

Headwaters of the Colorado Initiative:

A Bi-State initiative to restore forest and watershed health and function through improved water quality and quantity in the Little Snake and Yampa River headwaters of Wyoming and Colorado

Applicant:

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Executive Summary

12/4/2023

Headwaters of the Colorado Initiative

Applicant: National Forest Foundation

The Headwaters of the Colorado Initiative (HoC), in partnership with the National Forest Foundation (NFF) and Western Landowners Alliance (WLA), is a collaboration of federal and state land management agencies, private landowners, and local community stakeholders that is building a diverse watershed collaborative. The HoC is a unique partnership between many diverse partners who are responsible for over 1.4 million acres in the bi-state project area. These partners support resilient and functioning forested headwaters within the Little Snake and Yampa watersheds of southern Wyoming and northwest Colorado through science-based ecosystem planning, coordinated partnerships, and collaboration across multiple landscapes.

The HoC will formally establish a watershed group to develop an organizational cross-jurisdictional framework capable of conducting outreach activities, gathering information, and creating a watershed restoration plan. The HoC will engage in collaborative watershed restoration planning and project design and implementation to facilitate impactful cross-boundary watershed projects. The HoC project area of the Little Snake and Yampa watersheds are a primary headwater of the Colorado River Basin. This area is uniquely positioned to address the drivers of ecosystem change. Specifically, this watershed is severely impacted by ecological and social challenges, including but not limited to: complex shifts in basin-wide hydrology due to warming temperatures and reduced snowpack, historic fire suppression policies, increased mortality from insect and disease outbreaks, the potential for large, high-severity wildfires, and diverse land use values and demands across multiple sectors on natural resources add to the watershed's vulnerability.

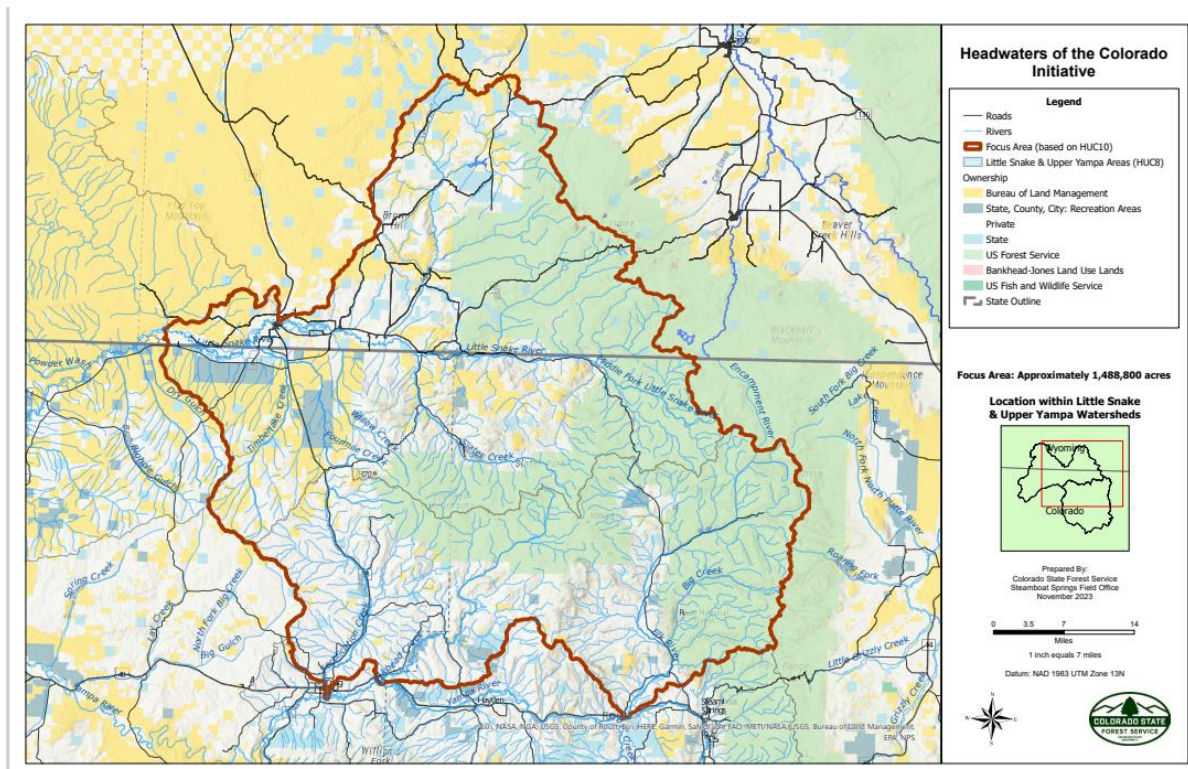
The development of the watershed group and subsequent creation of a watershed restoration plan with project design will be a multiyear process. In early 2023, the partners began stakeholder involvement, building on years of informal discussions and collaboration. HoC development will progress through 2024 and continue through the length of this grant proposal with planning and project design in 2025 - 2027. The goals and objectives encompassed in this proposal will be completed by December 2027. Implementation and monitoring will continue through the life of the HoC's watershed plan.

The proposed planning efforts will involve private lands, state lands in Wyoming and Colorado, and federal lands in the Medicine Bow-Routt National Forest and BLM's Little Snake and Rawlins field offices.

Project Location

This project is focused on restoration and management in two primary watersheds—the Yampa River and its tributary the Little Snake River in southern Wyoming and northern Colorado. The watershed runs through a mixture of landscapes, to include the Medicine Bow-Routt National Forest, private lands, state lands, and multiple rural communities.

The HoC project area is based in the Medicine Bow and Sierra Madre mountains that straddle the Wyoming and Colorado border. These geographies lie north of Steamboat Springs, Colorado, in Routt and Moffat counties, in Colorado, and east of Baggs, Wyoming in Carbon County (see map below). These mountains form the headwaters of the Little Snake and Yampa Rivers which are significant resources to, and lie in the tributary of, the Green and Colorado Rivers. This watershed area corresponds to the USGS HUCs of the Little Snake (HUC 14050003) and Upper Yampa (14050001).



Applicant Category

The NFF, as the fiscal agent, is seeking funding for the Headwaters of the Colorado Initiative as a “New Watershed Group.” The HoC’s development began with discussions between private producers and state and federal forest managers about the diminished timber productivity, loss of habitat, reduced grazing resources, increased disease, aging forest stands, and reduced runoff from both drought and a lack of forest management. These discussions soon expanded to other groups and local community members to include soil conservation districts, water conservancy

districts, county commissioners, environmental and wildlife NGOs, ranchers, sawmill operators, senators and congressional representatives, and other state and federal agencies with jurisdiction in the project area.

These broader conversations led to an effort to identify stakeholder connections and concerns for the forest and water resources of the Yampa and Little Snake headwaters. The initial partners conversations coalesced with a core group in March of 2023. Since March, the group has increased in number of entities and people and met every other month to create an organizational framework and governance structure.

The HoC has identified the creation of a watershed planning as a tenable next step. Watershed planning is in the brainstorming phase and more substantial support is needed to build the capacity of this group. The watershed plan will also expand outreach to all affected stakeholders in the project area and begin planning and permitting in the project area.

The HoC work will build upon and expand the boundaries of ongoing forest management work through the U.S. Forest Service's (Forest Service) Medicine Bow Landscape Vegetation Analysis Project, or "LaVA," project. The LaVA project is currently slotted for Wyoming's side of the Medicine Bow National Forest. The HoC intends to expand that work across the border into Colorado. The NEPA footprint will pre-authorize actions with federal funds on state and private lands within the planning area, which allows the HoC to conduct the work across the border. The LaVA project addresses unprecedented tree mortality from forest health issues that have affected hundreds of thousands of acres across the Medicine Bow National Forest in Wyoming. This initiative's work provides a pivotal opportunity to scale up forest and rangeland management practices across state and jurisdictional lines.

Eligibility of Applicant

The primary applicant for the HoC is the National Forest Foundation, who is the fiscal agent for the watershed collaborative. The National Forest Foundation is the congressionally chartered non-profit partner of the Forest Service. The NFF is expanding its scope of work within the identified project area, to include partnership with the Forest Service as a convening partner for the LaVA project. It is a natural extension of the NFF's role within the landscape to serve as a leading partner and fiscal sponsor for the HoC in that the forest health and resiliency projects the NFF will conduct will significantly contribute to the quality and quantity of water in the watershed. The NFF will also leverage its expertise in watershed management and the sustainable use of water resources in this position. The NFF is actively developing a portfolio of diverse watershed projects across the entirety of the Colorado River Basin. These projects include low-tech process-based restoration sites, one of which is already underway on the Yampa River in the California Park area. The NFF also has relevant expertise in payment for watershed services programs, partnerships with local collaborative frameworks at watershed and regional scales and serves as a primary fundraising partner and fiscal agent for other collaboratives focused on watershed health and function.

Project Description

The HoC is seeking support to provide capacity-building, planning support, and project design. The HoC is also seeking support for coordination via funds dedicated to outreach, education, staffing, organizational capacity, and consulting assistance for watershed restoration plan development. The NFF and WLA are the primary administrative partners in the HoC and have agreed to act as the fiscal agent and house a watershed coordinator position respectively.

The project partners are building this effort with critical expertise developed over decades of restoration and management in the project area. The abovementioned LaVA project provides a pivotal opportunity to scale up forest and rangeland management practices across state lines. The LaVA project has 288,000 acres of land that has been cleared through programmatic NEPA for vegetation management. This landscape sprawls across the Medicine Bow Routt National Forest and is central to the HoC's project area. The LaVA project serves as the integral starting point to accelerate the HoC's impact within the watershed. With collaborative guidance from partners, we identified the following tasks and the objectives to help propel the HoC into its next stage.

