



COLORADO WATER CONSERVATION BOARD



WATER SUPPLY RESERVE ACCOUNT 2007-2008 GRANT APPLICATION FORM

LAPLATA ARCHULETA WATER DISTRICT

Name of Water Activity/Project

River Basin Location

Animas/Pine/Piedra

☐

Basin Account

☒

Yes

☒

Statewide Account

☐

No

Amount of Funds Requested

Please Check Applicable Box

Approval Letter Signed By
Roundtable Chair and
Description of Results of
Evaluation and Approval
Process

*** For the Basin Account, the Application Deadline is 60 Days Prior to the Bimonthly CWCB meeting. The CWCB meetings are posted at www.cwcb.state.co.us and are generally the third week of the month.**

*** For the Statewide Account, the Application Deadline is 60 Days Prior to the March and September CWCB Board Meetings.**

* In completing the application you may attach additional sheets if the form does not provide adequate space. If additional sheets are attached please be sure to reference the section number of the application that you are addressing (i.e., A.1. etc.).

Instructions: This application form must be submitted in electronic format (Microsoft Word or Original PDF are preferred). The application can be emailed or a disc can be mailed to the address at the end of the application form. The Water Supply Reserve Account Criteria and Guidelines can be found at <http://cwcb.state.co.us/IWMD/>. The criteria and guidelines should be reviewed and followed when completing this application. You may attach additional sheets as necessary to fully answer any question, or to provide additional information that you feel would be helpful in evaluating this application. Include with your application a cover letter summarizing your request for a grant. If you have difficulty with any part of the application, contact Todd Doherty of the Intrastate Water Management and Development (Colorado Water Conservation Board) for assistance, at (303) 866-3441 ext.3210 or email Todd at todd.doherty@state.co.us.

Generally, the applicant is also the prospective owner and sponsor of the proposed water activity. If this is not the case, contact the Todd Doherty before completing this application.

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Part A. - Description of the Applicant (Project Sponsor or Owner);

1.	Applicant Name(s):	La Plata Archuleta Water District Dick Lunceford, Board President	
	Mailing address:	c/o Harris Water Engineering, Inc. 954 E. 2 nd Ave., Ste. #202 Durango, CO 81301 970-259-5322	
	Taxpayer ID#:	80-0291015	Email address: Amy@durangowater.com
	Phone Numbers: Business:	970-259-5322	
	Home:		
	Fax:	970-247-0587	

2. Person to contact regarding this application if different from above:

Name:	Amy Kraft
Position/Title	Engineer with Harris Water Engineering, Inc.

3. Provide a brief description of your organization below: see “Description of Applicant” in Part 2 of Criteria and Guidance for required information.

The La Plata Archuleta Water District is a special district organized pursuant to Article 1 of Title 32, Colorado Revised Statutes. The District was formed by a majority vote in an election held August 12, 2008. Five Board members were also elected on August 12 and have been seated. It is proposed to hold a mill levy election in November of 2009.

The District was formed to finance, construct, operate and maintain a public water distribution system for a four hundred square mile service area in La Plata and Archuleta Counties. The District could eventually serve approximately 6,000 taps (residential and commercial) with an estimated 2,000 AF of water. Present development plans as presented in the approved Service Plan in La Plata County indicate that 4,000 taps, or 9,720 people, could be served by 2030. The District's Service Plan was approved by the La Plata Board of County Commissioners in 2007 as the first step in the District's organizational process. Excerpts from that Service Plan are included herein. The full text of the Service Plan is available on the LAPLAWD.org web site. Service Plan approval in Archuleta County has not been requested because initially, service will only be provided to residents of La Plata County.

The system will include water diversion facilities, treated water storage reservoirs (tanks), water treatment facilities, approximately 200 miles of distribution pipelines, fire hydrants, water loading stations, including necessary pumps, valves and appurtenances.

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The District presently has no approved mill levy or source of revenue (other than grants) to appropriate for the costs of planning, permitting and environmental compliance required for the development of this rural water distribution system. However, the Service Plan includes provision for up to a 5.0 mill levy. Based on the current assessed valuation of taxable property within the District of \$950 million, property tax revenues could be approximately \$4,750,000 per year. The Board of Directors plans to certify the mill levy question for the November 2009 election. If passed, these funds would be available in the spring of 2010. Authorization could also be sought in May 2010 or November 2010, which would defer receipt of these funds to spring of 2011. The funding requested in this Application would allow the District to begin the essential pre-construction work of permitting and environmental compliance identified in Task 4 below in a timely manner to facilitate the commencement of construction as soon as funding is available.

