

STATE OF THE SAN MIGUEL ANNUAL REPORT 2007

OVERVIEW

The 2006-07 winter ended with below average precipitation in March. Increased precipitation in above average amounts in April and May resulted in an average amount of moisture, with cumulative precipitation for the water year (October 06-October 07) at the end of May at 101%. As a result, the 2007 field season started with average available moisture for runoff season. The river reached a peak near 900 cfs at the Specie Creek gauge on 5/16, 6/3 and 6/19. The river running season lasted into mid-August, fed by heavy rains in late July and early August. Both July and August were quite wet, with near average amounts of monsoon moisture, making for mudslides in Royer Gulch, Coronet Creek and on Keystone Hill. River outfitters were able to run the river into August due to the rains. September had less moisture than in 06, but storms 9/16-17 and 9/23 brought the river back up to 800 plus cfs. Fires were limited in our watershed, although Idaho and Montana had more fire than in several years.

HEADWATERS AREAS

The headwaters of the San Miguel consist of the Wilson, Sneffels, and Trout Lake/Ophir ranges. Wilderness designation protects portions of the Lizard Head and Mt. Sneffels ranges. Public ownership in the high country areas above Telluride grew, with the transfer of many acres of mining claims formerly owned by Idarado/Newmont Gold to the USFS, through a Trust for Public Land partnership. A proposal for designating additional wilderness in the watershed has gained local support and been received enthusiastically by Colorado senators and Congressmen. High elevation lakes were monitored during summer 07 by Mountain Studies Institute, looking for impacts from airborne mercury. Results have not yet been released.

The county, USFS, and town of Ophir, are cooperating to develop a management strategy for summer recreational use of the three high country passes, Imogene, Black Bear, and Ophir. Below the peaks, the mesas surrounding Telluride continue to be developed, especially Turkey Creek, Deep Creek, Hastings, Specie, and Wilson Mesas. The mesas traditionally have provided wildlife habitat and migration corridors, as well as an arena for agriculture and ranching. Efforts continue to protect wildlife habitat and migration corridors, as development continues. A new aspen disease-SADS-sudden aspen death syndrome, has appeared in the watershed, evident at Aldasoro and Dallas Divide. The disease attacks aspen trees through their root systems, killing stands at a time. The cause is unknown, but air pollution and ozone impacts are suspected.

HOWARDS FORK

This tributary drainage is a narrow steep valley, which holds the town of Ophir. Heavy impacts from mining contaminate the stream to the point that few fish survive. The town has worked for many years to preserve open space in the valley and its main side canyons, Waterfall and Swamp. An additional TPL project is currently in progress, which will transfer privately owned mining claims in the Ophir valley to the USFS via the Trust for Public Land. Funding has been earmarked by Congress from the Land and Water Conservation Fund. An initial phase will transfer claims to the south of the old/west part of Ophir. Efforts by the Trust for Public Land to purchase the Pauls claims in the Ophir high country with Land and Water Conservation Funds will continue into the future.

A diversion just above the Ophir Post Office feeds water to the Ames hydroelectric plant. The Silverbelle tailings, below the highway, have been revegetated, and recontoured, reducing mineral leaching to the Howard Fork. Additional tailings stabilization work is currently underway. A long shoring wall is being built to protect the bank of the Howard Fork. Tailings cleanup should be ongoing at the site for the next couple years. A proposed cleanup of the Carribeau tailings, about a mile up the valley, has been postponed due to lack of fill and other complications. A cleanup of the Carbonero tailings by the USFS is scheduled for summer 2008, and preliminary engineering, survey and design work is currently underway to prepare for the project. Groundwater level monitoring will occur over the winter to provide information for construction of drains to control drainage over and around the reclaimed tailings.

LAKE FORK

The dams on Hope Lake and Trout Lake were created to feed the Ames power plant. Currently, a fair amount of residential development is occurring in the Trout Lake and San Bernardo areas. Acid mine leaching may be occurring from the Matterhorn, San Bernardo, and Butterfly mine sites. A large, unstable

landslide area overhangs the river just below the confluence of the Lake Fork with Wilson Creek. Directly across the river from that confluence a gravel pit sits on private property along the old railroad grade. Immediately below the Lake Fork drops over two waterfalls and into the Ames end of the Ilium valley.

SOUTH FORK

Just below the small subdivision of Ames, and the confluence of the Lake Fork and Howard Fork, the river goes through a relatively pristine area, consisting of a mix of USFS lands, private lands, and a preserve protected by the Nature Conservancy. Good wildlife habitat, with spectacular view of the Ophir Needles and Ames wall, is relatively free from recreation and mining impacts.

Further downstream former Forest Service camping areas have been converted to day use areas, to mitigate heavy grazing and recreation impacts over the years. Road closures and revegetation efforts are allowing riparian vegetation to start healing from heavy impacts in the past.

