was anticipating a 40% supply based on runoff conditions at that time and DWCD announced that shortage conditions would exist for water users. Luckily, there was exceptional precipitation in May and June of 2015 which resulted in a full supply but the increased supply came too late for some irrigators, especially the Tribal Farm, to adjust their cropping plans to utilize the available water resulting in reduced crop production loss of income.

- *Please describe existing or recent drought conditions, including when and the period of time that the area has experienced drought conditions (please provide supporting documentation, [e.g., Drought Monitor, http://droughtmonitor.unl.edu/]).*

Montezuma and Dolores counties in which the Project is located, had a "Secretarial Disaster Designation – 2014 Crop Year." The June 9, 2015 drought monitor shows the Project area to be "abnormally dry." The description under the "Six Elements Required for a Drought Contingency Plan" subsection and Appendix A Table 6 show that 3 years since 2002 Project water users have had shortages due to drought.

- *Describe any projected increases to the frequency, severity, or duration of drought in the geographic area resulting from climate change. Please provide support for this response (e.g., reference a recent climate change analysis, if available).*

The December 10, 2014 draft of the Colorado Water Plan Table 4-3 on page 60 (attached as Table 4-3 and 4-4 in Appendix A) shows potential impacts of climate change based on work conducted by CWCB and Reclamation. Table 4-3 states most projections of climate change indicate hotter and drier conditions with less water runoff and greater crop water demand which will result in more frequent and more severe droughts.

Also in the draft Colorado Water Plan in Table 4-4 is an estimate of the reduced flow in certain rivers in Colorado including the Dolores River at Bedrock gage (downstream of McPhee). The average annual flow is estimated to be reduced from 277,000 acre-feet per year to 264,000 acre-feet.

Describe the severity of the risks to water supplies that will be addressed in the Drought Contingency Plan.

- *What are the risks to water supplies within the applicable geographic area that will be addressed in the Plan or Plan update, and how severe are those risks?*

As described under the "Six Elements Required for a Drought Contingency Plan" section above, the Plan will address risks to Project water users that includes: the Tribal Farm irrigated land from a settlement of

a federal reserved water right; non-Indian irrigators; and fishery releases downstream of McPhee; and to a lesser extent the M&I Project users. Since 2002, the risks to the Project water users has shown to be real and severe. In 2002 and 2013 the irrigation and fishery supply was 25% of a full supply with associated reductions in crop income and significant stress to the native and non-native fishery downstream of McPhee.

- *Describe the existing or potential drought risks to specific sectors in the project area (e.g., impacts to agriculture, environment, hydropower, recreation and tourism, forestry).*

The most significant risk to the irrigators is the reduced crop production and associated income to the irrigators and the secondary income throughout the community. The risk is exacerbated on the Ute Mountain Ute Reservation where reduced income to the Tribal Farm means less Tribal employment. The risk to the fishery is significant to the native sensitive species (bluehead sucker, flannelmouth sucker, and roundtail chub) downstream in the Dolores River canyon and the non-native trout population immediately downstream of McPhee. The Project includes two hydro power plants that produce power for use in the Western Area Power Administration system. By producing less renewable power, the Western Area Power Administration system may need to supplement power production with non-renewable sources. McPhee itself is a source of recreation as well as the Dolores River downstream of the dam. These recreational options are diminished during a drought or discourage tourists from visiting a drought impacted area.

- *Whether there are public health concerns or social concerns associated with existing or potential drought conditions.*

  Significant risks to the public are economic impacts. The decline of income for irrigators reverberates throughout the community based on their purchasing habits. This decline in turn affects other members of the community who rely on the irrigators spending for their own income. Public health concerns are less significant due to M&I water not sharing in shortages, but could arise from lower, warmer flows. Dove Creek particularly faces higher costs and reduced deliveries from the Project because of the length of the delivery facilities.

- *Whether there are environmental concerns, such as existing or potential impacts to endangered, threatened or candidate species.*

The reduced water supply for release to the fishery downstream of McPhee affects sensitive species in the lower Dolores River canyon as listed above. The Native Fish Monitoring and Recommendation Team is an ongoing effort of numerous stakeholders (including Funding and non-funding stakeholders involved in this Plan) in the Dolores River downstream of McPhee to protect and improve the sensitive species. Detailed information is available on the following website (http://ocs.fortlewis.edu/drd/). The reduced water supply from drought has a major impact upon the ability of participating entities to protect and improve the sensitive species.

- *Whether there are ongoing or potential, local, economic losses associated with drought conditions (e.g., business, agriculture, reduced real estate values).*

The water shortages to Project water users due to drought has resulted in reduced crop production and reduced income to irrigators and the local economy. The Plan will quantify these economic losses to the extent possible. The loss of income and employment at the Tribal Farm will be documented using data

from the farm. The loss of tourism and recreation are another source of economic losses for the community.

- *Whether there are other drought-related risks not identified above, including tensions over water that could result in a water-related crisis or conflict, or risks to tribes, for example.*

The water shortages in 2002 and 2003 caused significant tension between Project water users. For example, MVIC sued DWCD and Reclamation in Federal Court in June of 2009 over breach of contract for water deliveries. The Ute Mountain Ute Tribe also became a party to the action. The suit was eventually settled through negotiations and a water allocation formula referred to as "Exhibit A" which determines the amount of water MVIC is to receive under the Project contracts. In order to not have tensions increase to the point of a lawsuit again, all of the parties have taken steps to cooperate more effectively. The lack of conflict during the shortages in 2013 showed that the parties have learned to work cooperatively. Also, this grant application shows the improved cooperation with the Funding Stakeholders agreeing to jointly develop the Plan.

Describe the status of any existing Drought Contingency Plan.

- *Please explain generally why the applicant is seeking to conduct a drought contingency Plan or Plan update.*

The Project has had three years of actual water shortage since 2002 and two more years of projected shorted that was saved by unusually late spring precipitation. There seems to be a long lasting weather pattern that has resulted in sustained drought in the Colorado River basin and specifically the Dolores River basin. The Project has implemented drought actions "on the fly" since 2002 but has not developed a comprehensive plan to address drought that appears to be continuing indefinitely. The funding from this WaterSMART application will allow the primary Project water users (Reclamation, DWCD, Tribal Farm, and MVIC) who represent all of the water users susceptible to drought caused water shortages to cooperatively evaluate actions to mitigate and respond to future droughts. Given the weather pattern over the past 16 years, the next drought and shortage year could be next year. The M&I water users will be involved in the Plan development but the Project contracts provide them with a full supply even if other water users are in shortage, so these users are not susceptible to drought as are the irrigators and fishery.

- *If a drought contingency Plan already exists for the relevant geographic area, please explain why a new Plan or Plan update is needed.*

There is not an existing Plan, but early in 2015 DWCD Board held a workshop to discuss and address ongoing water supply challenges that set the stage for DWCD to pursue a drought plan with partners pursuant to this application. DWCD staff created the attached graphic titled "DWCD Managing for Drought Resilience Interrelated Strategic Components" located in Appendix B. This graphic depicts how water availability, finances, and infrastructure/capital are all interconnected within the Project.

- *If no applicable drought Plan exists, please explain why no drought contingency Plan has been developed to date.*

A comprehensive, formal drought plan has not been developed for several reasons:

1) Lack of funding - The Funding Stakeholders do not have the funds to conduct a $200,000 study, especially when continually recovering from reduced income from water shortages.

2) The Project is new – The Project is fairly new with all of the water users only being fully on line in 2000. No sooner had all users been using water than the two drought years occurred in 2002 and 2003 during which the DWCD lost approximately $1 million in revenue. The drought conditions continued and water users did not have time or resources to "step back" and take a comprehensive overall look to attempt to alleviate drought. The Project water users now realize drought caused water shortages may continue to occur and would like to be in a position to better handle drought. The water users are now better able to take a comprehensive formal look at how to alleviate some of the impacts of drought.
3) Drought caused law suit – About the time the water users recovered from the 2002 and 2003 water shortages, the law suit described above was filed which required several years of time and resources.
4) Now is the time – The WaterSMART funding opportunity has arisen at exactly the right time for the Project water users. They have experience with continued drought and are not in a continual "panic". The Funding Stakeholders have enough funds and in-kind staff to provide the match for the grant but not enough to fund the entire Plan. The Plan will not be developed without the grant funding. The stakeholders are cooperating better than at any time since 2002 and can conduct the Plan in an effective and efficient manner.