Funding for construction will primarily be derived from a 5 mill levy on property within the District and to a lesser extent from tap fees. Operation and maintenance of the constructed facilities will be funded primarily by water rates and to a lesser amount from a reduced mill levy at the completion of the system.

The formation of the District and the subsequent construction and operation of the treated water system has been pursued by various county residents and the Pine River Irrigation District through its Vallecito Water Company for over 15 years. The formation of a special district, as the appropriate public entity to construct and operate this rural water distribution system, has been successfully pursued over the past several years by a local group of citizens identified as the La Plata Archuleta Water District Task Force lead by Dick Lunceford. Dick Lunceford now serves as Chairman of the District's Board of Directors.

A previously approved WSRA grant for \$100,000 from Southwest Basin funds will be used to develop the Master Plan describing the overall development of the water system, Task 3 below. Following development of the Master Plan, the permitting required to construct the facilities can begin. This application is to the State WSRA funds to begin this work when the Master Plan is approved in late summer or early fall which, if approved, is approximately when the funds from this application would be available. With these funds the permitting activities can begin prior to the availability of mill levy funds.

Now that the District has been formed, future development of the water system has three major phases which are: pre-construction, construction, and operation. This grant application is to assist with pre-construction activities which can further be categorized into the following tasks. This grant application is specifically to assist with completion of Task 4 – Permitting.

Task 1. Organization – Board secretary, bookkeeping, audit, financial system, bylaws, rules and regulations, governance documents, hire staff, office, equipment, billing system, etc.

Task 2. Public Education and Citizen Input – Public meetings, web site, informational material, public interaction

Task 3. Master Plan - Determine the best development plan for the water system that considers alternative water sources and treatment plant locations, alternative pipeline routes, updated financial plan, and construction staging. The plan will address the general order of facility development and the areas to receive water. The Master Plan will include public involvement and as well as numerous Board meetings. Partially funded with a Southwest Roundtable grant of \$100,000.

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Task 4. Permitting – Develop information, complete, submit, and process the numerous federal, state, and local permits that will be required to address environmental impacts, cultural resource impacts, water treatment plant design, La Plata County permits, and other issues. Permit applications will be based upon the master plan and designs. This work may begin when the Master Plan in Task 3 is completed and is described in detail below.

Task 5. Financing – Update and implement a financial plan for development, construction and operation of the water system. The task will include applications for grant funds and seeking a mill levy, general obligation debt, and TABOR elections.

Task 6. Coordination with Other Agencies – Negotiation and development of Intergovernmental Agreements and other contracts with other agencies. Coordination will involve discussions with adjacent entities to share facilities.

Task 7. Design – Once the master plan is completed and approved, design of facilities will commence based on the order of construction determined in the master plan. Some facilities will be designed as part of pre-construction (e.g. river diversions, treatment plant, initial pipelines and tanks) but most of the pipelines and tanks will be designed as part of the construction phase.

4. If the Contracting Entity is different then the Applicant (Project Sponsor or Owner) please describe the Contracting Entity here.

N/A

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Part B. - Description of the Water Activity – Please Refer to Criteria and Guidance Document for Eligibly Requirements

1. Name of water activity/project:

LAPLATA ARCHULETA WATER DISTRICT

What is the purpose of this grant application?

☐

Environmental compliance and feasibility study

☒

Technical Assistance regarding permitting, feasibility studies, and environmental compliance

☐

Studies or analysis of structural, nonstructural, consumptive, nonconsumptive water needs, projects

Study or Analysis of:

☐

Structural project or activity

☐

Nonstructural project or activity

☐

Consumptive project or activity

☐

Nonconsumptive project or activity

☐

Structural and/ or nonstructural water project or activity

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2. Describe how the water activity meets these **Threshold Criteria**.

- a. The water activity meets the eligibility requirements outlined in Part 2 of the Criteria and Guidelines.

The water activity meets the eligibility requirements as:

- 1) This water activity is being undertaken by a Title 32 Special District, an eligible entity for this grant.
- 2) The grant funds will be used for technical assistance regarding permitting and environmental compliance.

- b. The water activity is consistent with Section 37-75-102 Colorado Revised Statutes. The requirements/language from the statute is provided in Part 3 of the Criteria and Guidelines.

The District and this water activity (potable water distribution system) are consistent with Section 37-75-102. Neither the formation of the District, the construction of the water system, nor the financial assistance of the Water Supply Reserve Account, will restrict the ability of any water right holder to use or dispose of that water right in any manner permitted under Colorado law. The District will not cause injury, in any way, to any vested or decreed conditional water right. The District will be able to perfect its decreed conditional water rights in accordance with Colorado law, and the District will be able to enter into agreements, contracts, or memorandums of understanding with other persons or entities to appropriate, move or use water under the provisions of law.

