

**A RESOLUTION OF THE REPUBLICAN RIVER
WATER CONSERVATION DISTRICT**

(To Establish a Fee to Fund Conservation Programs within the South Fork Focus Zone)

RESOLUTION NO. 21-05

R E C I T A L S

WHEREAS, the Republican River Water Conservation District (“District”) was created pursuant to section 37-50-103(1), C.R.S., to, in part, assist the State of Colorado to carry out the State’s duty to comply with the limitations and duties imposed upon the state by the Republican River Compact; and

WHEREAS, pursuant to section 37-50-107(1)(k), C.R.S., the District has established a water enterprise pursuant to Article 45.1 of Title 37 of the Colorado Statutes (“Enterprise”); and

WHEREAS, the District is managed and controlled by its Board of Directors (“Board”); and

WHEREAS, the Board, acting as the Governing Body of the Enterprise, adopted Resolution No. 04-01 to establish an annual use fee which, as amended, provides revenues to the Enterprise that can be used to assist the State of Colorado in complying with the limitation and duties imposed upon the State by the Republican River Compact; and

WHEREAS, on August 24, 2016 the Republican River Compact Administration adopted the Resolution by the Republican River Compact Administration Approving Operation and Accounting for the Colorado Compact Compliance Pipeline and Colorado’s Compliance Efforts in the South Fork Republican River Basin (“2016 Resolution”); and

WHEREAS, on August 23, 2016 the District adopted the Resolution by the Republican River Water Conservation District Board of Directors Regarding Resolving Certain Issues Between the State of Kansas and Colorado Regarding the Republican River Compact that expressed the District’s support for the 2016 Resolution; and

WHEREAS, the 2016 Resolution states, in part, that “Utilizing the Conservation Reserve Enhancement Program or other voluntary programs, Colorado agrees to retire up to an additional 25,000 acres from irrigation in the South Fork Republican basin. Of that amount, Colorado will retire at least 10,000 acres by 2022 and will retire the remaining 15,000 acres by December 31, 2027”

WHEREAS, the deadlines stated in the 2016 Resolution have been extended to 2024 and 2029, respectively; and

WHEREAS, the requirement of 10,000 acres to be retired in the South Fork Republican basin (“South Fork Focus Zone”) has not yet been reached; and

WHEREAS, under the 2016 Resolution if the requirements of retiring acres in the South Fork Focus Zone are not met, Kansas has the right to revoke its approval of the operations of the Compact Compliance Pipeline, placing all use of groundwater by non-exempt wells within the boundaries of the District at risk of curtailment; and

WHEREAS, in order to protect the water users and the economy within the District, the District desires to assure that the State of Colorado will comply with the terms of the 2016 Resolution through the use of the Conservation Reserve Enhancement Program (“CREP”) and other conservation programs; and

WHEREAS, the District’s Conservation committee has held numerous public meetings and considered numerous comments from the public on how to meet the terms of the 2016 Resolution regarding the South Fork Focus Zone and has provided a recommendation to the Board for its consideration; and

WHEREAS, the Board wishes to provide additional funding for the retirement of irrigated acres within the South Fork Focus Zone in order to meet the terms of the 2016 Resolution.

R E S O L U T I O N

NOW, THEREFORE, be it resolved by the Board of the District that it adopts the following Resolution:

1. The District, acting through the Enterprise, adopts the following incentives for producers within the South Fork Focus Zone to voluntarily retire additional irrigated acres in the South Fork Focus Zone that have been irrigated from 2016 to date of application:
 - 1.1 For wells located within the South Fork Focus Zone that successfully enter into a United States Department of Agriculture Farm Service Agency (“USDA FSA”) CREP contract for the lands irrigated by such well, the Enterprise will provide the following incentives that are in addition to any required CREP payments under the existing Republican River CREP (“RRCREP”) or under the United States Department of Agriculture Natural Resources Conservation Service (“USDA NRCS”) Environmental Quality Incentives Program (“EQIP”):
 - a. For each well enrolled in the RRCREP and permanently retired, up to a total of \$4,500.00 (four thousand five hundred dollars) per irrigated acre enrolled in the RRCREP, to be funded by the Enterprise and from the USDA FSA.
 - b. For each well enrolled in the EQIP and permanently retired, up to a total of \$3,500.00 (three thousand five hundred dollars) per acre irrigated enrolled in the EQIP, to be funded by the Enterprise and from the USDA NRCS.
2. The District, acting through the Enterprise, hereby establishes and creates the Republican River Water Conservation District Acreage Management Plan (“RAMP”) with the following terms and requirements:
 - 2.1 Eligibility: wells located within the South Fork Focus Zone and lawfully used for irrigation. The well must have been used for irrigation each year from 2016 to date of application. Only those acres actually irrigated from 2016 to date of application are eligible for the incentives listed below.
 - 2.2 Application: the well owner must apply to participate in the RAMP by completing a written form supplied by the District. Approval or denial of the Application will be in

writing from the District. Successful applicants must enter into a written contract with the Enterprise.