Evaluation Criterion B – Diversity of Stakeholders (35 points)

Describe the diversity of stakeholders to be involved in the planning process.

- *Please address the following: Identify stakeholders in the Planning area who have committed to be involved in the Planning process and describe their commitment. Do these stakeholders represent diverse interests (e.g., agricultural, municipal, environmental, tribal)? Support could include letters from stakeholders committing to be involved in the Planning process.*

DWCD will lead the development of the Plan and be the contracting entity with Reclamation for the WaterSMART funds. DWCD is very familiar with Reclamation funding guidelines having just finished an update to their water management and conservation plan in 2014. DWCD is the representative for the non-Indian irrigators and along with Reclamation are the official representatives for the fishery downstream of McPhee. The Tribal Farm is responsible for the 7,700 acre farm. The Montezuma Valley Irrigation Company (MVIC) receives supplemental water from the Project to firm up their non-project water supply. The DWCD, Tribal Farm, and MVIC represent the only Project water users who are susceptible to drought and those three stakeholders will provide cash and in-kind services as match to the WaterSMART grant.

The individual non-Indian farmers that DWCD represents will also be considered stakeholders in the development of the Plan. DWCD presently conducts a series of meetings and mailings to keep the farmers informed and provide opportunity to comment. These existing communication channels will be utilized during the development of the Plan to involve individual farmers.

DWCD, MVIC, and the Tribal Farm also participate in the Native Fish Monitoring and Recommendation Team to address fishery and environmental issues downstream of McPhee. The entities involved in the Dolores River Dialogue may also be stakeholders in development of the Plan and include but are not limited to:

- American Whitewater,
- Tres Rios Field Office (BLM),
- Colorado Division of Water Resources,
- Colorado Division of Natural Resources,
- Colorado Parks and Wildlife,
- Colorado Water Conservation Board,
- Dolores County,
- Dolores Public Lands (USFS),
- Dolores River Boating Advocates,
- Montezuma County,
- San Juan Basin Farm Bureau,
- San Juan Citizens Alliance,
- San Miguel County,
- Southwestern Colorado Livestock Association,
- The Nature Conservancy,
- Trout Unlimited,
- US Fish and Wildlife Service, and
- Public-At-Large.

The M&I water users will be stakeholders which include the City of Cortez, Town or Dove Creek, the Ute Mountain Ute Tribe's Town of Towaoc, and individuals that utilize water for lawn and gardens. These users do not have shortages in drought but are assumed to be interested in development of the Plan.

When there is excess inflow available that cannot be stored in McPhee it will be released downstream as a managed release (aka spill). DWCD attempts to provide notification of the spills so that boaters can schedule multi-day float trips through the Dolores River canyon. The ongoing drought has precluded the opportunity for boating since 2011. Though the boaters are not Project water users, they will be included as stakeholders since boating releases can only occur when the combination of carry-over storage and inflow to McPhee require the managed release of excess water.

- *Describe stakeholders in the Planning area who have expressed their support for the Planning process, whether or not they have committed to participate. Support can include letters of support from stakeholders expressing support for the Planning process.*

The funding stakeholders, Tribal Farm and MVIC, have included letters of support and funding commitments.

- *If specific stakeholders have not yet been identified, or if some sectors are not yet represented, describe what efforts that you will undertake to ensure participation by a diverse array of stakeholders in the development of a Plan or Plan update. Support could include a description of key stakeholder interests in the Planning area and what efforts that you will undertake engage them in the Planning process, including outreach to stakeholders or collaborating with other groups or partners.*

The schedule for submitting the WaterSMART grant did not allow contact and commitment with all the potential stakeholders listed above. It is assumed that since the development of the Plan may provide

additional water to the fishery downstream of McPhee, the 20 plus Dolores River Dialogue participants may want to be involved in the process. The same applies to the individual irrigators and boaters.

Evaluation Criterion C – Project Implementation (20 points)

Describe the approach for addressing the six required elements of a Drought Contingency Plan within the two year timeframe. Please address the following:

- *Describe how each of the six required elements of a Drought Contingency Plan, as applicable, will be addressed within the two year timeframe.*

The six elements are specifically addressed in detail above in the section "Six Elements Required for a Drought Contingency Plan" within the "Technical Project Description" subsection.

- *Please include an estimated project schedule that shows the stages and duration of the proposed work, including major tasks, milestones, and dates.*

Also refer to the section "Development of a Detailed Work Plan" in the "Required Drought Contingency Planning Steps" section. The major tasks, milestones and dates are described below.

1) Contract between DWCD and Reclamation – Complete the contract and necessary requirements (e.g. "Planning Steps") which will initiate the 2 years to conduct the Plan (referred to as "Beginning"). The "Beginning" will start based on the date the grant is awarded, the estimated start date would be September 14, 2015.
    a. Develop Detailed Work Plan - Once the contract is completed the first task is to develop the work plan using tasks and subtasks that will be used to guide the Plan over the two year development schedule. As stated above, it is likely that project planning software (e.g. Microsoft PROJECT) will be used to organize the tasks and subtasks. Completed within 4 weeks of Beginning.

2) Identify and Involve Stakeholders – The Funding Stakeholders are included in the application. This task will be to identify additional stakeholders and describe the opportunity for them to be involved in the Plan. As there are numerous potential stakeholders, there are expected to be subtasks under this major task to address the various levels of involvement that are likely to be requested by stakeholders. The identification and initial involvement of stakeholders will be completed within 6 weeks of the Beginning with continual involvement regularly throughout development of the Plan.

3) Inventory and Assemble Existing Data – The types and locations of data that will be assembled are listed in the "Drought Monitoring" subsection of the "Six Elements Required for a Drought Contingency Plan" section. Completed within 12 weeks after the Beginning.

4) Conduct Vulnerability Assessment - The types of evaluations and the tools used in those evaluations are described in the "Vulnerability Assessment" subsection of the "Required Drought Plan Elements" section. Completed within 26 weeks of the Beginning.

5) Evaluate the Existing Operations and Water Supplies – The types of evaluations and tools to be used are described in the "Mitigation Actions" and "Response Actions" subsections of the "Six

Elements Required for a Drought Contingency Plan" section. Initially completed within 40 weeks of the Beginning. However, these evaluations will continue to develop as "Mitigation Actions" and "Response Actions" are fleshed out.

6) Identify Potential "Mitigation Actions" – These actions will be listed and described under this task based on work conducted in Task 5. Under this task will be subtasks to prepare cost estimates, schedules, implementation requirements, permitting, environmental compliance, responsible parties, stakeholder involvement and prioritization of actions. As these actions are to be implemented prior to a drought, there may be structural actions as well as non-structural which will require long lead times and increased funding. Completed within 60 weeks of Beginning.

7) Identify Potential "Response Actions" - These actions will be listed and described under this task based on work conducted in Task 5. Under this major task will be subtasks to prepare cost estimates, schedules, implementation requirements, responsible parties, challenges to implementation, stakeholder involvement and prioritization of actions. As these actions are to be implemented during a drought these are most likely to be non-structural actions that can be implemented immediately with little or no permitting or environmental issues. Completed within 60 weeks of Beginning.

8) Prepare a Draft Report of the Vulnerabilities and Actions – After the above tasks are completed a draft interim report will be prepared documenting and describing the work that was conducted in Tasks 2 through 7 as a mid-study milestone so that stakeholders can assess and comment on how the Plan is being developed and the content. Subtasks will be stakeholder involvement, addressing comments and concerns, and preparation of the final draft report. Completed within 80 weeks of Beginning.

9) Develop Operational and Administrative Framework – Once the draft report is completed, the operational and administrative framework to implement the Plan will be developed. Completed within 90 weeks of Beginning.