Task A – Watershed Group Development: The HoC has made significant steps toward Watershed Group Development. We have established a Steering Committee that we will continue to develop through 2024, prior to any potential award from this grant opportunity. During that time, the HoC's steering committee will create a collaborative governance structure to provide oversight and broad-based inclusion in the HoC develop and refine the mission, vision and goals for the watershed group; develop a partnership engagement/communications strategy; and create a baseline of available information in the project area. If the HoC receives funding from WaterSMART, the larger collaborative group will be further developed through directed and open engagement with stakeholders in the project area. To accomplish this task, the HoC will conduct the following objectives:

- A.1 - Fund and fill a watershed coordinator position (Years 1-3);
- A.2 - Formalize work plans for Steering Committee and subcommittees to achieve HoC goals, objectives, and milestones.
- A.3 - Develop informational materials, including a website, brochures, "white papers", press releases, and educational videos (Years 1-3);
- A.4 - Establish and ensure engagement with an outreach plan (Years 1);
- A.5 - Hold public meetings to share and gather information and feedback (Years 1-3);
- A.6 - Increase participation and engagement with other related groups (Years 1-3)

Task B – Watershed Restoration Planning: HoC will hire a consultant to collaboratively create a restoration and management planning framework for the full HoC area that includes:

- B.1 - Research existing environmental analysis of current baseline conditions (Years 1-2);
- B.2 - Curate science and research related to climatic changes and land use conditions to inform future desired conditions (Years 1-2); and

B.3 - Review existing plans related to the watershed as prepared by other agencies or groups (Years 1-2).

B.4 - Identify and prioritize watershed management projects that incorporate the best available science and best management practices for watershed and forest health. (Years 1-2);

B.5 - Develop strategies that address collaborative goals and objectives related to watershed function and resilience with alternative scenarios (Years 1-2);

B.5 - Conduct monitoring activities needed to provide baseline information about current conditions and needs (Years 2-3);

B.6 - Develop a clear set of project metrics, economic impacts, and performance measures with associated milestones and deliverables (Years 1-3); and

B.7 - Hire a consultant to efficiently complete the watershed management plan (Years 2-3). The HoC will use the Watershed Plan to identify priority focus areas for future projects and create conceptual design for specific watershed projects within these priority focus areas. The HoC will pursue funding during Phase 2 to propel the identified projects forward into implementation and monitoring.

Evaluation Criterion A: Watershed Group Diversity and Geographic Scope

The HoC, based in the headwaters of the Little Snake (HUC 14050003) and Upper Yampa (HUC 14050001) Rivers will engage diverse stakeholders in Wyoming and Colorado who represent myriad interests in a region with long-established traditional, booming contemporary, and rapidly emerging resource-based economies. These regional economies include, but are not limited to, agriculture, oil & gas, timber products, hunting, energy production, recreation, tourism, state and federal agencies, real estate, higher education, environmental services, and urban commerce. Each of these economic sectors relies on healthy watersheds and forest resources to maintain and increase the values of their industries while contributing to a quality of life for the communities that form their base of employment and direct consumers.

As relatively remote areas of both Wyoming and Colorado with common shared economies, there is a prevalent need for diverse stakeholders to collaborate to address the many issues related to development, resource management, and emerging opportunities. The HoC will serve as a foremost embodiment in this collaborative. The HoC will formally establish a cohesive stakeholder network that operates with both a steering committee and a larger collaborative group. Through the HoC leadership for these geographies, the greatest diversity of interests will be empowered to participate, collaborate, invest, and be heard.

The steering committee, active in day-to-day decision making and administrative controls, will be comprised of county commissioners, private landowners, conservation districts, research institutions, NGOs representing land, water and agricultural issues, Tribes, businesses, and state land and water managers in both Colorado and Wyoming. These stakeholders are identified project partners, but the steering committee will not be limited to these entities alone. In addition

to these stakeholders, the larger collaborative which will inform planning efforts and priorities, will include federal agencies, local interest groups with investments in recreation, urban growth, wildlife, sustainability, environment, individual businesses, private citizens, colleges and universities, federal and state congressional delegates and staff, Colorado Basin Roundtables, and city/town managers.

Diverse stakeholders that have been involved in introductory HoC meetings and conversations are shown in the table below. The diversity of collaborators involved to date uniquely position the HoC, once formalized, to create multi-objective projects that will have lasting benefits to the Colorado River headwaters.

| Sector | HoC Participating Agencies |
|--------------------------------|--|
| Federal Agencies | USFS, BLM, NRCS |
| State Agencies | CSFS, WY State Forest Service |
| Local and Municipal | Routt County Commissioners Carbon County Commissioners Moffat County Commissioners Little Snake River Conservation District (LSRCD) Savery Little Snake River Water Conservancy District (S-LSRCD) Yampa White Green Basin Roundtable, Yampa Valley Sustainability Council (YVSC), |
| Congressional | Senator Bennet's Office (CO) |
| Tribal | Southern Ute Tribe |
| NGO | The Nature Conservancy (TNC); National Forest Foundation (NFF); Western Landowners Alliance (WLA) |
| Academic | Colorado State University (CSU) University of Wyoming (UW) |
| Agriculture/Ranching/ Industry | Ladder Livestock Mountain Pine Manufacturing |

These diverse stakeholders have established roles in their communities in relation to policy development, outreach and communication, growth and development, funding opportunities, and governance. All of these and other networks are directly affected by and influence the public land and water resources in the HoC project area.

While the current stakeholders represent political leaders, resource managers, higher education institutions, private land producers, environmental NGOs, local governance, and industry leaders, there are still individuals and groups that need to be engaged to keep the collaborative moving forward. The steering committee will be devoted to creating an outreach plan and hosting initial meetings to bring together the diversity of views and interests held by the communities in the HoC project area. All engaged members of the collaborative will use existing

communication channels to bring further awareness to this initiative and to announce opportunities for public engagement. All meetings will be hybrid to allow for remote or in-person attendance; in-person meeting locations will rotate through the affected communities, including Steamboat Springs, Hayden, and Craig, CO and Baggs, Saratoga, and Laramie, WY to create equal opportunity for stakeholder and community participation.

A charter to more formally organize the HoC is being developed and will be completed with funding from WaterSMART. Key elements of the charter will include:

Steering Committee Initial Governance: In the absence of bylaws and a formal Board of Directors, the HoC will initially be governed by its Steering Committee.

- a. Number: The Steering Committee shall have up to 12, but no fewer than 5, members. The number of members may be increased beyond 12 members or decreased to less than 5 members by the affirmative vote of a simple majority of the then serving members.
- b. Term: All appointments to the Steering Committee shall be for a term of 2 year(s). The first committee will include members with one and two-year terms to begin staggered terms. No person shall serve more than three (3) consecutive terms unless a majority of the Steering Committee votes to appoint a member to two (2) additional year(s). After serving the maximum total number of six (6) consecutive years on the Steering Committee, a member may be eligible for reconsideration as a Steering Committee member after one (1) year has passed since the conclusion of such Steering Committee member's service.
- c. Type: The steering committee shall be comprised of, but not limited to, the following stakeholders: county, private landowners, conservation districts, research institutions, NGOs representing land, water and agricultural issues, Tribes, businesses, and state and federal land and water managers in both Colorado and Wyoming.
- d. Voting and Decision Making: Each Steering Committee member shall have one vote. Decisions will be made by a simple majority vote. Votes on key decisions shall include expenditures, hiring/firing, grant submissions, and policy or legislative stances or other issues of consequence as defined by the Steering Committee.
- e. Proxy: Board members shall be allowed to vote by written proxy.

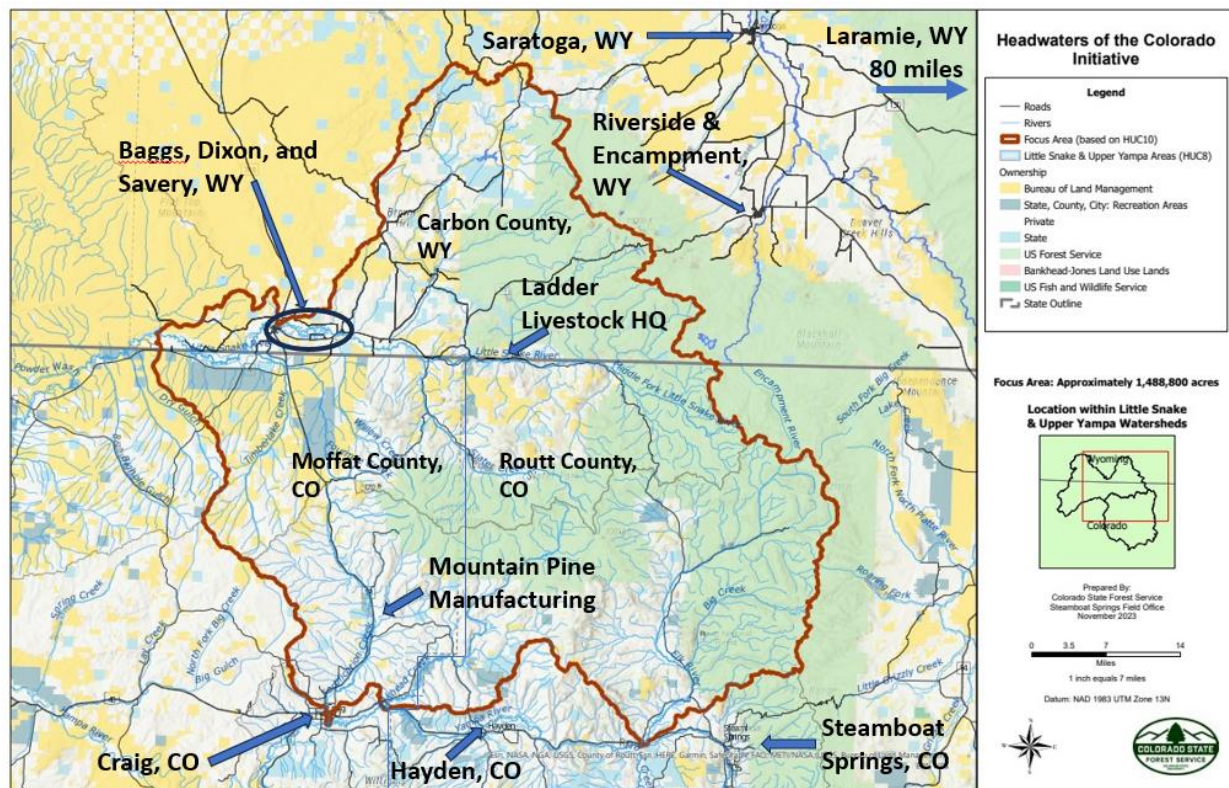
Nested Governance: Subcommittees of the Steering Committee may be created to support the activities of the HoC. Initial subcommittees will include:

- a. Executive Committee: guide the day-to-day operations such as staffing, fiscal sponsorship, and other administrative needs of the HoC. The committee will bring decisions of consequence back to the full Steering Committee for a full committee vote.
- b. Projects: prioritize projects using the appropriate data and science and adaptively manage projects over time to gauge and maximize success.
- c. Finance: guide the financial health of the HoC and address issues such as grant submissions and reporting, creating budgets, and financial reporting.