2.3 Terms for irrigated acres approved and enrolled in RAMP before December 31, 2024:

- a. each participant must permanently retire at least 15% (fifteen percent) of the acres actually irrigated by that well and/or structure. Actual irrigated acres will be determined from USDA FSA records and/or aerial photographs and will be the lowest number of acres irrigated in a single year between 2016 and date of application, inclusive. After enrollment, future irrigation will be limited to the actually irrigated acres less the acres enrolled in this program.
- b. each participant must make structural changes to their irrigation system to restrict the ability to irrigate those acres enrolled in the RAMP.
- c. for each acre enrolled in the RAMP and permanently retired, the Enterprise and USDA NRCS combined, will pay to the participant up to \$2,000.00 (two thousand dollars).
- d. participants may dry-land farm, graze or make such other use of the retired acres as they may so choose.
- e. although the District will not require a reduction in the maximum annual volume of the appropriation, the Colorado Division of Water Resources may separately require such a reduction if the retirement results in an appropriation of more than 2.5 acre-feet per irrigated acre.

2.4 Terms for irrigated acres approved and enrolled in RAMP after December 31, 2024.:

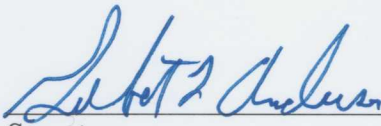
- a. each participant permanently retiring at least 15% (fifteen percent) of the acres actually irrigated by that well and/or structure. Actual irrigated acres will be determined from USDA FSA records and/or aerial photographs and will be the lowest number of acres irrigated in a single year between 2016 and date of application, inclusive. After enrollment, future irrigation will be limited to the actually irrigated acres less the acres enrolled in this program.
- b. at the time of enrollment each participant must execute the appropriate forms with the Colorado Division of Water Resources to permanently reduce the maximum annual volume of appropriation by 50% and the Colorado Division of Water Resources must issue a new permit showing that reduction and provide a copy of the new permit to the District.
- d. each participant must make structural changes to their irrigation system to restrict the ability to irrigate those acres enrolled in the RAMP.
- e. for each acre enrolled in the RAMP and permanently retired, the Enterprise and USDA NRCS, combined, will pay to the participant up to \$2,000.00 (two thousand dollars).
- f. participants may dry-land farm, graze or make such other use of the retired acres as they may so choose.

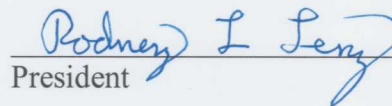
3. Each participant in any of the programs listed herein will cooperate with the District or Enterprise in effectuating such forms, notices, or other documents that the District or Enterprise, in its sole discretion, deems necessary to accomplish the purposes of such program.
4. The Enterprise will make annual payments to the participant.
5. This Resolution does not otherwise affect the contracts between the USDA FSA, the State of Colorado and the District regarding the CREP.
6. These additional programs will be funded by a new per irrigated acre-fee, which will be applied to non-irrigation ground water use and surface water irrigation in the same manner as stated in Policy No. 19-3, which fee will be set annually as part of the required budget process for the District. At this time the Board anticipates the additional per-acre amount to fund these programs will be \$15.50 (fifteen dollars and fifty cents) per irrigated acre, for a total annual use fee of \$30.00 (thirty dollars) per irrigated acre.
7. This Resolution and its associated fees to fund the incentives and programs herein will expire on December 31, 2029 unless the Board adopts a specific resolution to continue these incentives and the associated fees. After such expiration, the Enterprise will continue to comply with any future payment obligations to participants and participants will continue to comply with any terms and requirements of contracts entered into pursuant to this Resolution.

RESOLVED this 17th day of August 2021.

ATTEST:

BOARD OF DIRECTORS
REPUBLICAN RIVER WATER
CONSERVATION DISTRICT


Secretary


President