STATE OF COLORADO

Colorado Water Conservation Board Department of Natural Resources

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John Hickenlooper Governor

Mike King DNR Executive Director

Jennifer L. Gimbel CWCB Director

MEMORANDUM

TO: Mike King

Executive Director

Department of Natural Resources

John Salazar Commissioner

Department of Agriculture

Reeves Brown Executive Director

Department of Local Affairs

FROM: Jim Miller, Co-Chair Agricultural Impact Task Force

Department of Agriculture

Reagan Waskom, Co-Chair Agricultural Impact Task Force

Colorado Water Institute, Colorado State University

Veva Deheza, Co-Chair Water Availability Task Force

Colorado Water Conservation Board

DATE: September 19, 2011

SUBJECT: Status of Agricultural Impact Task Force, Current Drought Conditions, and

Resulting Agricultural Impacts

This memorandum serves as an update and status report to the Drought Task Force from the Agricultural Impact Task Force (AITF) regarding current AITF activities, current drought conditions around the State, and the resulting agricultural impacts.

Since the last memo sent on August 11, 2011, the AITF has continued bi-weekly conference calls to coordinate efficient and rapid response to the drought conditions in southeast and south central Colorado. Conditions in the Rio Grande basin have improved slightly in recent weeks. Concern has now shifted to hay reserves for the winter season (see discussion below).

Current Drought Conditions

As of the September 13, 2011, the U.S. Drought Monitor continues to show D4 (exceptional drought) conditions in Baca County, D3 (extreme drought) exists in part or all of 13 additional counties including Pueblo, Otero, Crowley, Las Animas, El Paso, Rio Grande, Saguache, Fremont, Huerfano, Teller, Alamosa, Conejos, Costilla Counties. An additional 26 counties are experiencing drought ranging from abnormally dry (D0) conditions to severe drought (D2). D0

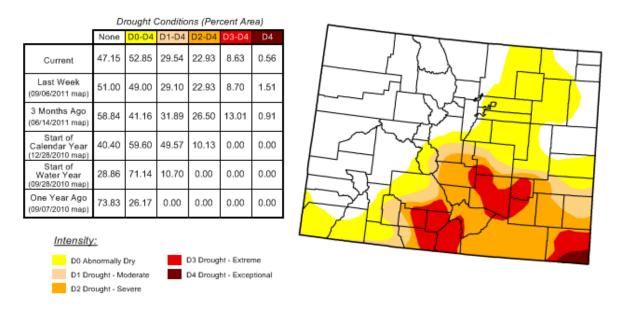
conditions on the eastern plains have expanded in recent weeks. In total, 53% of Colorado is classified in some stage of drought effecting 40 counties.

U.S. Drought Monitor

September 13, 2011

Valid 7 a.m. EST

Colorado



The Drought Monitor focuses on broad-scale conditions. Local conditions may vary. See accompanying text summary for forecast statements.

http://drought.unl.edu/dm



Released Thursday, September 15, 2011 Mark Svoboda, NDMC

Federal Disaster Declarations/Drought Disaster Relief

No new declarations have been made since the last drought update.

Winter Hay Reserves

Multiple producers have approached the Colorado Department of Agriculture and expressed concern that we are entering the winter season with inadequate hay reserves. This is a result of extremely high hay prices, as well as much of the hay supplies going to drought stricken Texas and Oklahoma. There is concern that a hay shortage during the winter months could lead to a sell-off of herds. Consequently, the question of how much latitude exists for producers with CRP haying and grazing lands was posed. Unfortunately, not much flexibility exists at all. The reason for this is as follows:

CRP contracts approved on or after September 26, 2006 are under the provisions set forth in the NWF Settlement Agreement.

• National Wildlife Federation v. Johanns ended in a settlement agreement in September of 2006. Now know as the NWF Settlement Agreement this outlines a number of restrictions on lands as a means to protect the habitat and the fauna that rely on it.

- o Two types of CRP haying and grazing exist: emergency and managed. The rules for both are different.
- o Managed haying on CRP lands is available no more than once every ten years and no more than 50% of the field can be hayed, and the remaining 50% five years later.
- o Managed grazing on CRP lands is available once every five years in Colorado.
- o Emergency having and grazing is available on an emergency basis when given criteria are met.
- o As a result of the settlement agreement the following emergency having and grazing timeframes were created.
 - State Technical Committee (STC) designation for emergency grazing may be for up to 90 calendar days, not to exceed September 30
 - STC may authorize one 30-calendar-day extension, not to exceed September 30
 - STC designation for emergency having may be for up to 60 calendar days, not to exceed September 30
 - CRP participants shall be assessed a payment reduction based on the number of acres actually hayed or grazed times the CRP annual rental rate payment times 25 percent, as applicable
 - Managed having grazing is not allowed during the primary nesting season (March 15-July 15 in Colorado)

Producers with CRP contracts approved before September 26, 2006, may hay and graze no more frequently than 1 out of every 3 years.

- This year only two counties (Elbert & El Paso) were granted emergency having permits while emergency grazing on CRP lands was granted for southern part of Lincoln, Otero, Las Animas, Bent, Kiowa, Prowers, Baca, and Crowley counties.
- CRP emergency having was extended from an end date of August 31st to September 30th.
- CRP emergency grazing was extended from an end date of September 30th to October 30th.

Additional Drought Impacts Assessment

- High hay prices coupled with high cattle prices continue to result in high cattle marketing in southeastern and south central Colorado as ranchers choose to sell rather than pay high hay prices to feed cattle.
- As of September 10th, 226,629 acres of crop land have failed while an additional 97,594 acres have not been planted due to dry conditions. The breakdown is as follows:

CROP	FAILED	PREVENTED
Corn	13,940	50,085
Sorghum	445	39,413
Wheat	199,640	2,063

- Increased cattle sales at the La Junta auction is partly due to cows being brought into Colorado from out of state solely for auctioning purposes.
- As of September 13th there are currently no wildfires within the Colorado State Forest Service jurisdiction or in other jurisdictions within the state.

• The fire situation rating for the Rocky Mountain Area remains at **Preparedness Level 2**, indicating that resources within local dispatch areas are adequate, with the potential for some mobilization of additional resources from other local dispatch areas.

Member organizations represented on the calls included:

CO Department of Agriculture Colorado Water Conservation Board
Division of Water Resources USDA Farm Service Agency

DIVISION OF WAICH RESOURCES USDA Parm Service Agency

CSU Extension Lower Arkansas Conservancy District

Natural Resources Conservation Service Colorado Climate Center

Department of Natural Resources- EDO State Land Board USDA – Rural Development

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Communications

Veva Deheza and Taryn Hutchins-Cabibi, of the CWCB, will continue working closely with the co-chairs and members of the AITF to collect field reported drought information and drought impact data, and will maintain a clearinghouse of data for analysis and future assessment.

Future Meetings of the Agricultural Impact Task Force (AITF)

Biweekly conference calls are held Wednesday. The call-in number is 303-866-3441, when you hear the woman's voice recording, dial 7621. The next call will be <u>September 28th at 2pm</u>.

For Additional Information

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