- d. Communications: develop communications tools for the public and key decision makers, including administrative and legislative actions that support the HoC mission.

Partner Collaborative: The HoC will be comprised of a diverse group of stakeholders from the above-mentioned groups and interests. This aspect of the initiative is flexible and participatory and does not have the established governance structure of the steering committee. The collaborative will guide the dialogue and priorities of the Steering Committee through its inclusive process and diverse stakeholder engagement while gaining consensus-based prioritization for project planning and implementation.

Sub-criterion No. A2. Geographic Scope



The geographic scope of the HoC is defined by the watersheds of the Little Snake and Yampa Rivers and the communities within or adjacent to those watershed boundaries. Engaged stakeholders are distributed throughout these communities:

| Location | Engaged Stakeholders |
|-------------------------------------|--|
| Baggs, Dixon, & Savery, WY | Little Snake River Conservation District Savery-Little Snake River Water Conservancy District |
| Saratoga, Encampment, Riverside, WY | USFS Brush Creek / Hayden Ranger District NRCS Saratoga Service Center |
| Laramie, WY | University of Wyoming USFS Ranger District Office Wyoming State Forestry Partnership Coordinator |
| Carbon County, WY | Carbon County Commissioners (Rawlins) |

| | |
|-----------------------|---|
| | Ladder Livestock |
| Craig, CO | Yampa, White, Green Basin Roundtable BLM Northwest CO District Office |
| Hayden, CO | Routt County Commissioner Tim Redmond |
| Steamboat Springs, CO | Colorado State Forest Service Colorado State University Extension USFS Hahns Peak / Bears Ears Ranger District Yampa Valley Sustainability Council |
| Moffat County, CO | Moffat County Commissioners |
| Routt County, CO | Routt County Commissioners |
| Colorado | Senator Bennet's Office |
| NGO | National Forest Foundation The Nature Conservancy Western Landowners Alliance |

As indicated by the map and associated list of engaged stakeholders, HoC membership will represent the full geographic scope of the project area. In addition to the steering committee and active collaborative partners, the HoC will prioritize additional community engagement within the project area from local entities, businesses, and private citizens through outreach and educational events or public meetings.

Stakeholder diversity from locations outside of the project area will ensure that land uses and perspectives from those who use these lands, but are not involved in direct management, are also incorporated into the HoC's direction. These groups or individuals include the communities of Saratoga, Riverside, Encampment and Laramie, WY and Hayden and Steamboat, CO who, like those communities within the project area, can participate as individuals or through the representation of organizations or entities in those communities. Finally, interests and perspectives that are related to this project area or more generalized interests will be represented through larger scale NGOs participating in both the steering committee and the collaborative. They include the National Forest Foundation, Western Landowners Alliance, The Nature Conservancy, and Audubon.

While the HoC is currently representative of the complete geographic area, a diversity of perspectives is still being developed to incorporate full stakeholder representation as has been discussed above. WaterSMART funding will be used to increase capacity through staffing to further outreach, education, and communication to the invested communities within or adjacent to the project area.

The HoC has chosen to work in the headwaters of the Little Snake and Yampa Rivers because of a history of progressive land management practices on private, State, and Federal lands from disjointed efforts over the years. This area is home to traditional and emerging economies reliant on healthy and sustainable natural resources, forest health, and watershed health and stability. The identified project area is ideal because of the HoC's ability to bring together the different scales of progress within these fields across jurisdictional boundaries. This collaboration via the

HoC allows existing work to improve through increased partnerships and creates the needed space for new projects. In doing so, the HoC will benefit from cross-jurisdictional and cross-boundary collaborative project development. The HoC will progress large landscape projects to create benefits across the public/private divide. As a critical headwater of the Colorado River Basin, this type of multi-scale partnership has the unique opportunity to address issues at scale including climate change, social demands, Colorado River issues, and sustainable, multi-benefit forest management.

Evaluation Criterion B: Developing Strategies to Address Critical Watershed Needs

Sub-criterion No. B1. Critical watershed needs or issues

The Colorado River is in the midst of a millennium drought. The basin is facing an unprecedented 23-year, and counting, period of low flows, dwindling reservoir supplies, and changing hydrology across the basin. Leading scientists, their agencies, and associated academic institutions are conducting research on warming temperatures, changes in precipitation, water shortages and the cumulative effects on hydrological, socio-economic, and ecological systems.

Specifically, this headwaters system in the Upper Basin is severely impacted by four interrelated ecological and social challenges including: 1) complex shifts in basin-wide hydrology due to warming temperatures and reduced snowpack; 2) historic fire suppression policies, increased mortality from insect and disease outbreaks, and large, high-severity wildfires; 3) a diversity of values and demands across multiple sectors on water and forest resources exacerbating the system's vulnerability; and 4) jurisdictional boundaries between public and private, state and federal, and between Wyoming and Colorado stateliness that often limit the extent of ongoing or planned forest health projects.

Complex Shifts in Basin-Wide Hydrology

The Upper Colorado River Basin contributes 85-90% of the total water year runoff in the Colorado River Basin (McCabe & Wolock, 2020). Streamflow originates as baseflow, a proxy for groundwater discharge to streams, and is vital to sustaining surface water (Miller et al., 2016). More than half of the decreasing runoff trend is associated with unprecedented warming, which has reduced snowpack and increased plant water use (Xiao et al., 2018).

As a forested headwaters system, the location of this bi-state initiative holds crucial value for water quantity and quality downstream, to include Lake Powell, the next downstream reservoir. These high-elevation watersheds rely on snowpack and snowmelt to sustain agricultural, recreational, industrial, environmental, and other community sectors. Recent evaluations of headwater systems show they are essential sources of high-quality water, diluting nutrient and other contaminant and sediment inputs, and key for ecosystem function and connectivity (Kaule & Gillfedder, 2021; Wohl, 2017). The HoC is forging the path for strong partnerships with research scientists, government agencies, universities, and environmental consultants to model, predict, and monitor snowpack and headwater streamflow across multiple scales to address these issues within the project area.

Fire Suppression, Insects, Disease, and Catastrophic Wildfire

Another challenge the watersheds face is historic fire suppression policies, the impact of insect and disease outbreaks on increasing wildfires, and landscape scale wildfires. Wildland fire is part of the natural process of forest regeneration, yet historic fire suppression policies and changing fire regimes have resulted in massive wildfires near the project area. Some recent landscape scale wildfires in the project area include the Mullen, Cameron Peak, and East Troublesome fires in 2020. They burned a total of 175,000, 208,000, and 193,000 acres respectively, for a total of 576,000 acres, or about half the size of Rhode Island.

The mountain pine beetle (MPB) populations in the Rocky Mountain region are at epidemic conditions (Man, 2010). Recent studies document the correlation between MPB-caused tree mortality, altered hydrologic processes, and source water contributions to streamflow (Wehner and Stednick, 2017). Bark beetle activity is increasing in western forests due to climate change, drought, and warmer winter temperatures (Raffa et al., 2008). The combined effects and shifting forest disturbance regimes place considerable stress on forest ecosystems, which leads to the potential for undesirable social and ecological outcomes (Morris et al., 2016). MPB infestation affects forest characteristics that are known to impact accumulation and ablation of snow, which in turn impacts the water balance of entire drainage basins (Bales et al., 2006). In the project area, the MPB epidemic reached a zenith in 2008. The epidemic impacted vast swaths of upper montane forest.

Wildfires often affect watershed processes that regulate sediment, streamflow and nutrient responses (Venable et al., 2017). These fires impact soils by causing erosion due to the removal of vegetation and reduce rates of infiltration of water into the soil. Hyper-dry conditions can lead to runoff that transports nutrients and organic pollutants into water supplies, increasing the likelihood of flooding and debris. Delivery of post-fire nutrients, sediments and pollutants to surface waters also has implications for aquatic biota, fisheries, recreation, water supply infrastructure and treatment (Venable et al., 2017). The landscape level wildfires that are now becoming commonplace in the geographies of the HoC are unsustainable and have a devastating impact on the local watershed. The abovementioned fires have made a substantial negative impact on the Yampa and Little Snake watersheds. The HoC will work with our collaborative partners to mitigate the impact of past wildfires on the watershed and mitigate the risk of future fires.

Despite increases in fire activity, many forested areas in the West face a fire deficit (Parks et al., 2015), with an accumulation of areas in need of treatment and entire fire-adapted landscapes likely becoming “endangered” (Stephens et al., 2016). Recommendations boil down to the need for more ecologically beneficial fires and fewer fires with negative ecological or social impacts (Stevens et al., 2018).

