2023 Grand Valley Water Users Association System Conservation Pilot Project (SCPP) – Program Information

Additional Information

All potential cooperators should be aware that the GVWUA is applying to the Upper Colorado River Commission for the funds to execute the 2023 SCPP. It is not a guarantee that our program will be selected for participation. Further, the 2023 program must be approved by both the Colorado Water Conservation Board and the Colorado River Water Conservation District prior to implementation.

Given the short time frame between now and the start of the irrigation season and the multiple approvals required the GVWUA will be accepting and processing applications and potentially holding a lottery and beginning contracting prior to full program approval. All applicants should be aware that the 2023 SCPP is not a guarantee at this time and decisions should be made accordingly.

Conditions for Participation

Participation will be open to those shareholders who are "actively engaged in farming" as defined by the USDA-Farm Service Agency (FSA) on irrigated lands within the service area.

Cooperators will further be required to meet the following criteria:

- Cooperators must be farming a minimum of 30 actively irrigated acres within the GVWUA service area.
- Cooperators must demonstrate a 2-year history as "actively engaged in farming" as defined by the Farm Service Agency (FSA) for any acreage enrolled in the 2023 SCPP.
- Cooperators must commit a minimum 15 acres to the 2023 SCPP.
- No Cooperator (person, trust, corporation, limited liability company or group of related persons or entities) can enroll more than 240 acres in the 2023 SCPP.
- Enrolled acreage cannot exceed 50% of the 2022 irrigated acreage under the Cooperators control.

Payments

Payments will be made on a per acre basis for each program activity chosen. The payments are listed in the following table:

Program Activity	Fallow Period	Cooperator payment per
		acre
Full Fallow (FF)	Entire irrigation Season	\$1,306
Fallow Until October 1 (WW)	April 1 through Sept 30	\$1,237
Fallow Until September 1, (SS)	April 1 through Aug 31	\$1,073
Summer Fallow (SF)	May 15th through August 31	\$686

The total payment seen in the above table will be divided into two separate payments of approximately equal value. The first payment will be made after initial verification has taken place. The second payment will be made after the end of the irrigation season. The exact timing of the payments will be described in the contract between GVWUA and the Cooperator.

Verification and Fallow Management

The GVWUA will follow a similar verification process to their 2017 and 2018 programs. Like the 2017 and 2018 conservation projects the GVWUA will be relatively strict with land management measures to ensure the participating acres are not a nuisance to the local community or neighboring agricultural producers. Land management measures are expected to cost more than \$150 per acre in certain instances. See attached Draft exhibit B for more information.

Program Size and Geographic Distribution and Lottery

The program will be limited to a total subscription of 1000 acres. If the applications received exceed 1,000 acres a lottery will be held to determine which producers will participate. Multiple lotteries may be held by geographic region (Rides 1-4) to ensure geographic distribution.

Applications

Applications to the 2023 SCPP will be accepted until March 1, 2023. Potential cooperators are encouraged to complete and submit applications prior to that deadline. A potential cooperator may submit up to 3 applications, but the aggregate of all applications cannot exceed 240 acres. For example, a cooperator could submit 3 applications of 80 acres each, or a single application of 240 acres.

Exhibit B - GRAND VALLEY WATER USERS ASSOCIATION 2023 SCPP – Verification Procedures

For <u>Full Fallow (FF)</u> Program Activities: The Association or its designated representative will verify that **no consumptive use of water*** takes place during the irrigation season by transpiration of plant growth within the field boundaries identified in exhibit A as Participating Lands. The Association will further verify that wind erosion measures have been sufficiently undertaken by Cooperator. Verification will be conducted by making periodic site visits to each individual field. Time and date of site visits is at the discretion of the Association. Cooperator should anticipate at a minimum:

- One initial site visit at the start of the irrigation season to verify active fallow management and verify that all plant growth has been actively terminated prior to the beginning of the irrigation season.
- One mid-season site visit to determine that land management activities are consistent with contract paragraph 6.
- One end of season site visit to determine land management activities consistent with contract paragraph 6 were maintained throughout the fallow period.

Site visits may be made without notification to Cooperator. Timing and quantity of site visits is at the sole discretion of the Association or its designated representative.