- c. The water activity underwent an evaluation and approval process and was approved by the Basin Roundtable (BRT) and the application includes a description of the results of the BRT's evaluation and approval of the activity. At a minimum, the description must include the level of agreement reached by the roundtable, including any minority opinion(s) if there was not general agreement for the activity. The description must also include reasons why general agreement was not reached (if it was not), including who opposed the activity and why they opposed it. Note- If this information is included in the letter from the roundtable chair simply reference that letter.

Please see the attached letter from the Southwest Basin Roundtable.

- d. The water activity meets the provisions of Section 37-75-104(2), Colorado Revised Statutes. The requirements/language from the statute is provided in Part 3 of the Criteria and Guidelines.

The District and this water activity meet the provisions of Section 37-75-104(2). The District is listed in the SWSI *June 2006 Water Supply and Needs Report for the Dolores/San Juan/San Miguel Basin*, Table 8-3 "Detailed Identified Projects and Processes for Dolores/San Juan/San Miguel Basin". The Major Provider is listed as the La Plata Archuleta Water District and the Notes indicate "This District is needed to treat and distribute water. There is a gap if this District is not formed. Options include wells or water hauling." The District is now formed and is beginning the process to provide treatment and distribution of potable water to the area.

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3. For Applications that include a request for funds from the Statewide Account, describe how the water activity meets the **Evaluation Criteria**. See Part 3 of Criteria and Guidelines.

Refer to section “2.” Immediately above for a discussion of how the project meets the first four threshold criteria. The following is a description of how the project meets these additional criteria.

Promoting Collaboration and Cooperation

- a. The water activity addresses multiple needs of La Plata County by providing an alternative water source to wells (often with poor quantity or quality) or water hauling. The District will provide water to three sub-basins within the Southwest Roundtable area (Animas/Florida, Pine, and Piedra). Where possible the District will collaborate with other water providers.
- b. The application is solely for the District but will provide water service to numerous potable water needs of organizations and individuals within southeast La Plata County. La Plata County government fully supports the project (refer to attached letter). The District is exploring opportunities to coordinate with other water providers for jointly treating water for distribution, for purchasing treated water for distribution or for joint use of water supply pipelines. The amount of water needed by the District by 2050 is expected to be small, approximately 2,000± AF. Conservation measures will be incorporated into facilities and water pricing to use water effectively.

Facilitating Water Activity Implementation

- c. Funding for Task 4, Permitting, will definitely increase the likelihood and improve the timing of the development of the water system. This water system is a SWSI Identified Project and Process. These funds will allow the permitting to begin at least 6 months earlier than waiting for a successful mill levy election in either November, 2009 at the earliest or May, 2010. Permitting is the next major technical task following the Master Plan.
- d. The water system has already been in development for approximately 15 years and may require that much more time to complete the facilities. The availability of these funds will speed the beginning of construction by 6 to 12 months.
- e. The water system is a long term, complex project to deliver potable water to a large portion of La Plata County. The project consultants are available to commence permitting activities as soon as funding is available.
- f. The District has the expertise for the Master Plan and most of the permits required but intends to retain specialized consultants to assist with Corp of Engineers 404 Permit wetlands evaluations. Also, depending on the complexity and size of the treatment plant, an engineering consultant that specializes in treatment plant design may be retained.
- g. The District is requesting full funding of the permitting from the WSRA with matching funds used for the Master Plan in the amount of \$100,000 from the Southwest Basin WSRA, \$40,000 from Southwestern Water Conservation District. A \$200,000 application has been made to Department of Local Affairs to also assist with the Master Plan. A \$10,000 grant application has also been submitted to CDPHE for assistance with the Master Plan. These amounts provide more than the 20% match required for State WSRA funding.
- h. Until a mill levy is authorized, the District has no property tax revenue to fund Task 3 and Task 4. The funds now being requested are critical to the timely completion of this rural water distribution system.

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Meeting Water Management Goals and Objectives and Identified Water Needs

i. This Application does not involve a needs assessment. A Feasibility Study was completed by La Plata County in 2002 and is available for review at http://www.co.laplata.co.us/pdf/dws_report.pdf. The attachments to this Study are attached herein, or can be found at <http://www.co.laplata.co.us/publications/domesticwatersvc.htm>.

