

Water Supply Reserve Account – Grant and Loan Program
Water Activity Summary Sheet
Agenda Item 11c

Applicant: Fort Morgan Reservoir and Irrigation Company (FMRICo)

Water Activity Name: FMRICo Recharge and Wetlands Project

Water Activity Purpose: Structural Water Project/Activity

County: Morgan

Drainage Basin: South Platte River

Water Source: South Platte River

Amount Requested: \$850,000 (Statewide Account) and \$250,000 (S Platte Basin Funds)

Matching Funds: Up to \$2 million

Staff Recommendation
The proposed project may help meet a consumptive and nonconsumptive water supply need in the South Platte Basin. Staff recommends approval of up to \$420,000 from the Statewide Account and \$250,000 to partially fund the Recharge and Wetlands Project for the FMRICo contingent on resolution of the items in the issues/additional needs section.

Water Activity Summary:

This is a structural water project to both divert water under a junior water right when available for recharge and augmentation use, and to re-divert and re-time augmentation credits that result from more senior recharge projects at certain times when these credits are not needed for direct augmentation use. It is estimated that this project will develop and use approximately 500-1,000 acre feet per year of new water and 1,500 acre feet of re-timed augmentation credits. The applicant believes that this project will yield approximately 2,000 to 2,500 acre-feet of additional water available for beneficial use in the basin. While conducting these water supply operations, this project will also benefit waterfowl in the basin by providing additional wetland habitat. To assist in the design and installation of the wetlands and operations, the applicant has teamed up with Ducks Unlimited. Initial investigation has led DU to conclude that this project will be very beneficial to wintering and migrating waterfowl in the South Platte basin.

The project involves installing a pipeline from the South Platte River three miles to the recharge ponds, installing two pumps to pump water from the river, installing one augmentation well and pumping equipment ponds to pump water back to the river for augmentation purposes, and installing seven recharge/augmentation ponds. This system will allow the applicant to recapture and re-time excess augmentation credits that accrue to the South Platte River. Through the new pipeline, new junior diversions may be made and delivered to these new ponds. These junior diversions will produce augmentation credits that will accrue to the South Platte River and may be used immediately for augmentation or may be re-timed. The applicant will likely re-time water between November and March. The water may be pumped at times when there is no call on the South Platte River or when freezing weather removes calls because senior ditches cannot divert.

The major tasks of the project are provided below:

- Task 1: Installation of pipeline
- Task 2: Installation of pumps
- Task 3: Installation of Well and Well Pump
- Task 4: Installation and/or rehabilitation of Wetlands and Ponds

Funding Overview

Total project cost is approximately \$2.3 million of which the WSRA funds would contribute \$250,000 from the South Platte Basin Account and up to \$850,000 from the Statewide Account. The remaining costs would be paid for by a CWCB loan which the applicant is seeking.

Discussion:

The applicant did a good job describing how this project meets it furthers the findings of SWSI and the basin's needs assessments (consumptive and nonconsumptive). It should be noted that the applicant did not fully/directly address the evaluation criteria in the application (h through t). The South Platte Basin Roundtable has consistently supported recharge projects in the basin as a means to optimize and utilize the waters in the South Platte to the benefit of M&I, agriculture, fisheries, waterfowl habitat and other uses. It should be recognized that the South Platte BRT approved up to \$250,000 for this project, a significant percentage of their Basin Account. While this project is seen as a worthwhile project with multiple benefits to the basin and the State, staff is recommending partial funding for this project due to the lack of funds in the Statewide Account.

Issues/Additional Needs:

- Due to the applicant applying for a CWCB loan, this grant shall be contingent upon securing financing (through CWCB or other sources) for the remaining costs of the project.

Staff Recommendation:

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All products, data and information developed as a result of this grant must be provided to the CWCB in hard copy and electronic format as part of the project documentation. This information will in turn be made widely available to Basin Roundtables and the general public and will help promote the development of a common technical platform.

In accordance with the revised WSRA Criteria and Guidelines, staff would like to highlight additional reporting and final deliverable requirements. The specific requirements are provided below.

Reporting: The applicant shall provide the CWCB a progress report every 6 months, beginning from the date of the executed contract. The progress report shall describe the completion or partial completion of the tasks identified in the scope of work including a description of any major issues that have occurred and any corrective action taken to address these issues.

Final Deliverable: At completion of the project, the applicant shall provide the CWCB a final report that summarizes the project and documents how the project was completed. This report may contain photographs, summaries of meetings and engineering reports/designs.

Engineering: All engineering work (as defined in the Engineers Practice Act (§12-25-102(10) C.R.S.)) performed under this grant shall be performed by or under the responsible charge of professional engineer licensed by the State of Colorado to practice Engineering.