Diverse Social Values and Landscape Practices

The third challenge driving ecosystem change is diverse values and demands across multiple sectors on water and forest resources which exacerbate the system’s vulnerability. With highly erratic and declining water supplies, and growing demands on the Colorado River, we must consider and improve upon extant storage and distribution systems, which have been built over the past century (Kwon and Gimbel, 2021).

Access to and management of water scarcity is the key priority and challenge for agriculture producers, water conservancy and conservation districts, basin roundtables, recreationists, environmental groups, Tribes, courts, government agencies, and compacts between states. Many of these invested stakeholders are represented in the HoC. Notably, one recent study investigated how human adaptation affects water scarcity uncertainty in the Colorado River Basin with the focus on agricultural water consumption (Hung et al., 2022). The authors discovered that farmers/ranchers in the Upper Basin tend to change their water uses in response to climate signals with forward-thinking and bold behaviors in comparison to more cautious behaviors expressed by those in the Lower Basin.

In addition to the value of water, local communities view the national forests in connection to the private irrigated valley bottoms, to holistically serve as working lands which sustain community economies. Maintaining the character of the West with agriculture and grazing allotments, timber production, recreation and tourism, energy, and other industries is of vital importance in the HoC. The HoC and its members will endeavor to understand and respect the various perspectives that are brought to the table. Our intent is to adroitly manage and serve as an exemplar for the complex social-ecological relationships within the project areas that hold multiplicitous preservation values on forest and land use decisions.

Jurisdictional Boundaries

The issues described above compound in the mosaic of land ownership and management within the project area. The forested headwaters and lower elevation rangelands within the HoC project area is separated by the Colorado/Wyoming state line, which requires input and guidance from the citizenry and governments of each state and the local communities. The HoC is a unique opportunity for a watershed collaborative in that we are engaging with stakeholders across state lines. As demonstrated in the nuance of the Little Snake watershed, an organization to help lead cross-state approaches is needed and the HoC will fill that demand. In addition to the perspectives to two states, the HoC project area includes Forest Service, BLM, Colorado State lands, Wyoming State lands, Carbon County in Wyoming, Routt and Moffat Counties in Colorado, and private lands. Each of these entities have experienced limitations to project efficiency and progress due to jurisdictional boundaries. These issues range from funding, permitting, and compliance issues among others, land use policies and priorities, and more. Each of the managers or owners of the lands in this mosaic landscape has a desire to see effective practices expand beyond the limits of a jurisdictional fence line. The HoC will serve as a central point for these individual perspectives to coalesce around a shared land ethic to further the protection and health of the HoC watersheds and forests.

Sub-Criterion No. B2. Project Benefits

Albert Einstein stated: “In the middle of every difficulty lies opportunity.” This is the case for this landscape. While there have been numerous examples of collaborative watershed forest restoration and stewardship efforts, this project is unique in respect to its context within the Colorado Basin. The HoC has an exceptional opportunity to pilot the development of a headwaters forest of the future in the face of a changing climate where demands and system vulnerability will become increasingly fragile and fraught with ecological and social challenges.

A key step to incorporate the local watershed issues, develop strategies, and produce project benefits is to create a comprehensive Watershed Plan.

Building Forest Resilience

Healthy forests can buffer the effects of drought related to warming trends and increased evapotranspiration. The Forest Service has conducted research which shows that thinning and fuels treatments are effective tools to decrease tree mortality and increase forest resilience in periods of drought. These treatments have increased the resiliency of the forests within which they occur. The primary contributors to forest resilience are 1) forest structure, 2) forest composition, and 3) disturbance (Manley et al., 2023). Within each of these 3 components, diversity is the common theme leading to improved resiliency.

As part of the HoC's watershed restoration plan, which includes forest treatments within the project area, these three components will be managed to increase forest resiliency. The benefits the HoC will achieve through a watershed restoration plan prioritize forest resiliency through increased water yield and quality.

Expanded Cross-Boundary Forest Management and Treatments

A primary driver of the HoC's origin comes from the easily observable increase in tree mortality over the past decades. The HoC will build upon, expand, and scale up the efforts of the Medicine Bow LaVA project, which covers 288,000 of vegetation management, was developed in response to unprecedented landscape-level tree mortality from bark beetles and other forest health issues. These issues have affected hundreds of thousands of acres across the Medicine Bow National Forest since the late 1990s, resulting in a lack of resilience to other disturbances and unsafe conditions in some locations (USFS, 2023).

The HoC will expand this work beyond Forest Service boundaries and into the 1.4 million acres within the project area. The scope of work crosses state lines and multiple jurisdictional boundaries. The primary benefits of this project approach include mitigating hazardous fuel loading, providing for recovery of forest products, enhancing forest and rangeland resilience to future insect and disease infestations, protecting infrastructure and municipal water supplies, restoring wildlife habitat, enhancing access for forest visitors and permittees, and providing for human safety (USFS, 2023).

Diverse Social Values and Landscape Practices

The diversity of stakeholders, economies, communities, and environments which exist within the HoC project boundary creates a unique set of opportunities to embolden community values. The HoC will provide common ground among engaged stakeholders and build the trust necessary to forge cohesive and collaborative approaches to landscape use and management. The collaborative approach and inclusive nature of the initiative are direct benefits to the process towards consensus. The HoC, as a watershed collaborative, facilitates and strengthens the working relationships between the public and private sectors at the federal, state, tribal and local levels to achieve the greatest environmental improvements with the resources available. The HoC emphasizes the balance of natural resource management with community health, livelihood or quality of life, and providing invested citizens a meaningful role in the management of the

resources. Through such active and broad involvement, the HoC will build a sense of community, reduce conflicts and points of friction, increase commitment to the actions necessary to meet societal goals and, ultimately, improve the likelihood of sustaining long-term environmental improvements (EPA, 1996).

Working Across Jurisdictional Boundaries

The HoC is developing a multi-jurisdiction project area in order to coordinate planning, funding, design, and implementation of watershed restoration across traditional boundaries that have limited the extent of treatment areas in the past. The HoC will leverage increased capacity via the WLA watershed coordinator position, fiscal agency, fundraising capacity, and project management via the NFF, with partner engagement to instill a planning process driven by data acquisition to inform project implementation. This method allows jurisdictional authority to remain in place while restorative projects are less hindered by the presence of those jurisdictional lines.

From a higher-level perspective, the benefits of this project are best captured in the vision, mission, goals, and strategies identified in early discussions with the various stakeholders of the HoC. They are as follows:

Vision: Demonstrate landscape resilience within dynamic conditions through a fully functioning high-altitude forest in the headwaters of the Colorado River that benefits local communities, ecosystems, and economies.

Mission: Create a resilient and functioning forested headwaters within the landscapes of the Little Snake and Yampa Rivers of Wyoming and Colorado through science-based ecosystem planning, coordinated partnerships, focused funding, and collaboration across all lands.

Goals: Proactively address ecological and social stressors driving ecosystem change to achieve the following goals:

1. Increase water storage and supply, and water quality;
2. Increase agricultural production, including agro-forestry;
3. Improve and maintain forest health and sequester carbon;
4. Decrease the threat of catastrophic wildfire;
5. Protect communities & infrastructure; and
6. Improve wildlife habitat and fisheries and increase biodiversity

Objectives:

1. *Enhance* headwater resources through partnerships, restoration, and management across boundaries;
2. *Scale up* forest and rangeland management;
3. *Integrate* forest productivity with biodiversity conservation;

4. *Support* community-based sustainable forest products and related resource-based economies;
5. *Producing* renewable energy feedstocks; and
6. *Enable* economically viable rural communities to thrive.

Evaluation Criterion C: Readiness to Proceed

The groundwork already laid by the HoC to develop stakeholder support provides a strong foundation for success. The HoC is poised to succeed with watershed planning and project development by addressing previous barriers to stakeholder communication across jurisdictional lines. The formal coordination of the HoC enables the watershed collaborative to move forward quickly with a concerted effort and focus on the detailed deliverables addressed in this proposal.

Task A: Development of the Watershed Group

Prefunding activities: March 2023-December 2024:

The HoC has held bimonthly meetings to identify interested parties, identify steps to formalize group governance, operations, and structures, establish roles and inputs from the different participants, learn about extant work in the project area, and discuss funding needs and opportunities. The planned activities, which will be conducted prior to the funds requested here, will occur between March 2023 and December 2024. These activities include:

- Draft an organizational charter to delineate rules of order, how the group will proceed in decision making, establish governance structures, prioritize areas of action, and determine staffing needs.
- Conduct outreach and education to affected stakeholders, develop informational materials, begin documentation of baseline conditions within the watershed, and compile a portfolio of completed or and current projects within the watershed.
- Coordinate with agencies and contractors engaged in on-going projects in the project area to conduct field tours of completed and ongoing projects. This coordination allows the HoC to leverage opportunities to extend existing projects across jurisdictional lines or scale up ongoing projects with the partnerships developed through the HoC.
- Continue to refine mission, vision, and goals for the watershed group in relation to increased data and engagement. Develop a plan for increased outreach through partnership engagement and communications strategies.
- Continue to gather existing information about restoration needs in the watershed.