4. Please provide an overview of the water project or activity to be funded including – type of activity, statement of what the activity is intended to accomplish, the need for the activity, the problems and opportunities to be addressed, expectations of the participants, why the activity is important, the service area or geographic location, and any relevant issues etc. Please include any relevant TABOR issues that may affect the Contracting Entity. Please refer to Part 2 of Criteria and Guidance document for additional detail on information to include.

As stated in Part A.3, the District's potential water activity is the construction and operation of a potable water supply, treatment and distribution for a 400 square mile service area in the southeastern portion of La Plata County and portions of western Archuleta County that could eventually serve up to 6,000 homes and businesses by 2050. The Initial Infrastructure Phase is expected to include, at a location to be determined by the Board, a river diversion (or extraction gallery/ies), a treatment plant located near the gallery (treatment process contingent upon raw water quality), finished water storage reservoirs (tanks), main and distribution pipelines, and all necessary pumps, valves and appurtenances. Consecutive phases are expected to expand the system throughout the Service Area and to consist of distribution pipeline, storage tanks (above ground steel tanks, generally), water loading stations, pumps, valves, fire hydrants, and appurtenance. Additional diversion structures and treatment facilities may be provided in future phases.

The District will serve an agricultural area where the potable water needs are met by individual or community wells, typically recharged by flood irrigation. Hauling water is the only alternative for supply. Recharge from flood irrigation is declining due to conversion to sprinkler irrigation and from agricultural uses to residential subdivisions. Domestic demand is also increasing. Many domestic users do not conduct water quality tests on their wells. However, many small public water systems exist in the area and a number of these public systems have water quality problems, such as Fluoride, that require advanced treatment. In addition, the United States Geological Survey published a study in 1979 concerning the availability and quality of water on the Southern Ute Indian Reservation in La Plata County. Out of 265 wells tested, 134 exceeded maximum contaminants levels (MCLs) for drinking water (which are more restrictive now) for dissolved solids, 18 exceeded MCLs for Arsenic, 12 exceeded MCLs for Chloride, 70 exceeded MCLs for Fluoride, 21 exceeded MCLs for Iron, 25 exceeded MCLs for Manganese, 11 exceeded for Nitrite, 74 exceeded for Selenium and 49 exceeded for Sulfates. There are currently over 9,811 wells in La Plata County (from Division of Water Resource data), the majority of which are in LAPLAWD's service area and are not tested for water quality.

The District facilities will benefit public health and will provide a reliable and safe supply of water that would address these issues, and would also provide a reliable source of water for fire protection, benefiting all property in the District's service area.

This activity has already included years of investigation and support, feasibility studies, preparation of a service plan, Board of County Commissioner review and approval of the service plan, District Court review of the organizational process and findings to allow an organizational election, and a successful organizational election. Many organizations and consultants have been involved in the process to date, either contributing funds or services. Extensive work and funding was provided for the original Vallecito Water Company and included: Pine River

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Irrigation District who contributed more than \$100,000; the Southwestern Water Conservation District who provided \$60,000; and the Water Quality Control Division who granted \$100,000. Funding or services for the formation of the District has come from: (1) individuals who contributed to the original VWC allowed the Task Force to use their funds which amounted to \$160,000; (2) Harris Water Engineering - \$42,000; (3) RS Wells - \$24,000; and (4) Collins Cockrel and Cole - \$150,000.

The District received Water Supply Reserve Account Grant monies in the amount of \$100,000 from the Southwest Basin Roundtable to develop the Master Plan, Task 3. This grant request is for the completion of Task 4 – Permitting. Permit applications will be based upon the master plan and designs, and will include numerous federal, state and local permits, such as a LPC Conceptual Development Plan Permits and consecutive Class II Construction Permits, US Army Corps of Engineers 404 Permit (nationwide or individual permit yet to be determined), Colorado Department of Public Health and Environment Public Drinking Water permitting activities and others necessary to address environmental and cultural resource compliance.

5. Please summarize the proposed scope of work. Please refer to Part 2 of the Criteria and Guidance document for detailed requirements. On the following page there is an example format for the Scope of Work. You can use the example format or your own format, provided that comparable information is included.

The scope of work should outline by task how the water activity will be accomplished. It is important that the scope of work detail the specific steps, activities/procedures that will be followed to accomplish the water activity and the specific products/deliverables that will be accomplished. The scope of work should include but not be limited to: task description, key personnel, budget, schedule and deliverables and the final report/project documentation upon completion of the water activity.

As discussed in Section B.4, this Grant application is for conducting Task 4 Permitting Activities described below in the scope of work. The permit applications will be based upon the master plan and designs, Task 3.