For <u>Fallow Until October 1 (WW)</u> Program Activities: The Association or its designated representative will verify that **no consumptive use of water*** takes place from the beginning of the 2023 irrigation season through September 30, 2023 by transpiration of plant growth within the field boundaries identified in exhibit A as Participating Lands. The Association will further verify that wind erosion measures have been sufficiently undertaken by Cooperator. Verification will be conducted by making periodic site visits to each individual field. Time and date of site visits is at the discretion of the Association. Cooperator should anticipate at a minimum:

- One initial site visit at the start of the irrigation season to verify active fallow management and verify that all plant growth has been actively terminated prior to the beginning of the irrigation season.
- One mid-season site visit to determine that land management activities are consistent with contract paragraph 6.
- One end of season site visit to determine land management activities consistent with contract paragraph 6 were maintained throughout the fallow period.

Site visits may be made without notification to Cooperator. Timing and quantity of site visits is at the sole discretion of the Association or its designated representatives

For <u>Fallow Until September 1 (SS)</u> Program Activities: The Association or its designated representative will verify that **no consumptive use of water*** takes place from the beginning of the 2023 irrigation season through August 31, 2023 by transpiration of plant growth within the field boundaries identified in exhibit A as Participating Lands. The Association will further verify that wind erosion measures have been sufficiently undertaken by Cooperator. Verification will be conducted by making periodic site visits to each individual field. Time and date of site visits is at the discretion of the Association. Cooperator should anticipate at a minimum:

- One initial site visit at the start of the irrigation season to verify active fallow management and verify that all plant growth has been actively terminated prior to the beginning of the irrigation season.
- One mid-season site visit to determine that land management activities are consistent with contract paragraph 6.
- One end of season site visit to determine land management activities consistent with contract paragraph 6 were maintained throughout the fallow period.

Site visits may be made without notification to Cooperator. Timing and quantity of site visits is at the sole discretion of the Association or its designated representatives.

Exhibit B - GRAND VALLEY WATER USERS ASSOCIATION 2023 SCPP – Verification Procedures

For <u>Summer Fallow (SF)</u> Program Activities: The Association or its designated representative will verify that **no consumptive use of water*** takes place from May 15th of the 2023 irrigation season through August 31, 2023 by transpiration of plant growth within the field boundaries identified in exhibit A as Participating Lands. The Association will further verify that wind erosion measures have been sufficiently undertaken by Cooperator. Verification will be conducted by making periodic site visits to each individual field. Time and date of site visits is at the discretion of the Association. Cooperator should anticipate at a minimum:

- One initial site visit prior to May 15th to verify active fallow management and verify that all plant growth has been actively terminated prior to the beginning of the fallow period.
- One mid-season site visit to determine that land management activities are consistent with contract paragraph 6.
- One end of season site visit to determine land management activities consistent with contract paragraph 6 were maintained throughout the fallow period.

Site visits may be made without notification to Cooperator. Timing and quantity of site visits is at the sole discretion of the Association or its designated representatives.

Special Consideration for Terminating Perennial Crops

Significant measures must be taken to terminate existing stands of perennial crops. Prior to the beginning of the irrigation season (generally around April 1) action must be taken to completely terminate active crop growth. Cooperators should expect to perform a minimum of two additional fallow management measures within 30 days of the beginning of the irrigation season to control volunteer perennials. A combination of mechanical and chemical measures is recommended.

If **chemical termination** is planned as the initial fallow management measure, material should be applied a minimum of 14 days prior to the beginning of the irrigation season. Sufficient application rate and appropriate materials must be applied to terminate active plant growth prior to the beginning of the irrigation season.

If mechanical termination is planned as the initial fallow management measure, one or more tillage passes must be performed prior to the beginning of the irrigation season of sufficient depth and extent to terminate active plant growth.

Grazing of Participating Lands is allowable before the beginning of the irrigation season. However, grazing is not a sufficient means of fallow management during the fallow period.

*For all Program Activities, no active plant growth will be tolerated on Participating Lands including, but not limited to, cultivated annual and perennial crops, weeds, and volunteer crops. All plant growth must be terminated at Cooperator's expense. Cooperator should anticipate, at a minimum, 2 passes with mechanical tillage and 1 chemical treatment. Cooperators should expect a minimum expense of \$125/acre in fallow management costs over the season.