



COLORADO WATER CONSERVATION BOARD

WATER SUPPLY RESERVE ACCOUNT
2009-2010 GRANT APPLICATION FORM



Town of Norwood, Raw Water System Update and Future Needs Study,
Southwest Basin

Name of Water Activity/Project

Approving Basin Roundtable

\$58,458

Amount from Statewide Account

N/A

Total Amount of Funds Requested

Amount from Basin Account

\$58,458

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Instructions

To receive funding from the Water Supply Reserve Account (WSRA), a proposed water activity must be approved by the local Basin Roundtable AND the Colorado Water Conservation Board (CWCB). The process for Basin Roundtable consideration/approval is outlined in Attachment 1.

Once approved by the local Basin Roundtable, the applicant should submit this application, a detailed statement of work, detailed project budget, and project schedule to the CWCB staff by the application deadline.

The application deadlines are:

- Basin Account – 60 days prior to the bi-monthly Board meeting
- Statewide Account – 60 days prior to the March and September Board meeting

Board Meeting Dates	Basin Account Deadlines	Statewide Account Deadlines
3/17 - 3/18/2009	1/16/2009	1/16/2009
5/19 - 5/20/2009	3/19/2009	n/a
7/21 - 7/22/2009	5/21/2009	n/a
9/15 - 9/16/2009	7/15/2009	7/15/2009
11/17 - 11/18/2009	9/17/2009	n/a
January 2010	11/15/2010	n/a
March 2010	1/15/2010	1/15/2010
May 2010	3/15/2010	n/a

When completing this application, the applicant should refer to the WSRA Criteria and Guidelines available at: <http://cwcb.state.co.us/IWMD>.

The application, statement of work, budget, and schedule must be submitted in electronic format (Microsoft Word or text-enabled PDF are preferred) and can be emailed or mailed on a disk to:

Mr. Todd Doherty
Colorado Water Conservation Board
Intrastate Water Management and Development Section
WSRA Application
1580 Logan Street, Suite 600
Denver, CO 80203
Todd.Doherty@state.co.us

If you have questions or need additional assistance, please contact Todd Doherty of the IWMD Section at 303-866-3441 x3210 or todd.doherty@state.co.us.

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

1.	Applicant Name(s):	Town of Norwood		
	Mailing address:	Town of Norwood P.O. Box 528 Norwood, CO 81432		
	Taxpayer ID#:	84-6000701	Email address:	norwoodparker@centurytel.net
	Phone Numbers: Business:	(970) 327-4288		
	Home:			
	Fax:	(970) 327-0541		

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

Name:	Patti Grafmyer
Position/Title	Town Administrator

3. Eligible entities that may apply for grants from the WSRA include the following. What type of entity is the Applicant?

<input checked="" type="checkbox"/>	Public (Government) – municipalities, enterprises, counties, and State of Colorado agencies. Federal agencies are encouraged to work with local entities and the local entity should be the grant recipient. Federal agencies are eligible, but only if they can make a compelling case for why a local partner cannot be the grant recipient.
<input type="checkbox"/>	Public (Districts) – special, water and sanitation, conservancy, conservation, irrigation, or water activity enterprises.
<input type="checkbox"/>	Private Incorporated – mutual ditch companies, homeowners associations, corporations.
<input type="checkbox"/>	Private individuals, partnerships, and sole proprietors are eligible for funding from the Basin Accounts but not for funding from the Statewide Account.
<input type="checkbox"/>	Non-governmental organizations – broadly defined as any organization that is not part of the government.

4. Provide a brief description of your organization

Town of Norwood is located on Wright's Mesa in southwest Colorado. Located 35 miles west of the resort Town of Telluride, many families choose to live in Norwood where housing is more affordable. The Town of Norwood is a small, very scenic community nestled on Wright's Mesa in San Miguel County, surrounded by majestic mountain ranges on the western slope of the Rocky Mountains. The community is approximately 100 miles east of the Utah border. Norwood has a population of approximately 500 people, and with the surrounding unincorporated rural areas, that number grows to approximately 1,200.

The Town of Norwood Water Commission (NWC) is the sole supplier of potable water for the area, serving both the Town and all of the surrounding rural area. The existing water system serves approximately 800 households and businesses – about half of which are in the Town of Norwood and the other half in the rural areas made up mostly of agricultural fields and ranches. The Town of Norwood Water Commission maintains 85 miles of distribution lines and operates on a very limited budget funded entirely by user fees.