Activities Conducted with USBR WaterSMART funding: Task Detail

A.1: Fund Watershed Coordinator position housed by Western Landowners Alliance from January 2025 – December 2027

A.2: Watershed Coordinator will begin to develop informational materials and website (January – April 2025 with ongoing updates through to end of project: December 2027)

A.3: Steering Committee and Communications Subcommittee will establish an outreach plan to affected stakeholders and related groups (January –April 2025)

A.4: Watershed Coordinator will schedule, coordinate and host public meetings every other month (January 2025 – December 2027)

A.5: Watershed Coordinator will attend meetings and participate with other natural resource collaboratives within the project area (January 2025 – December 2027)

A.6-8: Watershed Coordinator and Projects Subcommittee will research and document existing information related to baseline conditions, land use conditions, and planning documents within the project area, to help inform Watershed Plan and pilot project development. (January 2025 – December 2026)

Task B: Watershed Restoration Planning

B.1: Watershed Coordinator, Projects Subcommittee, and stakeholders identify and prioritize watershed management projects during in-person meetings (January – April 2025, November 2025 – April 2026)

B.2: Agency and local entity partners submit best practices to Watershed Coordinator for inclusion in HoC Best Practices document. These best practices may include, but are not limited to, river restoration, vegetation management and thinning operations, prescribed burns, and more. (January –April 2025)

B.2: Watershed Coordinator will compile HoC Best Practices publication for sharing with public (November 2025- March 2026)

B.3: Steering Committee and Watershed Coordinator guide development of strategies to address goals and objectives in public stakeholder meetings (January – April 2025, November 2025 – April 2026, November-December 2026)

B.4: Obtain environmental consultant to assist in developing watershed restoration plan. Conduct stakeholder meetings to gain information necessary for planning documents: issues, concerns, stakeholder perceptions, project ideas. Compile list of data needs or field work for plan completion. Watershed Plan project manager will create and engage monitoring plan for baseline data about current conditions (May – October 2026 & 2027))

B.5: Watershed Coordinator with Projects Subcommittee and collaborative volunteers will develop and update project metrics, economic impacts, performance, milestones and deliverables to be included in end of year reports (December 2025, 2026, &2027)

B.6: Watershed Plan project manager will use information developed by collaborative to populate, identify data gaps, and complete the watershed restoration plan (March 2026- December 2027)

Task C: Watershed Management Project Design

C.1: Watershed Coordinator, Steering Committee, Projects Subcommittee, and state/federal agency partners analyze and identify “shovel ready” project locations (January –March 2027)

C.2: USFS, State forestry and Conservation District engineer will create site design, engineering plans, and logistics for prioritized projects (February – April 2027)

C.3: State, Federal, and private land managers will identify projects previously limited by jurisdictional boundaries and expand planning across those lines (March-April 2027)

C.4: State and Federal managers will begin assessing prioritized projects for environmental compliance and permitting (March - May 2027)

C.5: Steering Committee and Project sponsors will develop a budget and fundraising plan for project initiation and completion. Watershed Coordinator will pursue funding opportunities (March – December 2027)

C.6: Watershed coordinator and assistant will compile prioritized “shovel ready” project list and create informational documents to be included in the engagement and communications strategy developed by the steering Committee and Communications Subcommittee (March – December 2027)

Evaluation Criterion D—Presidential and Department of the Interior Priorities

Climate Change

Communities in the Little Snake and Yampa River Valleys are concerned about large-scale drivers of basin-wide change especially in the face of a warming climate, which is expected to cause a persistent and possibly irreversible decline in watershed runoff to the Colorado River for decades, if not centuries, with demand exceeding supply. Development of sustainable water-supply management with increased restoration is critical for all watersheds within the Colorado River Basin. These communities want to create grassroots solutions with a diversity of partners to conserve the basin.

The Colorado River is in the midst of a “millennium drought,” a 23-year (and counting) period of low flows, dwindling reservoir supplies, and changing hydrology across the Southwest. Leading scientists, their agencies, and associated academic institutions are conducting research on warming temperatures, changes in precipitation, water shortages and the cumulative effects on hydrological, socio-economic, and ecological systems.

The Upper Colorado River Basin contributes 85-90% of the total water year runoff in the Colorado River Basin (McCabe & Wolock, 2020). Streamflow originates as baseflow, a proxy for groundwater discharge to streams and is vital to sustaining surface water (Miller et al., 2016). More than half of the decreasing runoff trend is associated with unprecedented warming, which has reduced snowpack and increased plant water use (Xiao et al., 2018).

As a forested headwaters system, the location of this bi-state initiative holds crucial value for water quantity and quality downstream. These high-elevation watersheds rely on snowpack and

snowmelt to sustain agricultural, recreational, industrial, environmental, and other community sectors. Evaluations of headwater systems reveal that they are essential sources of high-quality water, diluting nutrient and other contaminant and sediment inputs, and key for ecosystem function and connectivity (Kaule, 2021; Wohl, 2017). A take home message is that this initiative will require strong partnerships with research scientists, government agencies, universities, and environmental consultants to model, predict, and monitor snowpack and headwater streamflow across multiple scales. From this planning and review, conservation and restoration objectives can be developed to strategically target associated treatments within an adaptive management framework.

Benefits to Disadvantaged, Underserved, and Tribal Communities

Disadvantaged and Underserved Community Benefits

The White House Council on Environmental Quality's interactive Climate and Economic Justice Screening Tool identifies Moffat County, Colorado (Tract No.: 008081000600) as disadvantaged. Roughly 1/3 of Moffat County is within the project area boundaries and the entire county is within the affected area of the HoC's beneficial impacts. Moffat County is designated as disadvantaged because of expected population loss rate in the 95th percentile (above 90th percentile), projected wildfire risk in the 91st Percentile (above 90th percentile), low income in the 80th percentile (above 65th percentile), energy cost in the 98th percentile (above 90th percentile), abandoned mine lands, and formerly used defense sites.

HoC will serve these disadvantaged communities in Moffat County through a rejuvenation of resource-based economies in an area that is in the midst of a transition away from fossil fuel mining and energy production. The HoC intends to increase job opportunities related to agro-forestry, carbon sequestration, forest products, recreation, environmental compliance, environmental restoration, and forest stewardship. Those currently involved in forest related economies believe that their operations are stalled due to shifting priorities for forest management, differences in state policies, and delays in permitting or impact analysis. The HoC's collaborative and partnership-based approach to forest management will allow for forest-based economies to increase along with forest health which will benefit the disadvantaged categories of population loss rates and low incomes as sustainable and skilled jobs will be available in the project area. Wildfire risk is another area that the HoC will directly address by scaling up the ongoing work of the Medicine Bow LaVA project that was developed to respond to landscape scale mortality from bark beetles and other forest health issues over hundreds of thousands of acres in Wyoming's Medicine Bow National Forest. The HoC's structure and collaborative approach will aid in scaling this endeavor up to expand across state and jurisdictional lines for a holistic and effective approach to landscape scale forest restoration that reduces wildfire risk within the HoC project area.

Tribal Benefits

The Headwaters of the Colorado Initiative does not directly serve and/or benefit a Tribe

END OF TECHNICAL PROPOSAL SECTION

D.2.2.3. Budget

| Summary | | | |
|---------------------------|------------------------------|--------------------------|------------------------------|
| 6. Budget Object Category | Total Cost | Federal Estimated Amount | Non-Federal Estimated Amount |
| a. Personnel | \$7,246 | | |
| b. Fringe Benefits | \$2,754 | | |
| c. Travel | \$0 | | |
| d. Equipment | \$0 | | |
| e. Supplies | \$0 | | |
| f. Contractual | \$275,000 | | |
| g. Construction | \$0 | | |
| h. Other Direct Costs | \$0 | | |
| i. Total Direct Costs | \$285,000 | | |
| i. Indirect Charges | \$15,000 | | |
| Total Costs | \$300,000 | \$300,000 | \$0 |
| | Cost Share Percentage | 100% | 0% |

D.2.2.4. Environmental and Cultural Resources Compliance

HoC will not engage in project construction or implementation activities through these grant funds. These potentially impactful activities will be initiated using separate funding from partner organizations or alternative grant opportunities. These grant funds will be used only to build collaborative capacity, engage stakeholders and conduct planning exercises that will guide future progress in the planning area. Any projects that are subsequently developed due to the work made possible by this grant will be thoroughly researched for compliance with all necessary environmental and cultural resource assessments.

D.2.2.5. Required Permits or Approvals

The HoC does not intend to engage in any work that requires permits or approvals under this grant funding. Subsequent work made possible by the completion of this grant's objectives will be thoroughly researched for any necessary permits or approvals.

D.2.2.6. Overlap or Duplication of Effort Statement

The HoC is not aware of any overlap or duplication of effort between this proposed project and any other anticipated proposals or projects. The proposal submitted for consideration under this program does not in any way duplicate any proposal or project that has been or will be submitted for consideration with other potential funding sources.

D.2.2.7. Conflict of Interest Disclosure Statement

Per 2 CFR §1402.112, no actual or potential conflict of interest exists at the time of submission of this grant application – December 5, 2023

D.2.2.8. Uniform Audit Reporting Statement

Please see attachments

D.2.2.9. SF-LLL: Disclosure of Lobbying Activities

Please see attachments

D.2.2.10. Letters of Support

| Entities Contributing Letters of Support in Appendix |
|--|
| Colorado State Forest Service |
| University of Wyoming's Haub School of Environment and Natural Resources |
| Upper Yampa Water Conservancy District |
| The Nature Conservancy: Wyoming |
| Mountain Pine Manufacturing, Inc |
| Western Landowners Alliance |
| Little Snake River Conservation District |
| Savery-Little Snake River Water Conservancy District |
| Pothook Water Conservancy District |
| Senator Bennet |
| Moffat County Commissioners |
| Yampa Valley Sustainability Council |
| Wyoming State Forestry Division |
| Medicine Bow-Routt National Forests and Thunder Basin National Grassland |
| John Espy: Carbon County Commissioner |
| Colorado River District |

Please see attachments

D.2.2.11. Official Resolution

The National Forest Foundation will provide a resolution from our board of directors upon award announcement.