A mudslide draining from Turkey Creek sometimes overflows in the river, and can create sedimentation problems. Extensive beaver dams have thrived in the area. Further downstream, cottonwoods in the old Mary E and Sheep Corrals camping areas have been damaged by fluctuating/decreasing water table levels, possibly caused by gravel mining in the confluence area. The Mare E campground is closed until further notice. Sheep Corral area is now day use only. Gravel mining near the confluence of the South Fork and the mainstem has also caused stream channel undercutting to move both upstream and downstream from the confluence. Grant money from the National Fish and Wildlife Foundation has matched Forest Service funding to work towards revegetating and removing weeds from previously mined areas at the confluence.

Also of note in the South Fork are ice flows, which are being studied by BLM hydrologist Dennis Murphy, and taken into consideration in the FERC license renewal process of the Ames Power Plant. The ice flows may be affected by water temperatures influenced by the release of flows from the Trout Lake Dam. During winter 06/07, water column mixers were installed near the lake's outflow to cool lake-bottom temperatures. Flow release modifications for power peaking from the power plant outlet combined with the cooler lake-bottom temperatures were designed to encourage the formation of a stable ice cover on the South Fork and mainstem. Studies continue.

MAINSTEM

The mainstem of the San Miguel is formed by Bridalveil and Ingram falls. The Idarado mine site, at the head of the valley, is currently in the post-construction monitoring phase of a Superfund cleanup project, administered by the State of Colorado, and designed to reduce impacts created by high country mining and tailings located along the main stem. The long-term goal is to improve and maintain the water quality to the point that zinc levels have been reduced to the point that brown trout can survive. This summer mudslides again came down Royer Gulch. A major slide came down Coronet Creek, flooding some homes in the area.

Bear Creek was purchased many years ago by the San Miguel Conservation Foundation, and is managed by the Town of Telluride, to protect resource values. Extensive development in and around the town of Telluride continues to impact the main stem through town. In recent years, the Town of Telluride has received Natural Resource Damages funding, matching with other grant funds, to do two river restoration projects within the town limits. These projects worked to restore a more natural channel, and regenerate more native vegetation. Extensive storm water management work within the Town helps reduce impacts to water quality from storm water runoff. Water diversions for snowmaking and golf course watering deplete watershed stream flows on an annual basis. Tailings and channel diversions remain on the valley floor. During winter and spring 2007, the Valley Floor Preservation Partners raised \$50 million for valley floor condemnation. Currently public access for pedestrian and cyclist use is allowed on the land in question. This fall and winter the Supreme Court is considering the landowner's claim that the Town of Telluride does not have the right to condemn the valley floor. A decision is expected in spring 2008. Remediation work in the Prospect Creek area of the valley floor has been completed by Telluride Ski and Golf. Tailings near Lawson Hill have been constructed into a ball field.

Keystone Gorge remains relatively pristine, providing important wildlife migration corridors, and riparian vegetation. Some garbage from the Keystone highway-widening project ends up in the river through and below the gorge. A parcel containing the riparian corridor of the Keystone Gorge was acquired by the Nature Conservancy, which will protect riparian values long-term! This parcel will be transferred to county

ownership. A very rough trail follows the west side of the river through the gorge. During summer 07, the bridge providing the downstream access to this trail collapsed.

MAINSTEM BLOW CONFLUENCE WITH SOUTH FORK

Impacts from recreation, mining, grazing, and development threaten the mainstem of the San Miguel as it winds its way through San Miguel and Norwood canyons, and eventually to its confluence with the Dolores. BLM will begin updating their land use plan for our watershed in 2008. BLM manages much of the river corridor, with both ACEC-Area of Critical Environmental Concern, and SRMA-Special Recreation Management Area designations in the canyon.

NORWOOD AREA

The town of Norwood is currently working on a watershed protection ordinance.

WEST END

Tamarisk eradication work in the lower end of the watershed continues. Ongoing funding has been provided by many sources, and work coordinated by the Nature Conservancy and the San Miguel County Weed Board. It is hoped that the bulk of the watershed will have received initial control efforts by the end of 2008. Maintenance will continue into the future.

Many acres in the watershed are being auctioned by the BLM for oil and gas leases. San Miguel County petitioned the BLM to remove parcels which include sage grouse habitat.

A fencing project on Hamilton Mesa facilitated by NRCS should help protect sage grouse habitat from cattle grazing impacts.

MILE BY MILE SUMMARY

Mile 0- The Telluride Gravel plant near the confluence has caused sedimentation and stream channel alterations in the past. Ongoing revegetation and weed controls efforts continue. Telecom's affordable housing complex is currently being readied for expansion.

Mile 1- The Telecom industrial park thrives on the south facing hillside. Trash from a garbage transfer site often impacts the river corridor here. Private property owned by Alexanders has been impacted by residential and recreational use. It is closed to camping, with day use allowed. Heavy rains later in summer caused significant debris flows on Keystone hill. The highway was closed during the storm.

Mile 2- A limited amount of residential use continues just above Deep Creek, on Alexander's lands. Near Deep Creek and the highway barn, the old river road, now closed to camping and vehicular use, and BLM lands start.

Mile 3-6-The river road (M59) continues past Silverpick road to just above Sawpit. The old road was closed in 95. Twelve years of day use and non-motorized use only has allowed riparian vegetation to recover. Mudslides continue to impact this area repeatedly. At Silverpick, BLM trail register tracks use of the river road, and boat launches. A State Voluntary Cleanup of vanadium in the Silverpick area is in the planning stages. Just below the end of the river road, a bulletin board marks BLM lands. This large easy access pullout continues to be abused, littered, and used as a human waste repository.