Any necessary legal services will be provided by:

Collins Cockrel & Cole
390 Union Boulevard, Suite 400
Denver, Colorado 80228-1556
303-986-1551

Engineering and services will be provided by:

Harris Water Engineering, Inc.
954 E. 2nd Ave., Suite #202
Durango Colorado 81301
970-259-5322

Environmental and Cultural Resource Consultants:

Will be selected during Master Plan development.

Treatment Plant Design Engineering Consultant

If needed, will be selected after Master Plan is completed.

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Scope of Work for Task 4

The Master Plan will identify the recommended treatment plant location(s) and the general order (phases) that pipelines and water tanks will be constructed. Based on this plan, the various permits are described below which are required prior to construction. Once the Master Plan is completed in August or September of 2009, work on these permits can begin. The following is a listing of the components for Task 4.

- a) Colorado Department of Public Health and Environment: Public Drinking Water System – The District water system is a new system requiring the development and approval of a complete Technical, Managerial and Financial Capacity (TMF) report which includes such major items as: treatment plant design; distribution system layout and design; rules and regulations for operating the water system; financial plan and rate structure; operating plan and staffing; and other information for the water system. This is a major undertaking which may require additional expertise in water treatment plant design depending on the source of water and the plant capacity identified in the Master Plan; for example, if high turbidity is expected during certain periods a more sophisticated pre-treatment system design may be required. The major deliverables will be the TMF and Design submittal to CDPHE. The initial submittal will be subject to review and modification prior to issuance of the final permit which will be the final product. The \$90,000 budgeted herein will provide for the completion of the Managerial and Financial Capacity portions of the permit application. However, it will only outline the major issues associated with the Technical Capacity portion. For example, the treatment plant design will not be covered by the amount budgeted herein.
- b) US Army Corp of Engineers 404 Permit – This permit is necessary to allow pipelines to be constructed across waters (e.g. wetlands) of the US and for the river diversion to the treatment plant. The pipeline routes and treatment plant location identified in the Master Plan will be the basis for the Permit application with criteria to be developed if the pipeline routes change. Section 7 consultation for endangered species, particularly the endangered fish in the San Juan River, will be addressed in the permit. Cultural resources will also be addressed as part of this work. Environmental and cultural resource consultants knowledgeable of 404 Permits and other related requirements will be necessary to perform much of this work, who will be selected near the completion of the Master Plan. The major deliverables will be the 404 Permit submittal to COE. The initial submittal will be subject to review and modification prior to issuance of the final permit which will be the final product.
- c) La Plata County Conceptual Development Plan (CDP)– La Plata County requires the submission of a CDP to provide overall conceptual approval for the entire construction project. The Master Plan will provide most of the information for this submittal but format revision and negotiations with La Plata County Staff and Commissioners will be necessary. To a small extent, a consultant knowledgeable of La Plata County planning rules and regulations may be utilized in preparation of the submittal to more completely address County requirements. The major deliverables will be the CDP Permit submittal to the County. The initial submittal will be subject to review and modification prior to issuance of the final permit which will be the final product.
- d) La Plata County Class II Permit for Phase I Construction – After approval of the CDP, La Plata County requires a Class II permit for each construction phase which specifically describes the work to be accomplished. A Class II permit application is generally expected to be submitted to La Plata County each year for the construction to be completed in the following year. This first Class II Permit application would be for the work identified in the Master Plan to be accomplished in the first phase (first year or two) of

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construction. The major deliverables will be the Class II Permit submittal to the County. The initial submittal will be subject to review and modification prior to issuance of the final permit which will be the final product.

- e) La Plata County Road Easement Permit – The majority of the pipelines are planned to be constructed within County right-of-way (ROW) which requires a permit. An application for the pipeline construction identified in the Class II permit for the first phase will be submitted to La Plata County Road and Bridge Department. Issuance of the ROW permits will be the final product.
- f) Negotiations and Contracting for Pipeline, Treatment Plant and Storage Tank ROW's – The contracts and other legal instruments necessary to utilize land for facilities will be negotiated with draft contracts to be implemented when construction funds are available. Generally, the District plans to pay for use of land for above ground facilities but below ground facilities (e.g. pipelines) will utilize County easements or donated easements if crossing private land. This work involves the legal and technical work needed to identify the land required and the negotiations with landowners for use of the land. The work may include surveying as needed. The deliverables will be ROW agreements.
- g) Miscellaneous Intergovernmental Agreements or Permitting Requirements – The Master Plan is likely to identify permits/agreements with parties in addition to the above entities that will be required prior to construction. For example, agreements may be required with other water providers for the purchase of treated water, the construction and operation of a joint water treatment plant or the joint use of water supply pipelines. The deliverables will be permits and agreements.
- h) Coordination of Activities – The above permits and agreements will require overall coordination to assure consistency and compatibility.