November 27, 2023

Bureau of Reclamation Financial Assistance Operations Section
Attn: NOFO Team
P.O. Box 25007, MS 84-27133
Denver, CO 80225

RE: WaterSMART Cooperative Watershed Management Program Phase I: Letter of Support

Dear Cooperative Watershed Management Program:

I am writing to document the Upper Yampa Water Conservancy District's (UYWCD) support of the Headwaters of the Colorado Initiative's (Initiative) proposal to the Bureau of Reclamation's WaterSMART Cooperative Watershed Management Program (CWMP) Phase I funding opportunity (R23AS00362), titled "A Bi-State initiative to restore forest health and function through improved water quality and quantity in the Little Snake and Yampa River Headwaters of Wyoming and Colorado". The UYWCD is familiar with the Initiative's preliminary development and initially proposed scale of the project area and supports the efforts to address the natural resource concerns identified therein through an inclusive and collaborative endeavor.

The UYWCD believes that the investment of WaterSMART CWMP funds in the Initiative will have a positive impact on the communities, natural resources, and open spaces of Northwest Colorado and Southern Wyoming. The funding request for the development and capacity of this watershed group and watershed restoration planning will result in beneficial, tangible, and place-based outcomes to the proposed project area stakeholders.

Thank you for your consideration of an investment in this regional project, collaboratively developed by members of a watershed group to address critical water supply needs and water quality concerns, helping water users meet competing demands and avoid conflicts over water.

Sincerely,

Andy Rossi
General Manager
Upper Yampa Water Conservancy District
arossi@upperyampawater.com

Little Snake River Conservation District
PO Box 355
Baggs, WY 82321

11/28/2023

Bureau of Reclamation Financial Assistance Operations Section
Attn: NOFO Team
P.O. Box 25007, MS 84-27133
Denver, CO 80225

RE: WaterSMART Cooperative Watershed Management Program Phase I: Letter of Support

Dear Project Leader:

I am writing to document the Little Snake River Conservation District's support of the Headwaters of the Colorado Initiative's proposal to the Bureau of Reclamation's WaterSMART Cooperative Watershed Management Program Phase I funding opportunity (R23AS00362)), titled "A Bi-State initiative to restore forest health and function through improved water quality and quantity in the Little Snake and Yampa River Headwaters of Wyoming and Colorado". The District is familiar with the Initiative's development and scale of their project area and supports the efforts to address the natural resource concerns identified in therein through an inclusive and collaborative endeavor.

The District believes that this investment of waterSMART funds to the Headwaters of the Colorado Initiative will have a positive impact on the communities, natural resources, and open spaces of NW Colorado and Southern Wyoming. The request made to support the development and capacity of this watershed group through staffing, education and outreach, and watershed restoration planning will result in beneficial, tangible, and place-based outcomes to diverse stakeholders.

The Little Snake River Conservation District is actively engaged in resource improvement projects with private landowners in the HoC project area and looks forward to working with this collaborative to expand the benefits of our work while working together with other partners to expand their work beyond typical boundaries. We fully and enthusiastically support this endeavor.

Thank you for your consideration of this investment in our region, please join us in supporting this endeavor.

Sincerely,



John R Cobb
Chairman of the Board
Little Snake River Conservation District

MICHAEL F. BENNET
COLORADO

COMMITTEES:
AGRICULTURE, NUTRITION, AND FORESTRY
FINANCE
INTELLIGENCE

United States Senate
WASHINGTON, DC 20510-0609

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

COLORADO:
CESAR E. CHAVEZ BUILDING
1244 SPEER BOULEVARD
DENVER, CO 80204
(303) 455-7600

<http://www.bennet.senate.gov>

November 27, 2023

The Honorable Commissioner Camille Calimlim Touton
Bureau of Reclamation
U.S. Department of Interior
1849 C Street NW
Washington, D.C. 20240

Dear Commissioner Touton:

I write in support of the application submitted by the National Forest Foundation (NFF), in coordination with eleven partners, for funding from the U.S. Bureau of Reclamation WaterSMART Cooperative Watershed Management grant program, Phase I. If selected, NFF will fund the staffing and resource capacity to develop a watershed restoration plan for over 1.4 million acres of federal, state, and private land in northwest Colorado and southern Wyoming. The project is a bi-state initiative to restore forest health and function through improved water quality and quantity in the Little Snake and Yampa River headwaters of Colorado and Wyoming.

Chartered by Congress, NFF was created with a simple mission: to bring people together to restore and enhance our National Forests and Grasslands. The coordinating partners represent a strong and diverse set of stakeholders working at the local level, with input from regional and national partners, to maximize the restoration impact of the project. In the Little Snake and Yampa River headwaters, increased drought, declining winter snowpack, and deteriorating range conditions necessitate careful restoration and stewardship of cross-jurisdictional lands. This funding will provide critical planning, watershed management project design, and outreach capacity to promote successful implementation and long-term outcomes for these lands.

I encourage you to give the proposal submitted by the National Forest Foundation your full and fair consideration consistent with all applicable rules and regulations. Thank you for your review, and please notify my office of any funds awarded.

Sincerely,



Michael F. Bennet
United States Senator



November 27, 2023

Bureau of Reclamation Financial Assistance Operations Section
Attn: NOFO Team
P.O. Box 25007, MS 84-27133
Denver, CO 80225

RE: WaterSMART Cooperative Watershed Management Program Phase I: Letter of Support

Dear Project Leader:

I am writing to document Moffat County Board of County Commissioners support of the Headwaters of the Colorado Initiative's proposal to the Bureau of Reclamation's WaterSMART Cooperative Watershed Management Program Phase I funding opportunity (R23AS00362)), titled "A Bi-State initiative to restore forest health and function through improved water quality and quantity in the Little Snake and Yampa River Headwaters of Wyoming and Colorado". Moffat County Commissioners are familiar with the Initiative's development and scale of their project area and supports the efforts to address the natural resource concerns identified in therein through an inclusive and collaborative endeavor.

Moffat County believes that this investment of WaterSMART funds to the Headwaters of the Colorado Initiative will have a positive impact on the communities, natural resources, and open spaces of NW Colorado and Southern Wyoming. The request made to support the development and capacity of this watershed group through staffing, education and outreach, and watershed restoration planning will result in beneficial, tangible, and place-based outcomes to diverse stakeholders.

Thank you for your consideration of this investment in our region, please join us in supporting this endeavor.

Sincerely,

Tony Bohrer, Chairman
Board of County Commissioners

Pothook Water Conservancy District
PO Box 60
Baggs, WY 82321

11/22/2023

Bureau of Reclamation Financial Assistance Operations Section
Attn: NOFO Team
P.O. Box 25007, MS 84-27133
Denver, CO 80225

RE: WaterSMART Cooperative Watershed Management Program Phase I: Letter of Support

Dear Project Leader:

I am writing to document the Pothook Water Conservancy District's support of the Headwaters of the Colorado Initiative's proposal to the Bureau of Reclamation's WaterSMART Cooperative Watershed Management Program Phase I funding opportunity (R23AS00362)), titled "A Bi-State initiative to restore forest health and function through improved water quality and quantity in the Little Snake and Yampa River Headwaters of Wyoming and Colorado". The District is familiar with the Initiative's development and scale of their project area and supports the efforts to address the natural resource concerns identified in therein through an inclusive and collaborative endeavor.

The District believes that this investment of waterSMART funds to the Headwaters of the Colorado Initiative will have a positive impact on the communities, natural resources, and open spaces of NW Colorado and Southern Wyoming. The request made to support the development and capacity of this watershed group through staffing, education and outreach, and watershed restoration planning will result in beneficial, tangible, and place-based outcomes to diverse stakeholders.

The Pothook Water Conservancy District contracts with the Savery-Little Snake River Water Conservancy District to deliver stored water to the irrigators of the Little Snake River Valley in Colorado. from High Savery Reservoir. This reservoir and the snowpack that supplies direct flow water during runoff are in the HoC project area. We believe that the work proposed by this initiative will have benefits to the quantity and quality of water we use to maintain the agricultural economy of our valley.

Thank you for your consideration of this investment in our region, please join us in supporting this endeavor.

Sincerely,



J Douglas Sheehan
Chairman of the Board
Pothook Water Conservancy District



Mountain Pine Manufacturing, Inc.
10 County Road 27
Craig, CO 81625
Phone (970) 846-5719
www.mpinem.com

November 21, 2023

Bureau of Reclamation Financial Assistance Operations Section
Attn: NOFO Team
P.O. Box 25007, MS 84-27133
Denver, CO 80225

RE: WaterSMART Cooperative Watershed Management Program Phase I: Letter of Support

Dear Project Leader:

Mountain Pine Manufacturing, Inc. is in strong support of the Headwaters of the Colorado Initiative's proposal to the Bureau of Reclamation's WaterSMART Cooperative Watershed Management Program Phase I funding opportunity (R23AS00362), titled "A Bi-State initiative to restore forest health and function through improved water quality and quantity in the Little Snake and Yampa River Headwaters of Wyoming and Colorado".

Mountain Pine Manufacturing, Inc. is a sawmill operation located very near to the Headwaters of the Colorado's project area. We have dedicated our company mission to promoting forest health by utilizing beetle-kill infested trees and other biomass harvested from insect infested forests in Northern Colorado and Southern Wyoming. Our primary product is called WoodStraw which is an erosion control material used on construction sites around the Rocky Mountain West to improve water quality, and to help establish vegetation. Our intention with this project is to ensure that any useable timber removed from the HOC's project site is utilized in a responsible fashion to help improve our local environment and our community.

Mountain Pine Manufacturing, Inc. believes that the Headwaters of the Colorado is a perfect fit for the waterSMART grant. Their initiative will have a positive impact on the communities, natural resources, and open spaces of NW Colorado and Southern Wyoming. They have assembled a vast array of interested parties that are truly excited to make a positive impact on our local forest lands.

Thank you for your consideration of this investment in our region, please join us in supporting this endeavor.

