**Peaks to People Water Fund**

**Notes from webinar**

[https://www.youtube.com/ watch?v=Y10CQQwcd5Q](https://www.youtube.com/watch?v=Y10CQQwcd5Q)

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Peaks to People Call Notes – March 2018

Attending: Rob White, Jim Pitts, Heather Schinkel, Greg Felt, Cindy Williams, JT Shaver.

**Key takeaways:**

**Funding:** The program is in a 3 year pilot phase with $1M initial funding provided by an anonymous donor ($0.5M), the CSU Center for Collaborative Conservation, The Nature Conservancy, Ed Warner and New Belgium Brewery. They highly recommended the Healthy Waters Consortium Grant Program as another source of funding and information.

**Organization:** They started as a sponsored hybrid group and are now getting 50313C status.

**Communications:** They have some good high level messages: Threat – forest is not in a natural state. There is too much fuel. Fire is too intense when it happens. Water for people can be impacted. Benefits: in addition to fire resilience, habitat improvement, protection of recreational assets, avoid C emissions, decrease suppression costs. Public education and outreach has been a priority for them and they are willing to share their developed materials.

**Model**: Water users (municipal and businesses) pay land owners to treat forests. They spend a lot of effort developing a Payment for Ecosystems Services Model (this seems complicated and the benefits were not clear)

**Issues:** A top issue has been concern by other organizations and by water provider that they are creating competition to other implementers vs. benefit

**Measure:** they are measuring results via models of fire behavior, looking for a decreased risk of high temperature fires.

**Watershed Investment Tool:** They are using this modeling tool developed by the Colorado Forest Restoration Institute at CSU to prioritize treatment areas based on potential fire impacts to water, recreation, structures, habitat etc. The model uses commonly available data sources. Jim Pitts expressed some interested in this tool – and we may want to follow up with CSU.

**Goals**: Setting big, clear goals has been a critical program element.

Jim Pitts indicated that USFS here is running a demo project using a ground based logging system for steep slopes (up to 60 degrees)

Insights:

1. Getting local utilities and businesses to help fund restoration is a common theme
2. Using the Colorado Forest Restoration Institute modeling tool may be of interest
3. Parallel education and public outreach campaign is critical
4. The model of creating a new organization may create pushback in multiple directions

Peaks to People also provided a webinar link. Sue Greiner summarized the webinar below.

webinar: <https://www.youtube.com/watch?v=Y10CQQwcd5Q>

**Presenters: Heather Schinkel and Ben Gannon**

Peaks to People is in its Proof of Concept phase. They received a Healthy Watersheds Consortium Grant of $150,000 plus matching funds. Watersheds included in their project area are the Cache la Poudre and the Big Thompson watersheds.

**The goal**: to reduce fire mitigation costs by $320 million over 20 years (the total projected costs for fire mitigation on the Cache la Poudre and Big Thompson drainages is $760 million over 20 years).

Major funders of the Proof of Concept phase, which ends in December 2018, are the Center for Collaborative Conservation at CSU, the Nature Conservancy, the Healthy Watershed Consortium, New Belgium Brewing Company and Odell brewing.

Peaks to People has a working group which includes water providers, conservation practitioners, landowners and breweries.

The Cache la Poudre and Big Thompson watersheds provide 300,000 people with drinking water.

**Impetus for Program:** Hyde Park Fire of 2012—

90,000 acres burned, over $113 million in insured losses and millions more in fires suppression and disaster relief costs.

**Difference in Peaks to People from other water funds:** Funders are not just water utilities, but also water dependent businesses, like breweries.

**Four parts of Proof of Concept Phase:**

1. Demonstration sites (one in each watershed) to show people how treatment works
2. Program design-
   1. Beneficiary contributes to water fund
   2. Contract defines terms of payment
   3. Water fund provides $ for project
   4. Work gets done
   5. Benefits are achieved
   6. Verifier certifies results
   7. Water fund gives additional $ for long-term project management
3. Market research and business plan
   1. Website and video
   2. 18 companies identified to approach for initial funding (water dependent businesses)
4. Watershed Investment Tool
   1. Goal is to optimize avoided sediment

**Watershed Investment Tool:**

The target pilot planning area is 4660 km2.Stakeholders include Fort Collins, Greeley, Loveland, Northern Water Conservancy District, and Agricultural users.

The Watershed Investment Tool is a computer model that draws heavily from the USFS Wildfire Risk Assessment procedures (which measure Fire Likelihood, Fire Behavior, and Resource Exposure and Susceptibility to erosion). With this tool, Peaks to People determines which projects to pursue by analyzing the pilot area to figure optimum investment options for maximum benefit to the land and best return (costs vs. benefits).

The equation: Avoided Sediment Cost = P(fire) x Avoided Sediment x Downstream Costs

Expected Benefit – cost ratio = Avoided Sediment Costs

Treatment Cost

There is a wide variability in feasibility for treatment across the pilot area. So, this confirms the value of using the Watershed Investment Tool because it targets focused, specific areas—red areas on the map are high benefit, green are low benefit.

Projected risk reduction achieved by treatment = 26.2%

**Challenges:**

-Scope of problem--enormous areas need treatment

-Complexity of water systems-- getting the water utilities to buy in to funding the programs

-Perception of competition for funding-- hopefully education will eliminate this

-Terminology pitfalls-- terms mean different things to different people

**Next Steps:**

-Second Proof of Concept Phase—larger scale

-Improve and expand the Watershed Investment Tool

**Questions:**

1-Could insurance agencies be funders?

Other programs have not had success with this

2-Can other groups use the Watershed Investment Tool?

Not yet, but maybe in the future

3-What would you have done differently?

-Wish they had understood water department infrastructure earlier

-Oversold watershed services initially (hard to prove)

-Don’t pick up others’ models- understand *your* participants and how they perceive risk and needs

4-How should a new group start a water fund?

-Start with the Nature Conservancy Water Fund Tool Box

5-What help would Peaks to People need at this point?

Utilities are not yet convinced that they should participate. Peaks to People needs interim funding to give them time to convince the water utilities, and to give them time to get people used to the Watershed Investment Tool.

6-Question about how water quality was measured.

Looked at mostly in terms of sediment loads, but secondarily, also elevated heavy metal levels and increased nutrient dynamics

7-Question about Outreach plans.

Efforts are just beginning. Tools are ready (website, etc.), but Peaks to People needs to decide how much marketing to do.

8-How is probability of fire determined?

Through something called a ‘burn probability product’

9-How does increasing redundancy of water sources compare in cost effectiveness vs. forest treatment?

Increasing water source redundancy is difficult in the arid West.

10-How helpful are breweries as partners?

They have good potential. Peaks to People would like to make a mechanism for smaller companies to participate at a lower monetary level.