A summary of the estimated cost to obtain the above permits and agreements is listed in the following table.

TASK 4 SCOPE OF WORK – ESTIMATED COST

<u>Components in Scope of Work</u>	<u>Estimated Cost</u>
a - CDPHE Permit	\$90,000
b - COE 404 Permit	\$150,000
c – La Plata County CDP Permit	\$30,000
d – La Plata County Class II Permit	\$30,000
e – La Plata County Road Easement Permit(s)	\$10,000
f – Facility ROW Negotiations	\$0
g – Misc. Permits and Agreements	\$50,000
h – Coordination	\$40,000
	=====
Total Estimated Cost	\$400,000

The allocation of costs between each component may change depending upon the actual effort for each component. Since the formation of the District in November of 2008, the District has received grants for \$140,000 (\$100,000 Southwest Roundtable and \$40,000 Southwestern Water Conservation District) and has pending applications for

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additional grants of \$210,000 (DOLA and CDPHE). In addition, BP America Production Company has verbally committed to assisting the District with funding for public outreach and education activities. The secured \$140,000 provides more than the necessary 20% matching funds for State WSRA eligibility.

Based on the existing information, the above listed permits and agreements will be required prior to beginning construction. Therefore, the project deliverables for this grant application will be the approved permits and agreements enabling the District to move forward with construction activities as explained for each component.

Hourly Rates:

Principal Engineer	\$150
Associate Engineer I	\$100
Associate Engineer II	\$70
Technical Staff & Drafting	\$60
Environmental Consultants	not known
Legal Partner	\$300
Counsel	\$225
Senior Associate	\$200
Associate	\$190
Paralegal	\$150
Law Clerk	\$110

Task 4 Schedule

Task 4 activities are expected to begin when the Master Plan is completed in late summer or early fall and the funds from this grant application are available; therefore, the work is expected to begin in late 2009. It is estimated that approximately 8 to 12 months will be required to prepare the technical designs and associated permit applications. The time for the various entities to review and approve the permits is highly variable and is believed to be in a range of 4 to 8 months. The 404 Permit and CDPHE Permit are expected to require the longest approval periods. All of the permits are expected to be issued by mid-2011.

6. Water Availability and Sustainability – this information is needed to assess the viability and effectiveness of the water project or activity. Please provide a description of each water supply source to be utilized for, or the water body to be affected by, the water activity. For water supply sources being utilized, describe its location, yield, extent of development, and water right status. For water bodies being affected, describe its location, extent of development, and the expected effect of the water activity on the water body, in either case, the analysis should take into consideration a reasonable range of hydrologic variation.

The following is a list of alternative water supplies that will be evaluated as part of the Master Plan, Task 3, currently underway. None of the alternative water supplies are currently developed by the District. The Master Plan will identify which sources will be utilized and further describe their yield and the District's development plans.

Animas River Basin - The LAPLAWD Task Force filed for and was granted 15 cfs conditional water right on the Animas River and from the Florida River near the confluence with the Animas River. The right was awarded in

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Water Court Case No. 03CW102. The water may be diverted at any of three diversion locations, downstream of Durango, and in connection with the decrees issued in Water Court Case No. 03CW103 and Case No. 03CW119. The Animas River and the lower Florida River are not in “water critical” areas and water is available for appropriation and use at any time during the calendar year. Even during the 2002 drought, there was adequate water physically and legally available in the Animas River to provide up to 30 cfs.

Piedra River Basin - The LAPLAWD Task Force filed for and was granted 5 cfs conditional water right on the Piedra River just upstream from Navajo Reservoir. The right was awarded in Case No. 03CW103 and must be used in connection with Case No. 03CW102 and Case No. 03CW119. The Piedra River is not in a “water critical” area and water is available for appropriation. There are no flow measurements immediately upstream of Navajo Reservoir to verify the availability of water but there was likely to have been between 5 and 10 cfs of water physically and legally available in the Piedra River during the 2002 drought.

Pine River Basin - The LAPLAWD Task Force filed for and was granted 7.5 cfs conditional water right on the Pine River. The water may be diverted at either of two diversion locations and in connection with the decrees issued in Case No. 03CW102 and Case No. 03CW103. The Pine River below the Pine River Canal is not in a “water critical” area and water is available for appropriation. The available data indicates there was between 5 and 10 cfs of water physically and legally available in the lower Pine River in 2002.

All of the conditional water rights described in the foregoing paragraphs have now been conveyed by the LAPLAWD Task Force to the District.