Sincerely,

Trent Jones

President
Mountain Pine Manufacturing, Inc.
970-846-5719
trent@mpinem.com

November 10, 2023

Bureau of Reclamation Financial Assistance Operations Section
Attn: NOFO Team
P.O. Box 25007, MS 84-27133
Denver, CO 80225

RE: WaterSMART Cooperative Watershed Management Program Phase I: Letter of Support

Dear Project Leader:

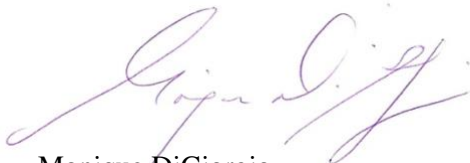
I am writing to document the Western Landowners Alliance's support of the Headwaters of the Colorado Initiative's proposal to the Bureau of Reclamation's WaterSMART Cooperative Watershed Management Program Phase I funding opportunity (R23AS00362)), titled "A Bi-State initiative to restore forest health and function through improved water quality and quantity in the Little Snake and Yampa River Headwaters of Wyoming and Colorado."

Western Landowners Alliance has been working with the Headwaters of the Colorado Initiative to build administrative support that sets the group up for success to deliver on-the-ground projects. We are particularly interested in supporting stewardship projects on private lands in alignment with our mission to advance policies and practices that sustain working lands, connected landscapes, and native species. We are supporting the collaborative both through my time as the Western Water Program Director and hope to provide additional administrative capacity to support the full-time staffing of the Initiative.

As such, we are familiar with the Initiative's development and scale of their project area and support the efforts to address the natural resource concerns identified through this inclusive and collaborative endeavor. Western Landowners Alliance believes that this investment of WaterSMART funds to the Headwaters of the Colorado Initiative will have a positive impact on the communities, natural resources, and open spaces of NW Colorado and Southern Wyoming. The request made to support the development and capacity of this watershed group through staffing, education and outreach, and watershed restoration planning will result in beneficial, tangible, and place-based outcomes to diverse stakeholders.

Thank you for your consideration of this investment in this region, please join us in supporting this endeavor. Do not hesitate to reach out to me with any questions about our support or engagement in this initiative.

Sincerely,



Monique DiGiorgio
Western Water Program Director
Western Landowners Alliance
monique@westernlandowners.org | 970-335-8174
<https://westernlandowners.org/>



Wyoming State Forestry Division

Office of State Lands and Investments



Kelly Norris, CF State Forester
Wyoming State Forestry Division
5500 Bishop BLVD
Cheyenne, WY 82001
Phone: 307-777-7586
Kelly.norris@wyo.gov

Mark Gordon
Governor

Jenifer Scoggin
Director

Kelly Norris
State Forester

November 28, 2023

Bureau of Reclamation Financial Assistance Operations Section
Attn: NOFO Team
P.O. Box 25007, MS 84-27133
Denver, CO 80225

RE: WaterSMART Cooperative Watershed Management Program Phase I: Letter of Support

Dear Project Leader:

I am writing to document Wyoming State Forestry Division support of the Headwaters of the Colorado Initiative's proposal to the Bureau of Reclamation's WaterSMART Cooperative Watershed Management Program Phase I funding opportunity (R23AS00362)), titled "A Bi-State initiative to restore forest health and function through improved water quality and quantity in the Little Snake and Yampa River Headwaters of Wyoming and Colorado". Wyoming State Forestry Division is familiar with the Initiative's development and scale of their project area and supports the efforts to address the natural resource concerns identified in therein through an inclusive and collaborative endeavor.

Wyoming State Forestry Division believes that this investment of WaterSMART funds to the Headwaters of the Colorado Initiative will have a positive impact on the communities, natural resources, and open spaces of NW Colorado and Southern Wyoming. The request made to support the development and capacity of this watershed group through staffing, education and outreach, and watershed restoration planning will result in beneficial, tangible, and place-based outcomes to diverse stakeholders.

Wyoming State Forestry Division is a proponent of vegetation management and ecosystem restoration across landscapes that will improve water quality and reduce the risk of devastating wildfires. This initiative will support and increase partnerships and collaborations that are vital to complete landscape restoration at an impactful scale. Wyoming State Forestry Division fully supports this initiative and commits to full collaboration throughout the project.

Sincerely,

Kelly Norris, CF
State Forester

Savery - Little Snake River Water Conservancy District
PO Box 192
Baggs, WY 82321

11/21/2023

Bureau of Reclamation Financial Assistance Operations Section
Attn: NOFO Team
P.O. Box 25007, MS 84-27133
Denver, CO 80225

RE: WaterSMART Cooperative Watershed Management Program Phase I: Letter of Support

Dear Project Leader:

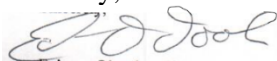
I am writing to document the Savery - Little Snake River Water Conservancy District's support of the Headwaters of the Colorado Initiative's proposal to the Bureau of Reclamation's WaterSMART Cooperative Watershed Management Program Phase I funding opportunity (R23AS00362)), titled "A Bi-State initiative to restore forest health and function through improved water quality and quantity in the Little Snake and Yampa River Headwaters of Wyoming and Colorado". The District is familiar with the Initiative's development and scale of their project area and supports the efforts to address the natural resource concerns identified in therein through an inclusive and collaborative endeavor.

The District believes that this investment of waterSMART funds to the Headwaters of the Colorado Initiative will have a positive impact on the communities, natural resources, and open spaces of NW Colorado and Southern Wyoming. The request made to support the development and capacity of this watershed group through staffing, education and outreach, and watershed restoration planning will result in beneficial, tangible, and place-based outcomes to diverse stakeholders.

The Savery - Little Snake River Water Conservancy District contracts with the State of Wyoming to deliver stored water to the irrigators of the Little Snake River Valley in Wyoming from High Savery Reservoir. This reservoir and the snowpack that supplies direct flow water during runoff are in the HoC project area. We believe that the work proposed by this initiative will have benefits to the quantity and quality of water we use to maintain the agricultural economy of our valley.

Thank you for your consideration of this investment in our region, please join us in supporting this endeavor.

Sincerely,



Ea'mon O'toole
Chairman of the Board
Savery- Little Snake River Water Conservancy District



28 November 2023

Bureau of Reclamation Financial Assistance Operations Section
Attn: NOFO Team
P.O. Box 25007, MS 84-27133
Denver, CO 80225

RE: WaterSMART Cooperative Watershed Management Program Phase I (R23AS00362): Letter of Support

Dear Project Leader:

I am writing to express the Yampa Valley Sustainability Council's (YVSC) support for the Headwaters of the Colorado Initiative's proposal to the Bureau of Reclamation's WaterSMART Cooperative Watershed Management Program, titled "A Bi-State initiative to restore forest health and function through improved water quality and quantity in the Little Snake and Yampa River Headwaters of Wyoming and Colorado". YVSC serves on the Steering Committee for the Initiative and supports increased efforts to address natural resource concerns in the project area through an inclusive and collaborative endeavor. YVSC is already implementing watershed restoration projects in the project area, and sees the importance of a coordinated collaborative planning and implementation process.

YVSC believes that an investment of WaterSMART funds to the Headwaters of the Colorado Initiative will have a positive impact on the communities, natural resources, and open spaces of Northwest Colorado and Southern Wyoming. Increased capacity for this watershed group will assist in getting on-the-ground results that will benefit water quality and quantity, forest health and biodiversity.

YVSC sees particular value in this collaborative being able to identify and support implementation of broadly supported projects that could benefit from additional federal funding from existing sources, such as the Bipartisan Infrastructure Law and the Inflation Reduction Act. The Collaborative will also be able to leverage state and private funding for on-the-ground projects. For example, YVSC has been able to generate both private and public funding to begin wetland restoration projects on the Routt National Forest within the project area for the Collaborative. Identifying additional needs for similar projects, and establishing new partnerships to implement them, will be a likely outcome of the Collaborative..

Thank you for your consideration of this investment in our region

Sincerely,

Resilient Land and Water Director
Yampa Valley Sustainability Council



Tel (307) 332-2971
Fax (307) 332-2974
nature.org/wyoming

258 Main Street
Lander, Wyoming 82520

November 27, 2023

Bureau of Reclamation Financial Assistance Operations Section
Attn: NOFO Team
P.O. Box 25007, MS 84-27133
Denver, CO 80225

RE: WaterSMART Cooperative Watershed Management Program Phase I: Letter of Support

Dear Project Leader:

I am writing to document The Nature Conservancy's support of the Headwaters of the Colorado Initiative's proposal to the Bureau of Reclamation's WaterSMART Cooperative Watershed Management Program Phase I funding opportunity (R23AS00362), titled "A Bi-State initiative to restore forest health and function through improved water quality and quantity in the Little Snake and Yampa River Headwaters of Wyoming and Colorado."

The Nature Conservancy is highly familiar with the Headwaters of the Colorado Initiative's development and has chosen to support their efforts by providing grant writing funding for the group's WaterSMART proposal.

The Nature Conservancy recognizes the disproportionate importance of forested headwaters ecosystems. Besides providing rich habitat for wildlife and fish, these forested areas store and supply substantial amounts of water through winter snowpack, prevent erosion, retain moisture, and improve water quality for water users downstream. We are especially interested in the Headwaters of the Colorado Initiative's focus on science-based ecosystem planning, coordinated partnerships, and collaboration across jurisdictional boundaries in forested headwaters ecosystems because these efforts will have a positive impact on the communities, natural resources, and open spaces of NW Colorado and Southern Wyoming.

The Headwaters of the Colorado Initiative's request made to support the development and capacity of this watershed group through staffing, education and outreach, and watershed restoration planning will result in beneficial, tangible, and place-based outcomes to diverse stakeholders.

Thank you for your consideration of this investment in our region, please join us in supporting this endeavor.

Sincerely,

A handwritten signature in cursive script that reads "Carli Kierstead".