10) Describe Plan Update Process – The process to be conducted and trigger(s) to initiate an update to the Plan will be described. Completed within 90 weeks of Beginning

11) Draft Final Plan Report – A draft final report will be prepared for the 30 day review simultaneously by Reclamation and by the stakeholders. Completed within 96 weeks of Beginning.

12) Finalize the Plan Report – The last task will be to finalize the Plan report obtain approvals by Funding Stakeholders and submit to Reclamation. Completed within 104 weeks of Beginning.

- *Describe the availability and quality of existing data and models applicable to the proposed Plan or Plan update.*

Refer to the types of evaluations and the tools described in the "Mitigation Actions and Response Actions" subsections of the "Six Elements Required for Drought Contingency Plan" section.

- *Identify staff with appropriate technical expertise and describe their qualifications. Describe any Plans to request additional technical assistance from Reclamation, or by contract.*

Development of the Plan will be conducted by staff of the Funding Stakeholders who will provide the in-kind and cash match for the grant. Consulting water resource engineers will be contracted to prepare the bulk of the Plan. The staff that will provide in-kind services are:

DWCD staff includes the General Manager, Chief of Engineering and Construction, Administrative staff, and technical staff. These individuals operate the Project and have detailed data of water supply and usage and the impacts of drought on irrigators and the fishery. DWCD staff will provide the baseline water data from which the six elements will be addressed.

The Tribal Farm staff includes General, Operations, Farm, Irrigation, and Hay managers in addition to administrative staff who have been operating the farm since it was fully developed in 1999. Tribal Farm staff will be able to provide detailed data on the water needs and impact of drought on the farm and employment.

MVIC staff includes the General Manager, Field Supervisor and administrative staff who have been involved with water supply management. The MVIC staff has data on irrigator water usage.

DWCD will contract with a consulting water resource engineer, Steve Harris of Harris Water Engineering, Inc., who has provided engineering services to DWCD for over 20 years and has detailed knowledge of the Project operations and stakeholders. Mr. Harris has 43 years of experience in water resources.

Evaluation Criterion D – Nexus to the Bureau of Reclamation (5 points)

Please provide the following information regarding the connection to a Reclamation project, facility, or activity:

- *Is there a Reclamation project, facility, or activity within the Planning area?*

Yes. The Plan is being prepared for water users from Reclamation's Dolores Project.

- *Is the Planning area in the same basin as a Reclamation project, facility, or activity?*

Yes. The planning area is the same area as the Project. See Figure A for Project boundaries and facilities.

- *Will the proposed Plan or Plan update benefit a basin where a Reclamation project, facility, or activity is located?*

Yes. The Project is located in the Dolores River basin and provides water to the San Juan River basin.

DOLORES WATER CONSERVANCY DISTRICT RESOLUTION OF SUPPORT FOR GRANT APPLICATION UNDER RECLAMATION'S WATERSMART - DROUGHT PLAN DEVELOPMENT PROGRAM

Board Meeting Date: June 11, 2015 Resolution No. 2015 –01

WHEREAS, DWCD manages the Dolores Project (DP) for the Bureau of Reclamation to irrigate approximately 70,000 acres in Dolores and Montezuma Counties and;

WHEREAS, prolonged drought conditions continue into the 15th year and;

WHEREAS, the drought has diminished the average inflows available for DP water supply in all but two of these 15 years and;

WHEREAS, the DP has seen water supply shortages in 4 of these 15 years, with 2 years supplying only 25% of the Project supply and;

WHEREAS, all irrigators and the local community have experienced the negative economic impacts from the diminished DP water supply and;

WHEREAS, MVIC, UMUT and DWCD control the largest irrigation allocations from the DP and;

WHEREAS, the irrigators are in the best position to explore water management options that may mitigate drought impacts on the Project;

NOW THEREFORE, BE IT RESOLVED that the DWCD Board of Directors agrees and authorizes that:

1. The Board supports the funding proposal for submittal to Reclamation.

2. DWCD, the applicant, is capable of providing the amount of funding and in-kind contributions, with the partners (UMUT & MVIC) specified in the funding plan.

3. If selected for this WaterSMART Drought Response Program grant agreement, DWCD will work with Reclamation to meet established deadlines.

ADOPTED this 11th day of June 2015.