Pine River Irrigation District - The Pine River Irrigation District (PRID) has been a long time supporter of the rural water system and continues to be committed to supplying water to the water system. The PRID Board can allocate between irrigation and Leased Water within PRID, pursuant to Case No. 03CV300. The Court further determined that shareholders can voluntarily allow their water in PRID to be used for Leased Water inside or outside of PRID, pursuant to Section 37-42-135, C.R.S. The PRID "Voluntary Pool" has been established for this purpose and approximately 3,300 AF have been committed to this Pool for the purpose of providing Leased Water that could be used by the District.

Animas-La Plata Project - In addition to the SUIT's share of the Animas-La Plata Project (ALP), the State of Colorado also has an option to obtain up to 5,280 acre-feet of depletion or approximately 10,600 acre-feet of supply from ALP. The State has until the end of construction to decide whether to accept the option. The District could potentially utilize a portion of this allocation if it were to be granted to the District by the State.

7. Please provide a brief narrative of any related or relevant previous studies.

The District prepared a Service Plan that describes the purposes of the District, the services the District will provide, the basic water system infrastructure, and projected costs of the system. The Service Plan includes a financial analysis and maps depicting the general location of the District. The Service Plan and Attachments can be found on the District's website at www.laplwd.org.

Recognizing the importance of a rural water distribution system in increasing the livability of the county's residents who do not currently have access to adequate groundwater supplies and who may currently be hauling water to meet their demand, the La Plata County Board of County Commissioners completed a Feasibility Study

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in 2002. *Domestic Water Service in Southeastern La Plata County*, considered development and water use in the study area, existing water supply conditions in the study area, water demand projections, etc... The Study concluded: “BBC’s preliminary assessment indicates that a rural water system for southeastern La Plata County is feasible.” The County has determined that it is not prepared to take on the responsibility for the construction and operation of such system, but does publicly support efforts to accomplish this objective. The Study and attachments are available for review at http://www.co.laplata.co.us/pdf/dws_report.pdf and <http://www.co.laplata.co.us/publications/domesticwatersvc.htm>.

The District is currently preparing the Master Plan to identify the best alternative water source, treatment technologies, distribution system design, and development plan. The completion of the Master Plan will provide the information necessary to obtain the required permits.

8. Additional Information – If you feel you would like to add any additional pertinent information please feel free to do so here.

Attached is information regarding the District including a letter of support from La Plata County Commissioners. This letter of support is addressed to Susan Kirkpatrick, Executive Director of the Colorado Department of Local Affairs and was a part of the support material for the District’s Energy and Mineral Impact Assistance Program grant application. A copy of all the attachments to the DOLA grant application have been sent to Mr. Todd Doherty, of the Colorado Water Conservation Board, as pertinent information in support of this application.

The information includes:

- The District’s 2009 Budget (DOLA Attachment 1)
- Map depicting oil and gas wells throughout the County and District (DOLA Attachment 2)
- Map depicting groundwater contaminants throughout the District (DOLA Attachment 3)
- Email confirmation of CWCB Water Supply Reserve Account Basin Roundtable funding (DOLA Attachment 4)
- LPC BOCC Resolution approving the District’s Service Plan (DOLA Attachment 5)
- Map depicting residences built in the County from the year 1976 through 2000 (DOLA Attachment 6)
- Map depicting DWR recorded water wells drilled in the County (DOLA Attachment 7)
- Table of Detailed Identified Projects and Processes for Dolores/San Juan/San Miguel Basin from Section 6 of the 2003 SWSI Report (DOLA Attachment 8)
- The District’s Service Plan and attachments (DOLA Attachments 9-9e)
- The BOCC Feasibility Study Executive Summary and associated maps (DOLA Attachment 10-10b)
- The BOCC Letter of Support to DOLA (DOLA Attachment 11a)
- La Plata County Planning Department Director’s letter of support (DOLA Attachment 12)
- Article from the Pine River Times chronicling the District’s formation efforts (DOLA Attachment 13)
- Harris Water Engineering, Inc. profile (DOLA Attachment 14)
- Task 3 Scope of Work (DOLA Attachment 15)
- Colorado Department of Local Affairs Energy and Mineral Impact Assistance Program Tier I Grant Application

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The above statements are true to the best of my knowledge:

Signature of Applicant: _____ **Date:** _____

Print Applicant's Name: Richard T. Lunceford, Board President – La Plata Archuleta Water District

Project Title: La Plata Archuleta Water District

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SW BASIN ROUNDTABLE CRITERIA

A. Projects must be submitted on an application form used by the State IBCC and CWCB.

All applicable sections must be completed. *The above application uses the proper form.*