Carli Kierstead, *Forest Program Director*
The Nature Conservancy in Wyoming
carli.kierstead@tnc.org



UNIVERSITY
OF WYOMING

Haub School of
Environment and
Natural Resources

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November 27, 2023

Bureau of Reclamation Financial Assistance Operations Section
Attn: NOFO Team
P.O. Box 25007, MS 84-27133
Denver, CO 80225

RE: WaterSMART Cooperative Watershed Management Program Phase I: Letter of Support

Dear WaterSMART grant reviewers,

I am writing to express the Haub School of Environment and Natural Resources at the University of Wyoming's (Haub School) support for the Headwaters of the Colorado Initiative's proposal to the Bureau of Reclamation's WaterSMART Cooperative Watershed Management Program Phase I funding opportunity (R23AS00362), titled "A Bi-State initiative to restore forest health and function through improved water quality and quantity in the Little Snake and Yampa River Headwaters of Wyoming and Colorado". The Haub School is familiar with the Initiative's development and scale of their project area and supports the efforts to address the natural resource concerns identified in therein through an inclusive and collaborative endeavor.

The waterSMART grant will enable the Headwaters of the Colorado Initiative to make a positive impact on the communities, natural resources, and open spaces of NW Colorado and Southern Wyoming. The request made to support the development and capacity of this watershed group through staffing, education and outreach, and watershed restoration planning will result in beneficial, tangible, and place-based outcomes to diverse stakeholders. The Initiative is also bringing together a diverse group of partners that will help enable success – including researchers from the University of Wyoming and Colorado State University that can help ensure the project is guided by sound science.

Thank you for your consideration of this investment in our region, please join us in supporting this endeavor.

Sincerely,

Drew Bennett, PhD
MacMillan Professor of Practice



Steamboat Springs Field Office
2667 Copper Ridge Circle, Unit 1
Steamboat Springs, Colorado 80487
(970) 879-0475

November 15, 2023

Bureau of Reclamation Financial Assistance Operations Section
Attn: NOFO Team
P.O. Box 25007, MS 84-27133
Denver, CO 80225

RE: WaterSMART Cooperative Watershed Management Program Phase I: Letter of Support

Dear Project Leader:

I am happy to write this letter in support of the Headwaters of the Colorado Initiative's proposal to the Bureau of Reclamation's WaterSMART Cooperative Watershed Management Program Phase I funding opportunity (R23AS00362), titled "A Bi-State initiative to restore forest health and function through improved water quality and quantity in the Little Snake and Yampa River Headwaters of Wyoming and Colorado". The Colorado State Forest Service is familiar with the Initiative's development and scale of their project area and strongly supports the efforts to address the natural resource concerns identified therein through an inclusive and collaborative endeavor.

The Colorado State Forest Service believes that the Headwaters of the Colorado Initiative is a unique forest and watershed collaborative that provides the diverse partners, of which we are one, an opportunity to affect real change at a meaningful scale. The investment of waterSMART funds to the Headwaters of the Colorado Initiative comes at a key time in the development of the collaborative, and will have a positive impact on the communities, natural resources, and open spaces of NW Colorado and Southern Wyoming. The request will support the development and capacity of this watershed group through staffing, education and outreach, and watershed restoration planning and will result in beneficial, tangible, and place-based outcomes to diverse stakeholders.

Thank you for your consideration of this important effort. Please feel free to contact me if I can provide any additional information, and thank you for your consideration of this important effort.

Sincerely,

John Twitchell

John Twitchell
Supervisory Forester



COLORADO RIVER DISTRICT
PROTECTING WESTERN COLORADO WATER SINCE 1937

November 27, 2023

Via electronic mail to:

Bureau of Reclamation
Attention: Christina Munoz
P.O. Box 25007, MS 84-27133
Denver, CO 80225

SUBJECT: Letter of Support for Headwaters of the Colorado Initiative WaterSMART Cooperative Watershed Management Program Phase I #R23AS00362 Application

Dear Ms. Munoz:

On behalf of the Colorado River District, I am writing to express support for the Headwaters of the Colorado Initiative's WaterSMART Cooperative Watershed Management Program Phase I (#R23AS00362) Application.

The Colorado River District is a public, regional, water planning, and policy agency with a mission to "lead in the protection, conservation, use, and development of the water resources of the Colorado River Basin." The Colorado River District encompasses 15 counties on the Western Slope of Colorado, including the Upper Yampa River basin and the Colorado portion of the Little Snake River basin.

Melting snowpack, occasional rain, and the associated runoff from Colorado's Western Slope provides for 70% of the mainstem of the Colorado River's natural flow. This water supports over forty million people, five million acres of agricultural land, two countries, thirty sovereign Tribal nations, seven states, and eleven national parks.

Hot temperatures over the last 23 years have diminished the flows of the Colorado River by 20%, and sound science tells us we should plan for further significant reductions. The high snowpack winter of 2023 provided some relief, but if history tells us anything, we cannot rely on that to continue. Colorado experienced a similarly robust snowpack in 2011 and 2019, but these were followed by 2012 and 2020, both brutally dry years.

Snow is the primary form of Colorado River water storage, and our forests are, by far, the largest natural reservoirs of the Colorado River basin. The high elevation forests play an especially critical role in capturing, preserving, and filtering the water that is essential for health and economic wellbeing of the entire Colorado River basin. Our forest lands help sustain river base flows in the

Letter of Support for Headwaters of the Colorado Initiative WaterSMART Cooperative Watershed Management Program Phase I #R23AS00362 Application

November 27, 2023

Page 2 of 2



summer when crops, boaters, and fish need water, providing drought-resilience throughout the basin.

Intentional forest management strategies based in science are one of the most critical tools to protect and enhance these headwaters landscapes. The Headwaters of the Colorado Initiative is a partnership between diverse stakeholders across jurisdictions working collaboratively to establish resilient and functioning forest landscapes in the Colorado River headwaters. Through science-based ecosystem planning, coordination partnerships, and focused funding, the Headwaters of the Colorado Initiative aims to improve forest health to increase water storage and supply, decrease the threat of catastrophic wildfire, and improve communities' economies and infrastructure. These initiatives will include projects that expand existing forest management and restoration projects.

We are committed to protecting the Colorado River headwater forests and support the Headwaters of the Colorado Initiative's efforts. These collaborative forest management strategies will result in healthier forests and critical natural water storage reservoirs to develop resilient communities and ecosystems in the Colorado River basin.

Thank you for your consideration.

Sincerely,

A handwritten signature in blue ink, appearing to read "Andrew A. Mueller".

Andrew A. Mueller
General Manager

John Espy
Carbon County Commissioner
Rawlins, WY

12/1/2023

Bureau of Reclamation Financial Assistance Operations Section
Attn: NOFO Team
P.O. Box 25007, MS 84-27133
Denver, CO 80225

RE: WaterSMART Cooperative Watershed Management Program Phase I: Letter of Support

Dear Project Leader:

I am writing to document my support as a Carbon County Commissioner for the Headwaters of the Colorado Initiative's proposal to the Bureau of Reclamation's WaterSMART Cooperative Watershed Management Program Phase I funding opportunity (R23AS00362)), titled "A Bi-State initiative to restore forest health and function through improved water quality and quantity in the Little Snake and Yampa River Headwaters of Wyoming and Colorado". I am familiar with the Initiative's development and scale of their project area and support the efforts to address the natural resource concerns identified in therein through an inclusive and collaborative endeavor.

Through my participation in this initiative's early meetings and discussions, I believe that this investment of waterSMART funds to the Headwaters of the Colorado Initiative will have a positive impact on the communities, natural resources, and open spaces of NW Colorado and Southern Wyoming. The request made to support the development and capacity of this watershed group through staffing, education and outreach, and watershed restoration planning will result in beneficial, tangible, and place-based outcomes to diverse stakeholders in Carbon County and beyond.

As a Carbon County Commissioner responsible for the social and economic well being of the residents within Carbon County Wyoming, I believe that the work proposed by the Headwaters of the Colorado Initiative will have positive impacts to these ends in both the short and long-term.

Thank you for your consideration of this investment in our region, please join us in supporting this endeavor.

Sincerely,

John Espy
Carbon County Commissioner



File Code: 2000
Date:

Bureau of Reclamation Financial Assistance Operations Section
Attn: NOFO Team
P.O. Box 25007, MS 84-27133
Denver, CO 80225

RE: WaterSMART Cooperative Watershed Management Program Phase I: Letter of Support

Dear Project Leader:

I am writing to document the Medicine Bow-Routt National Forests and Thunder Basin National Grassland's (MBRTB) support of the Headwaters of the Colorado Initiative's proposal to the Bureau of Reclamation's WaterSMART Cooperative Watershed Management Program Phase I funding opportunity (R23AS00362). The proposal is part of a bi-state initiative to restore forest health and function through improved water quality and quantity in the headwaters of the Little Snake and Yampa rivers in Wyoming and Colorado.

An epidemic of mountain pine beetle and spruce bark beetle in forested parts of the Initiative's area of focus have caused expansive tree mortality resulting in reduced public access, increased fuel loading, loss of desired forest conditions, and watershed impacts. Approximately 90% of the forested landscape has been adversely impacted by insects and disease. Aging aspen stands and rangeland communities are in decline or becoming decadent and need management to diversify seral stages. The area is at risk for catastrophic wildfire that could further impact the headwater forests.

The cross-boundary resource goals for the Initiative align with the national, regional, and local Forest Service priorities. The MBRTB believes an investment of WaterSMART funds in the Headwaters of the Colorado Initiative will have a positive impact on the communities, natural resources, and open spaces of Northwestern Colorado and Southern Wyoming, including the National Forest. The request made by the National Forest Foundation to support the development and capacity of the Initiative through staffing, education and outreach, and watershed restoration planning will help facilitate an increased pace and scale of forest restoration on the MBRTB and beyond.

Thank you for your consideration of this investment in the national forest and region.

Sincerely,

RUSSELL M. BACON
Forest Supervisor