DOLORES WATER CONSERVANCY DISTRICT

By: Bruce Smart
Bruce Smart, President

ATTEST: Walt Henes
Walt Henes, Secretary

Appendix A - Tables

Table 1. McPhee Maximum Active Capacities 2000 – 2014

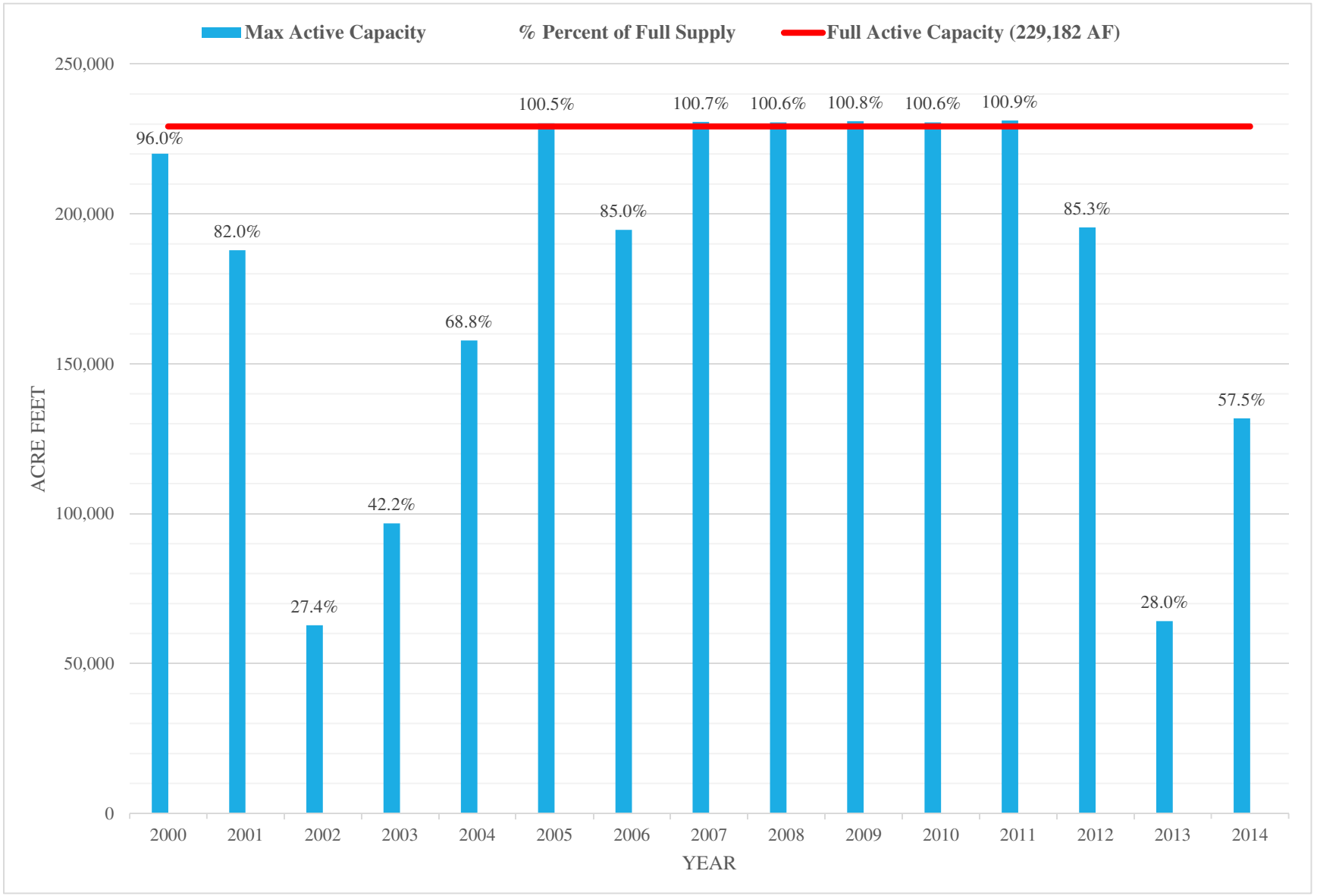


Table 2. Total McPhee Reservoir Inflow

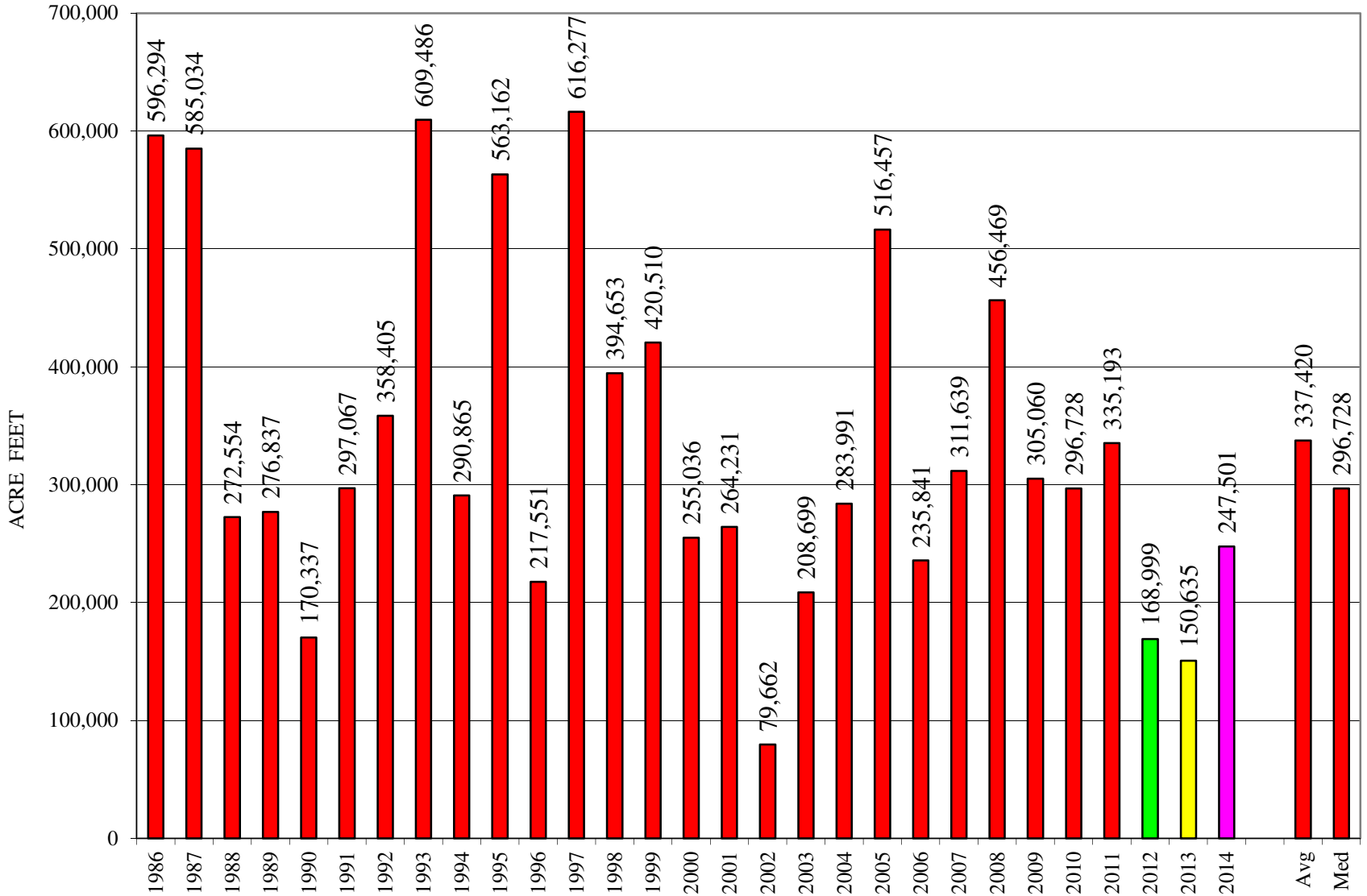


Table 3. McPhee Ending Active Capacity & Spill

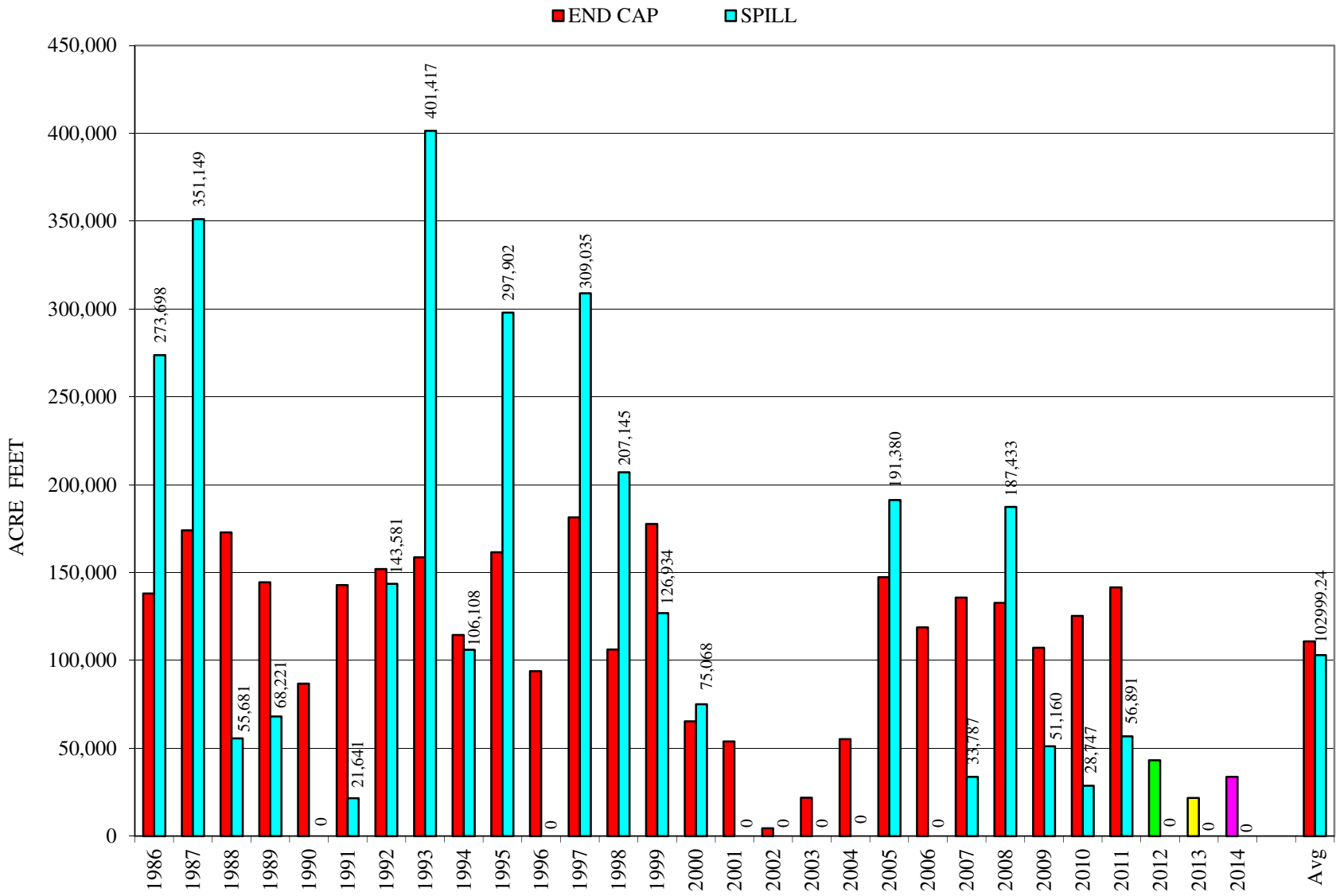


Table 4. Precipitation (Water Year) at Great Cut

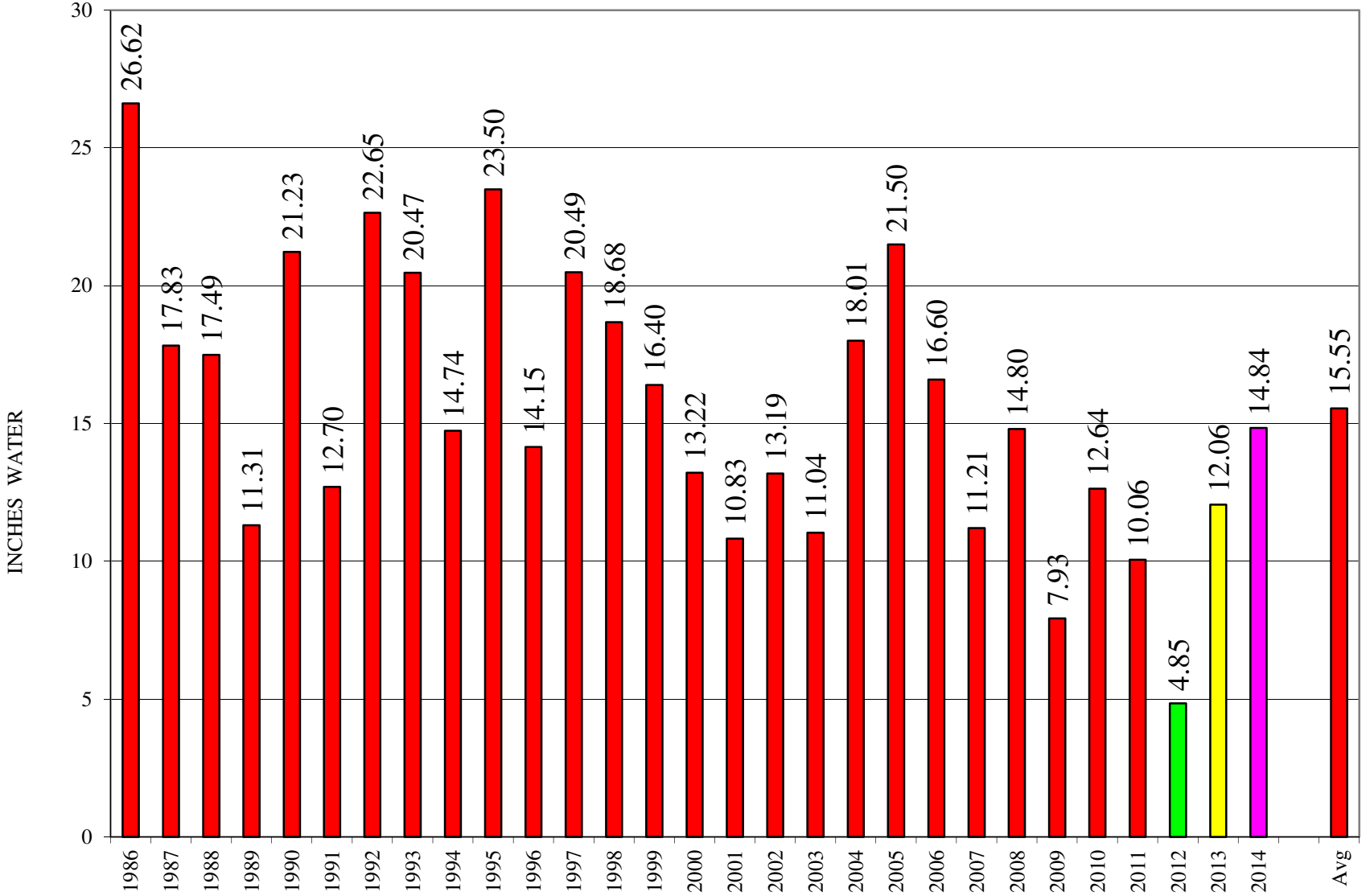


Table 5. HI Four Snow Pack

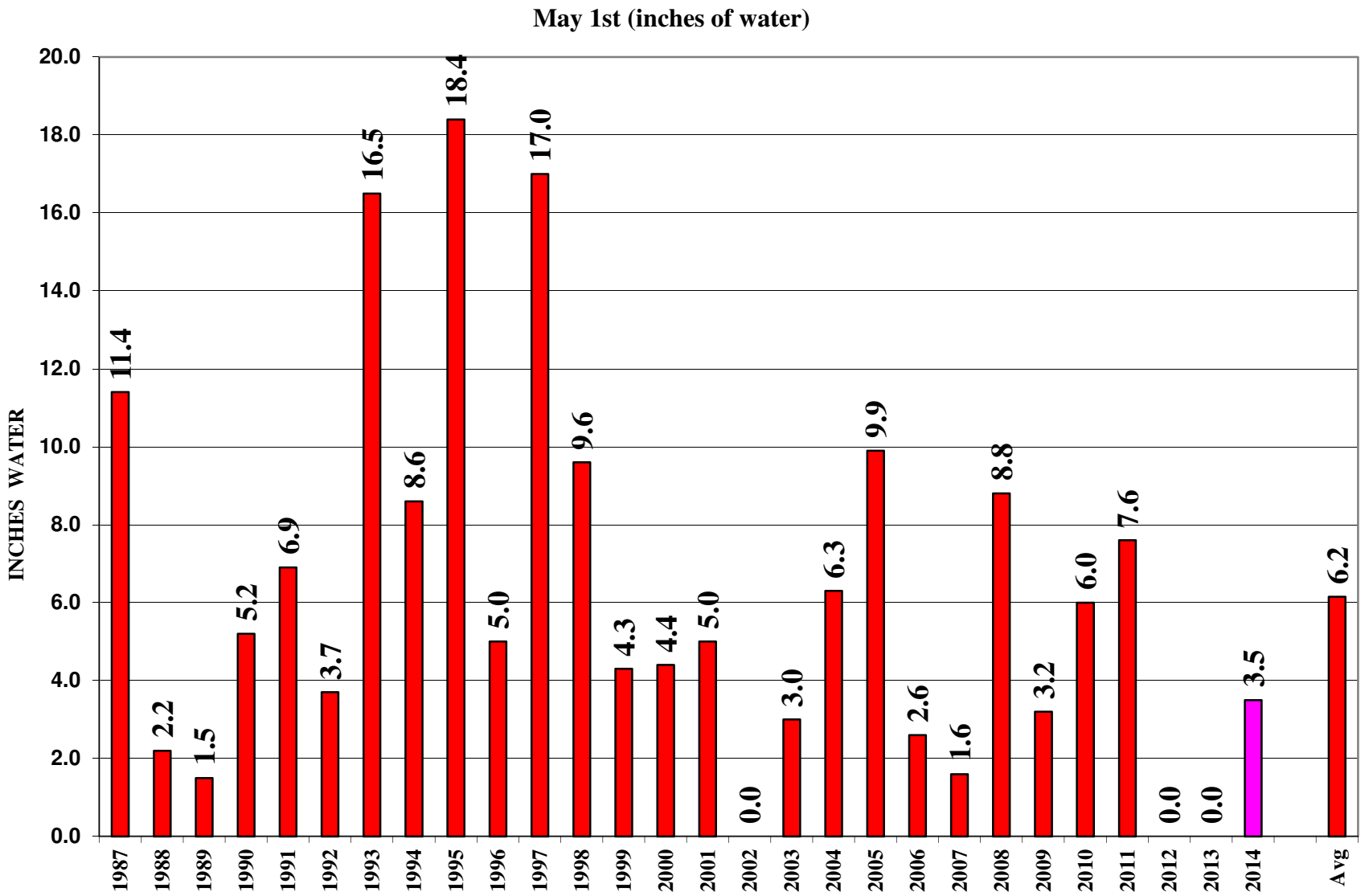


Table 6. Percentage of Fully Allocation Available

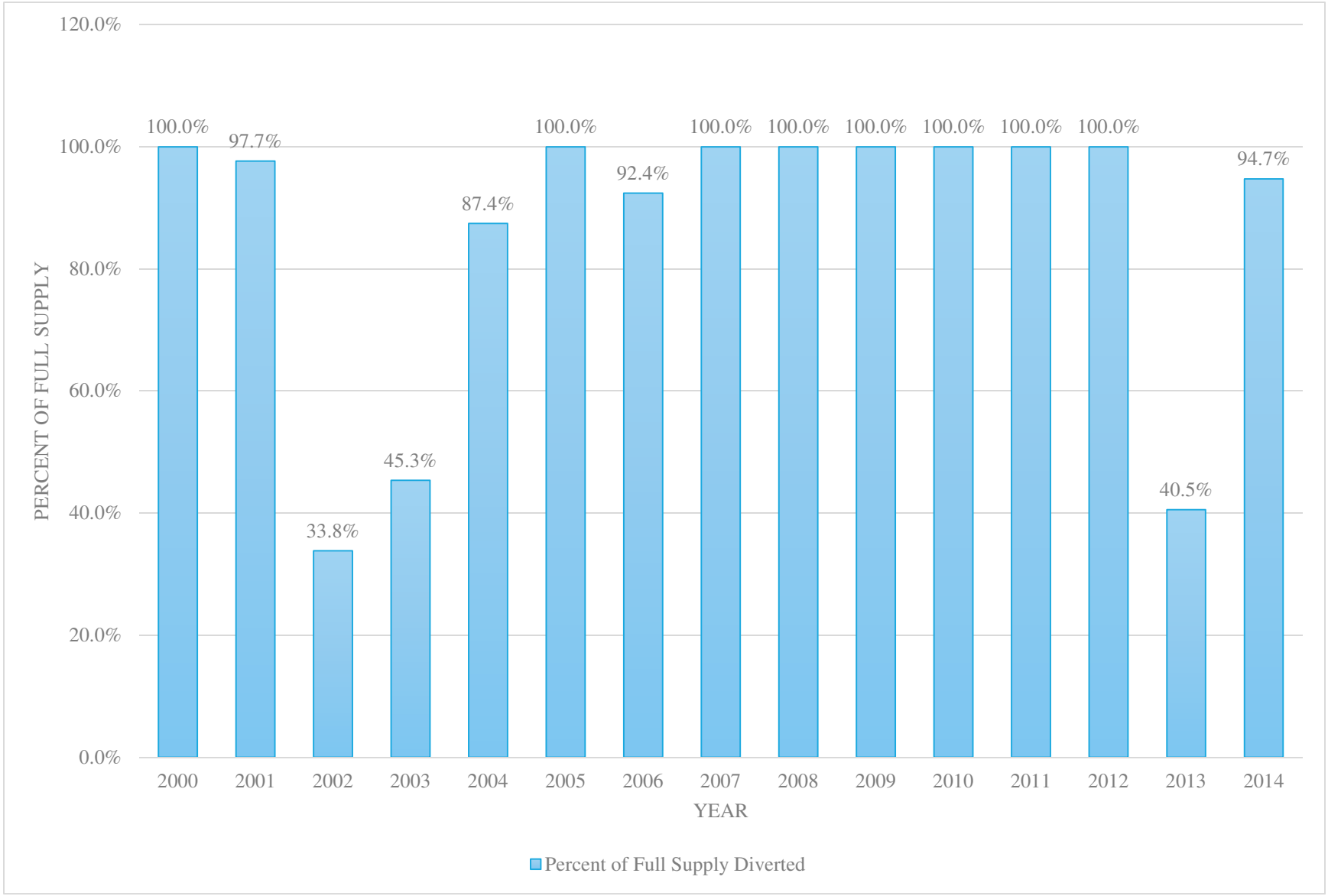


Table 7. Full Service Farmers' Crop Types and Acreage

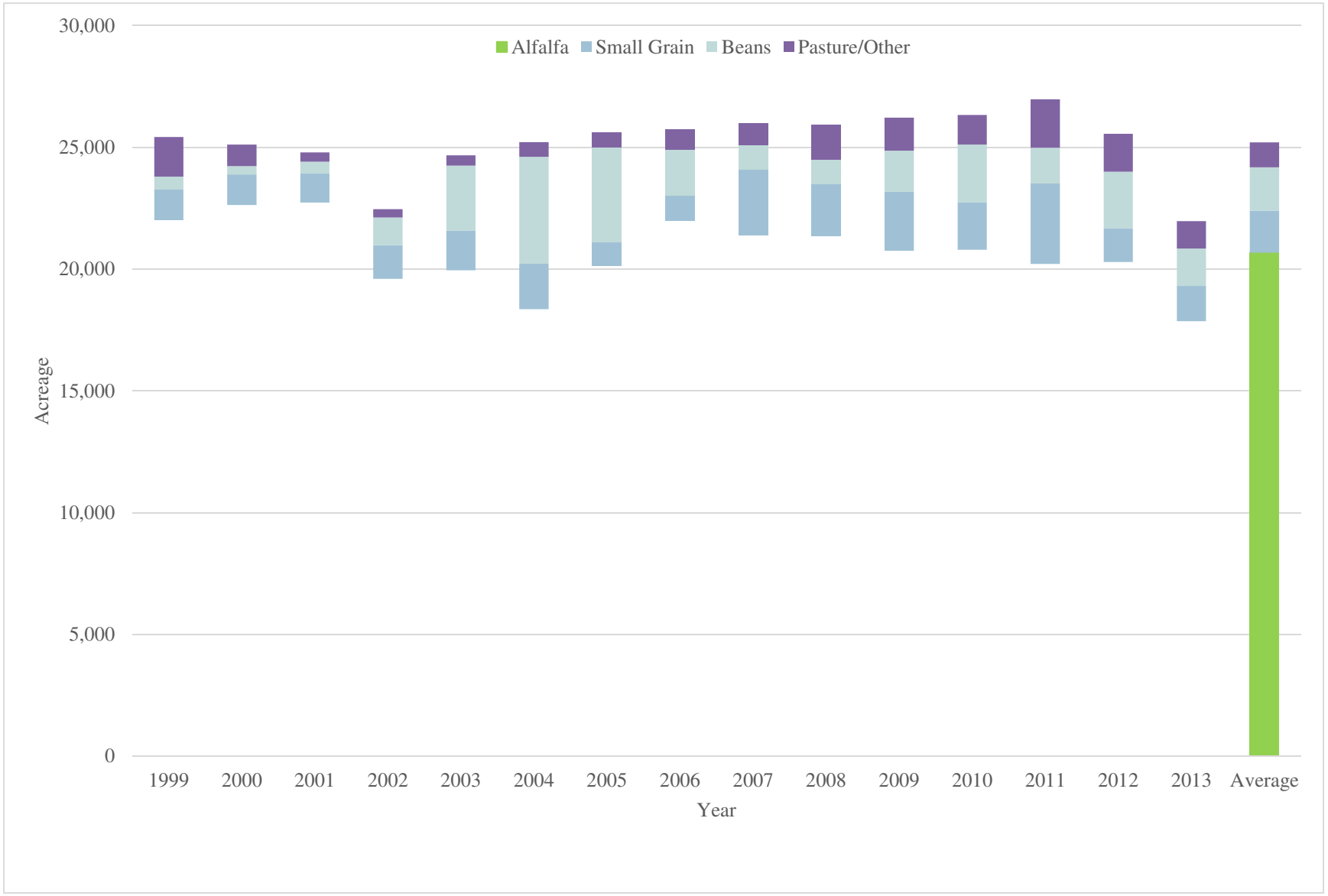


Table 4-3: Summary of projected changes and potential impacts to water resources

Element	Projected changes and potential impacts	Studies that have assessed this vulnerability for Colorado
Overall surface water supply	Most projections of future hydrology for Colorado's river basins show decreasing annual runoff and less overall water supply, but some projections show increasing runoff. Warming temperatures could continue the recent trend towards earlier peak runoff and lower late-summer flows.	Colorado Water Conservation Board (CWCB) (2012); Bureau of Reclamation (BOR) (2012); Woodbury et al. (2012)