B. Projects must address the values encompassed by the SW Basin Bylaws, especially the following goals and objectives:

- ☐ Seek the involvement of all interested parties and stakeholders. *A successful election was held on formation of the District which involved all parties and stakeholders. Letter of support, to the Department of Local Affairs, from La Plata County Commissioners.*
- ☐ Propose methods or projects, both structural and non-structural, for meeting any future needs as well as utilizing any unappropriated waters. *Addressed in application.*
- ☐ Promote the protection, conservation, and use of water in the Southwestern Colorado Roundtable area. *Addressed in application.*
- ☐ Promote the socio-economic sustainability of the Southwestern Colorado Roundtable area. *A water system for southeast LaPlata County is necessary for the present and future water users.*
- ☐ Promote the protection and conservation of the natural environment, including the protection of open space. *Not directly applicable.*

C. Provide the financial details of the plan, including cost sharing and other possible funding sources. Give a financial overview and rough timeline for completion of the project. *Refer to the above application and the Service Plan.*

To assist the Southwest Roundtable in determining whether and to what extent a proposed project meets the values set forth in the Bylaws, the following questions should be addressed separately as can reasonably be answered by the applicant.

1. What benefit(s) does the project provide? Are there multiple purposes?

Note: this does not mean that a single purpose project would be rejected, but for major funding requests, addressing multiple use needs would be an advantage. *This is a single purpose project to supply drinking water to approximately 6,000 taps. The water system will provide an adequate quantity of good quality drinking water to southeast LaPlata County which presently does not have such a supply.*

2. Outline the steps needed for completion of the project. What permit issues must be overcome? How will funds acquired in this process be used to accomplish the final goal? *Described in the application.*

3. For prioritization of different proposals and assessment of the merits of the plan, can this project be physically built with this funding. Are further studies needed before actual construction is commenced (if the project anticipates construction)? Will these studies or additional steps delay the completion of the project substantially? *This grant application is to prepare the applications to obtain the permits necessary to begin construction.*

4. How does the proposal envision and anticipate support from its beneficiaries or from other sources in addition to the funding requested here? Would a loan reasonably address the needs of the applicant or, with a grant, should a recommendation be added to assess the future project status for ability to repay a portion of the grant? *Described in the application. The District has no current source of revenue from which it could repay a loan or*

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any portion of a grant.

5. What is the ability of the sponsor to pay for the project? What actions have been taken to secure local funding? Are there supporting factors which overcome the sponsor's inability to pay? (These could be related to basin water needs and compact considerations). *Described in application.*

6. What alternative sources of water or alternative management ideas have you considered? Are there water rights conflicts involving the source of water for the project? If so, please explain. *Described in application.*

7. How has public input been solicited and is there local support for the project? Have the beneficiaries solicited funding, letters or other documentation to demonstrate support? *Described in application. The District was voted on in August of 2008. Attached is a letter of support from LaPlata County Commissioners.*

8. Is there opposition to the project? If there is opposition, how have those concerns been addressed? *There is opposition to the project. The opponents' issues will be addressed to the extent the District has control as part of the Master Plan development and other pre-construction activities.*

9. How does the project affect the protection and conservation of the natural environment, including the protection of open space? *Not applicable.*

10. What is the impact of the proposed action on other non-decreed values of the stream or river? Non-decreed values may include things such as non-decreed water rights or uses, recreational uses and soil/land conservation practices. *No impact.*

11. How does the project relate to **local** land use plans? If conflicts exist, how will these be addressed? *Formation of the District is supported by La Plata Board of County Commissioners; see attachment. A Goal set forth in the County Comprehensive Plan is to publicly support development of a rural water system in La Plata County. The District cannot provide water to any parcel of land or for any use not previously approved by the County. There is no conflict between the District's plans to design, construct and operate a rural water distribution system and the County's land use plans. Instead, the District's plans will compliment County land use plans and the District expects to work with the County to update the County Comprehensive Plan to incorporate District plans, goals and objectives.*

12. Identify any intrabasin conflicts and how they will be addressed. *Not applicable.*

13. Identify any interbasin impacts and how any conflicts would be addressed. *Not applicable*

14. How does the project support agricultural development or protect the existing agricultural economy? *Presently much of the residential development within the boundaries of the District is on irrigated agricultural land because of the availability of groundwater for a domestic well. Upon completion of the District's water distribution system a domestic water supply will be available that is not dependent on groundwater and the related irrigation recharge. This may allow residential development away from irrigated areas on land where groundwater is not accessible, thus preserving and protecting agricultural lands and the existing agricultural economy in La Plata County.*