Mile 7-12-From Sawpit to Placerville, BLM and private lands intermix, with extensive riverside development. Public access is available at BLM's historic tram site, and the county park below Fall Creek. There is also river access below the park in Placerville.

Woods Lake is in the upper reaches of Fall Creek, fed by both Fall Creek and Elk Creek. A fish barrier is under construction at the lake's outlet. The USFS is preparing an action plan with a goal of cut throat trout reclamation. A chance for public involvement is likely this winter. Mile 12-14-Below Placerville, a mix of BLM and private lands line the river. A developed campground called "Caddis Flats" was opened in 2006 at RV Corner, a site which has been used for camping for many years. It includes a toilet and a boatramp.

Mile 14-Near Specie Creek, a boat ramp and picnic facility sees extensive use by commercial outfitters during boating season, which lasted from May into early August in 2007 due to mid-summer rains.

Mile 15-The Middle Nature Conservancy preserve protects a section of river, limiting recreational use to day use only. It is popular for fishing. The Specie creek gauge, which measures flow levels, is near here.

Mile 16-20 Prime riparian vegetation and classic rapids make this beautiful section popular with boaters and fishermen. Saltado creek enters below the large power lines.

On Beaver Mesa, above the canyon, San Miguel County is working on a 2000 acre conservation easement.

Mile 21-24-Private and BLM lands intermix, with extensive recreational use at the Beaver Creek boat ramp, near the mouth of Beaver canyon. An additional campground opened at Lower Beaver Creek, which includes a restroom and boat ramp, A day use area provides toilets and a picnic cabana near Norwood Bridge.

Mile 24-27 For three miles the Sanborn Park Forest Access road parallels the river, with limited recreational impacts in a few scattered camps, and private ownership limiting river access near the Cascabel ranch.

Mile 27-35 The river leaves all roads through Norwood Canyon, dropping into ponderosa, then pinyon-juniper and cottonwood forest. A diversion weir near mile 32-33 poses a potential hazard to boaters during boating season. It also limits fish migration. Funding is being raised to build a fish ladder/boat channel during late fall 08. Prime wildlife habitat and limited recreation co-exist with historical agricultural use. Horsefly Creek enters on the right near mile 30.

Mile 36-39 A BLM/county road parallels the river for the "Ledges" section, where rock ledges form large holes and rapids during high water. Additional campgrounds constructed by BLM opened in 06, in an effort to manage increasing recreational impacts from boaters and hunters. Cottonwood and Rock House campgrounds include restrooms and a boat ramp.

Mile 40-46 The river flows through another roadless section between the Hwy. 90 crossing and the power plant. The lower section is mostly private land. Irrigation water spills back into the river, forming waterfalls down rock faces visible from the road above. Another diversion weir forms a hazard around mile 43-45.

Portage on the river right, with land-owner's permission.

Mile 47 Power plant location. River temperatures here are often higher because of de-watering of the channel from the CCC Ditch and release of warmed waters from the power plant. The State Water Quality Control Division and Tri-State entered an agreement that the maximum temperature at end of pipe would be 86 degrees F. Below here the river is in a transition zone from cold water to warm water fishery. During 2008 Tri-State will do more studies on the impacts of releasing warm water into the river.

Mile 47-52 The river flows through mostly private lands in the Naturita area. Public access is available at the Naturita town park. Watch for man-made river hazards. Increasing oil and gas development is evident in the lower end of the watershed. The primary concern is the effect of sediment released by oil and gas construction sites on water quality and aquatic habitat. State stormwater permits required for all construction activities impacting more than an acre. Currently most of the oil and gas development in occurring in the Dry Creek watershed, a tributary of the San Miguel. However, thousands of acres of land in the watershed, mostly in the Norwood area, have been leased for potential oil and gas development in the last two years

Mile 53 The stream channel is altered by the Naturita gravel plant.

Mile 54-67 The river flows through a mix of private and BLM lands below Naturita. The Nature Conservancy has preserved a section of the high desert ecosystem in the Tabeguache preserve-610 acres and 6.5 river miles. From below Naturita Creek to the confluence with the Dolores the river, current increases in uranium development have influenced the State Water Quality Control Division to add uranium standards to their water quality standards.

Mile 67-69 The Uravan mine site stores uranium mining waste near the river shores. Private land. Reclamation work at the mill site at Uravan should be completed in 2007. As part of the agreement between the state and Umetco to cleanup the mill site, Umetco's water rights were put into a trust to be used to complete reclamation activities at Uravan. These water rights are to be transferred to the Colorado Water Conservation Board after all reclamation is complete. Umetco is currently determining what water will be needed in the future to assure ongoing success of reclamation and revegetation activities at Uravan. Discussions will be held to determine the best possible use of these water rights.

Mile 70-72 A BLM/county road parallels the river through a slickrock canyon down to the confluence with the Dolores. Remnants of the hanging flume provide visual reminders of extensive mining history in the area.