Water infrastructure operations	Changes in the snowpack and in streamflow timing could affect reservoir operations, including flood control and storage. Changes in the timing and magnitude of runoff could affect the functioning of diversion, storage, and conveyance structures.	CWCB (2012); BOR (2012)
Crop water demand, outdoor urban watering	Warming temperatures could increase the loss of water from plants and soil, lengthen growing seasons, and increase overall water demand.	CWCB (2012); BOR (2012)
Legal water systems	Earlier and/or lower runoff could complicate administration of water rights and interstate water compacts, and could affect which rights holders receive water.	CWCB (2012)
Water quality	Warmer water temperatures could cause many indicators of water quality to decline. Lower streamflows could lead to increasing concentrations of pollutants.	Environmental Protection Agency (EPA) (2013)
Groundwater resources	Groundwater usage for agriculture could increase with warmer temperatures. Changes in precipitation could affect groundwater recharge rates.	
Energy demand and operations costs	Warmer temperatures could place higher demands on hydropower facilities for peaking power in summer. Warmer lake and stream temperatures, and earlier runoff, could affect water use for cooling power plants and in other industries.	Mackenick et al. (2012)
Forest disturbances in headwaters region	Warmer temperatures could increase the frequency and severity of wildfire, and make trees more vulnerable to insect infestation. Both have implications for water quality and watershed health.	
Riparian habitats and fisheries	Warmer stream temperatures could have direct and indirect effects on aquatic ecosystems, including the spread of non-native species and diseases to higher elevations. Changes in streamflow timing could also affect riparian ecosystems.	Rieman and Isaak (2010)
Water- and snow- based recreation	Earlier streamflow timing could affect rafting and fishing. Changes in reservoir storage could affect recreation on-site and downstream. Declining snowpacks could impact winter mountain recreation and tourism.	BOR (2012); Battaglin et al. (2011); Lazar and Williams (2008)

As the climate of Colorado shifts, past variability of stream flows become a less reliable guide for future variability.[20] Table 4-4 below illustrates projected depleted flows for 2050 in acre-feet per year at eleven different sites around the state. In some scenarios, projected depleted flows are less than zero. Under those scenarios the negative projection indicates that some established uses would be unable to obtain their historical supply of water.[21] Both the Arkansas and the Rio Grande Rivers have projected depleted flows of less than zero under both projected climate scenarios; the South Platte has a negative projected depleted flow under the "hot and dry" climate scenario. Continued monitoring, research, and planning is critical to determining whether future supplies will fulfill future demands and continue to fulfill *current* demands. Addressing these challenges will require collaboration and innovative solutions.

Basin/ Gauge	Historical[c]	Hot & Dry[d]	Between 20th Century Observed & Hot/Dry[e]
Yampa River near Maybell	1,110,000	1,110,000	1,230,000
White River near Meeker	439,000	429,000	549,000
Colorado River near State Line	4,560,000	3,980,000	4,470,000
Gunnison River near Grand Junction	1,780,000	1,620,000	1,740,000
San Juan River near Carracas	446,000	455,000	463,000
Los Pinos River at La Boca	150,000	131,000	140,000
Dolores River near Bedrock	277,000	264,000	277,000
Arkansas at Lamar	136,000	-286,000	-184,000
North Platte River near Northgate	313,000	257,000	299,000
Rio Grande near Lobatos	409,000	-160,000	-39,000
South Platte at South Julesburg	395,000	-294,000	71,000

[c] Historical or current conditions, which is no change in runoff or crop irrigation requirement (CIR) fall at roughly the 9th and 67th percentiles; this means that 91% of runs show increases in CIR and about two thirds show reductions in runoff.
[d] Hot and dry is defined as the 75th percentile for CIR which represents water use, and the 25th percentile for natural flows, meaning only 25% of projections have lower natural flows and 25% of projections have a higher crop irrigation requirements. All projections are based on an approach using 209 climate projections.
[e] Between 20th century observed and hot & dry is defined at the 50th percentile for both natural flows and crop irrigation requirements. This scenario is the middle of the range in terms of severity.

Appendix B - Figures

Figure A

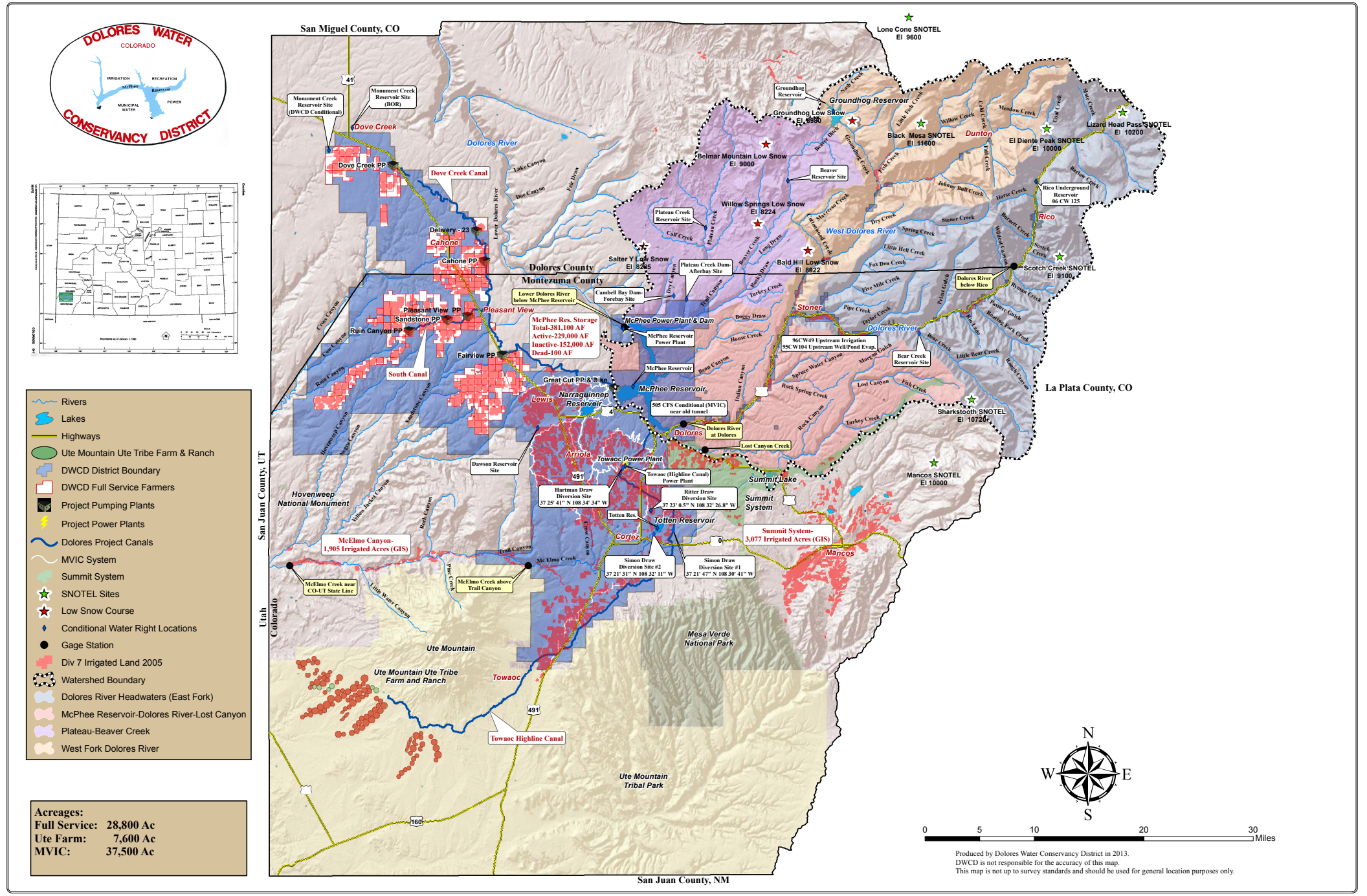
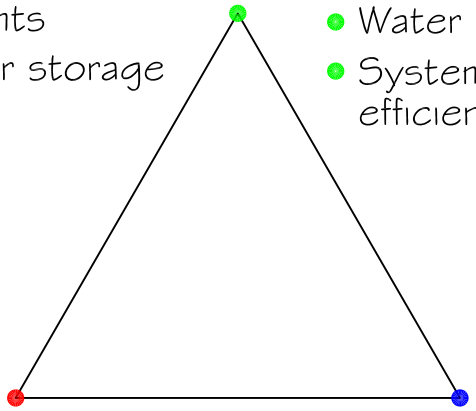

DOLORES WATER CONSERVANCY DISTRICT
COLORADO
IRRIGATION
RECREATION
McPhee Reservoir
MUNICIPAL WATER
POWER
San Miguel County, CO
Lone Cone SNOTEL El 9600
Monument Creek Reservoir Site (DWCD Conditional)
Monument Creek Reservoir Site (BOR)
Dove Creek
Dolores River
Dove Creek PP
Dove Creek Canal
Groundhog Reservoir
Groundhog Low Snow El 6930
Groundhog Reservoir
Black Mesa SNOTEL El 11600
Dunton
El Diente Peak SNOTEL El 10000
Lizard Head Pass SNOTEL El 10200
Belmar Mountain Low Snow El 9000
Beaver Reservoir Site
Willow Springs Low Snow El 8224
Plateau Creek Reservoir Site
Rico Underground Reservoir 06 CW 125
Rico
West Dolores River
Delivery - 23
Cahone
Cahone PP
Salter Y Low Snow El 8265
Plateau Creek Dam-Afterbay Site
Bald Hill Low Snow El 8822
Scotch Creek SNOTEL El 9100
Dolores County
Montezuma County
Dolores River below Rico
Lower Dolores River below McPhee Reservoir
Cambell Bay Dam-Forebay Site
Pleasant View PP
Pleasant View
Sandstone PP
Ruin Canyon PP
McPhee Res. Storage Total-381,100 AF Active-229,000 AF Inactive-152,000 AF Dead-100 AF
McPhee Power Plant & Dam
McPhee Reservoir Power Plant
Stoner
Dolores River
96CW49 Upstream Irrigation 95CW104 Upstream Well/Pond Evap.
Bear Creek Reservoir Site
Fairview PP
South Canal
McPhee Reservoir
Great Cut PP & Bike
McPhee Reservoir
Lewis
Narraguinnep Reservoir
505 CFS Conditional (MVIC) near old tunnel
La Plata County, CO
Sharkstooth SNOTEL El 10720
Dolores
Dolores River at Dolores
Lost Canyon Creek
Arriola
Towaoc Power Plant
Towaoc (Highline Canal) Power Plant
Dawson Reservoir Site
Mancos SNOTEL El 10000
Summit Lake
Hartman Draw Diversion Site 37 25' 41" N 108 34' 34" W
Ritter Draw Diversion Site 37 23' 0.5" N 108 32' 26.8" W
Summit System
Hovenweep National Monument
Totten Res.
Totten Reservoir
Cortez
Summit System- 3,077 Irrigated Acres (GIS)
McElmo Canyon- 1,905 Irrigated Acres (GIS)
Simon Draw Diversion Site #2 37 21' 31" N 108 32' 11" W
Simon Draw Diversion Site #1 37 21' 47" N 108 30' 41" W
Mancos
McElmo Creek near CO-UT State Line
McElmo Creek above Trail Canyon
Mesa Verde National Park
Ute Mountain
Ute Mountain Ute Tribe Farm and Ranch
Towaoc
Towaoc Highline Canal
Ute Mountain Tribal Park
San Juan County, UT
Utah
Colorado
San Juan County, NM
Rivers
Lakes
Highways
Ute Mountain Ute Tribe Farm & Ranch
DWCD District Boundary
DWCD Full Service Farmers
Project Pumping Plants
Project Power Plants
Dolores Project Canals
MVIC System
Summit System
SNOTEL Sites
Low Snow Course
Conditional Water Right Locations
Gage Station
Div 7 Irrigated Land 2005
Watershed Boundary
Dolores River Headwaters (East Fork)
McPhee Reservoir-Dolores River-Lost Canyon
Plateau-Beaver Creek
West Fork Dolores River
Acreages:
Full Service: 28,800 Ac
Ute Farm: 7,600 Ac
MVIC: 37,500 Ac
N
W
E
S
0 5 10 20 30 Miles
Produced by Dolores Water Conservancy District in 2013.
DWCD is not responsible for the accuracy of this map.
This map is not up to survey standards and should be used for general location purposes only.

Figure B

DWCD: MANAGING FOR DROUGHT RESILIENCE

INTERRELATED STRATEGIC COMPONENTS



MANAGING BY RESERVOIR ELEVATION

Water availability:
- Build / Protect carry-over storage
- Meet allocations
- Generate additional revenue

Finances:
- User rate increases
- Conservation pricing
- Rebuild reserves

Infrastructure / Capital:
- Stay current
- Long range investments
- Efficiency improvements

UPPER

McPHEE RESERVOIR ELEVATIONS PLUS INFLOW

LOWER

Water availability:
- Minimize shortages
- Rebuild carry-over

Finances:
- DWCD / Irrigator stability
- Draw on water supply reserve account

Infrastructure / Capital:
- Minimize deterioration
- Draw on replacement reserve

Appendix C – Letters of Support & Commitment

Montezuma Valley Irrigation Company

Ute Mountain Ute Tribe Farm and Ranch Enterprise

Montezuma Valley Irrigation Company
PO Box 1056
24055 Road L.4
Cortez, CO 81321
Phone 970-565-3332
Fax 970-565-8505

June 22, 2015

Bureau of Reclamation
Attn: Ms. Irene M. Hoiby
Mail Code: 84-27852
Denver Federal Center, Bldg. 67, Rm. 152
6th Avenue and Kipling Street
Denver, Colorado 80225

Dear Ms. Hoiby,

Montezuma Valley Irrigation Company has been a long time participant in the Dolores Project and understands the Dolores Water Conservancy District (District) is applying for the grant, "WaterSMART: Drought Contingency Planning Grants for Fiscal Year 2015." Montezuma Valley Irrigation Company is in full support of the development of a new drought contingency plan for the Dolores Project. Montezuma Valley Irrigation Company is committed to the process by our willingness to participate in stakeholder meetings, provide baseline data, and provide financial support as matching funds to the grant application.

Montezuma Valley Irrigation Company is finically committed to this planning effort. Montezuma Valley Irrigation Company is committed to providing a $10,000 cash match to the grant. In addition the cash match, an additional $15,000 will be provided as in-kind services. The funds will be available by September 1, 2015. There are no time constraints on the availability of funds or contingencies associated with the funds.

We look forward to working with the District and other funding stakeholders on the development of a drought plan.

Sincerely,

Brandon Johnson
Montezuma Valley Irrigation Company
General Manager

Ute Mountain Ute Tribe
FARM & RANCH ENTERPRISE
P.O. Box 53 • Towaoc, Colorado 81334
(970) 565-6412 • Fax (970) 565-9473

June 22, 2015

Bureau of Reclamation
Attn: Ms. Irene M. Hoiby
Mail Code: 84-27852
Denver Federal Center, Bldg. 67, Rm. 152
6th Avenue and Kipling Street
Denver, Colorado 80225

Dear Ms. Hoiby,

Farm & Ranch Enterprise has been a long time participant in the Dolores Project and understands the Dolores Water Conservancy District (District) is applying for grant, titled "WaterSMART: Drought Contingency Planning Grants for Fiscal Year 2015". Farm & Ranch is in full support of the development of a new drought contingency plan for the Dolores Project. We are committed to the process by our willingness to participate in stakeholder meetings, provide baseline data, and provide financial support through matching funds to the grant application.

Farm & Ranch is financially committed to this planning effort. We have committed to providing $10,000 as a cash match to the grant. In addition the cash match, an additional $15,000 will be provided as in-kind services. The funds will be available September 1. There are no time constraints on the availability of funds or contingencies associated with the funds.

We look forward to working with the District and other funding stakeholders on the development of a drought plan.

Sincerely,

Paul Evans

Paul Evans, General Manager