The Town obtains its water supply through a system of open ditches, springs and storage reservoirs. Ongoing problems with water quality over the past several decades, including an incident of E. Coli bacteria and resulting boil water orders, as well as problems with disinfectant residuals, have persisted to current times. Norwood is working on obtaining funding to upgrade the existing water system, an approximately \$7.5 million dollar project. The Town also adopted a Source Water Protection Ordinance ("Ordinance") in November 2008, which went into effect in December 2008, after a long public process, in order to address some of these issues. Currently, the lack of a good quality, adequate water supply stifles the area's economic growth potential. However, the town is diligently working in order to make the needed upgrades and work toward achieving its goals of making the community water safe and allowing for economic growth of the area, while achieving and maintaining compliance with the Safe Drinking Water Act (SDWA) passed by Congress in 1974.

The NWC has tried through the years to meet the requirements of the SDWA through filtration and disinfection, but it is becoming more and more difficult to meet the requirements, especially for small, financially-limited systems such as Norwood's, as the Federal regulations continue to lower the acceptable limits of contaminants. There are ongoing problems both at the water treatment plant and throughout the distribution system. (The Water Treatment Plant Comprehensive Performance Evaluation detailing the ongoing water quality issues is available upon request.) Our goal is first to provide good quality water to our water users, now and in the future, and also to achieve and maintain regulatory compliance with the SDWA.

In addition to water quality issues, the NWC has a legal obligation to serve future growth in a large area. This raises the questions of how much Norwood's water rights and ditch shares yield, particularly in a sustained drought, and how to address the water needs of future growth. The proposed study will provide Norwood with answers to these issues.

- 5.
- 6.
- 7.

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8.

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

The Town of Norwood will contract with Wright Water Engineers, Durango, CO.

10. **Successful applicants will have to execute a contract with the CWCB prior to beginning work on the portion of the project funded by the WSRA grant. In order to expedite the contracting process the CWCB has established a standard contract with provisions the applicant must adhere to. A copy of this standard contract is included in Attachment 3. Please review this contract and check the appropriate box.**

<input checked="checked" type="checkbox"/>	The Applicant will be able to contract with the CWCB using the Standard Contract
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<input type="checkbox"/>	The Applicant has reviewed the standard contract and has some questions/issues/concerns. Please be aware that any deviation from the standard contract could result in a significant delay between grant approval and the funds being available.
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11. **The Taxpayers Bill of Rights (TABOR) may limit the amount of grant money an entity can receive. Please describe any relevant TABOR issues that may affect the applicant.**

The Town of Norwood is not limited by TABOR as to the amount of grant money it can receive. It held an election in 1994, where it “de-Bruced.”

Part B. - Description of the Water Activity

1. Name of the Water Activity/Project:

Town of Norwood, Raw Water System Update and Future Needs Study

2. What is the purpose of this grant application? (Please check all that apply.)

☐

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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- 3. Please provide an overview/summary of the proposed water activity (no more than one page). Include a description of the overall water activity and specifically what the WSRA funding will be used for.**

Since the last update to the Raw Water System Report, four important changes have occurred to the raw water supplies that require an update to the Raw Water Master Plan: 1) the 2002-2003 drought, 2) the contractual change with FWDC for the primary water supply for the water system, and 3) updates in population and full-build out growth estimates, 4) adoption of watershed ordinance

The proposed water activity will update the Raw Water Master Plan to:

- 1) Incorporate the effects of the 2002 and 2003 drought in calculating firm water supply yield of the raw water system.
- 2) Incorporate the provisions of a new contract with FWDC for Gurley Reservoir water into the firm water supply yield analysis.
- 3) Provide updated estimates of current and future water demands based on newly developed population growth projections and full build-out scenarios.
- 4) Provide recommendations to protect and enhance the Town's water supplies and reduce demands through increases in system efficiencies, conservation, and potential development of urban non potable irrigation system. If needed, provide recommendation on procuring additional water supplies including storage.
- 5) Baseline hydrologic data for implementation of watershed ordinance.

Part C. – Threshold and Evaluation Criteria

1. Describe how the water activity meets these Threshold Criteria. (Detailed in Part 3 of the Water Supply Reserve Account Criteria and Guidelines.)

a) The water activity is consistent with Section 37-75-102 Colorado Revised Statutes.¹

The application is consistent with Section 37-75-102 as it does not propose to interfere with any existing water or property rights, but rather the proposed project is for studies (mapping and engineering) to protect the Town's water rights, ensuring a reliable and safe domestic water supply source, and plan for future needs for growth in the service area.

b) 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 BRTs 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.

This application is first being sent first to the Basin Roundtable for review and funding.

¹ 37-75-102. Water rights - protections. (1) It is the policy of the General Assembly that the current system of allocating water within Colorado shall not be superseded, abrogated, or otherwise impaired by this article. Nothing in this article shall be interpreted to repeal or in any manner amend the existing water rights adjudication system. The General Assembly affirms the state constitution's recognition of water rights as a private usufructuary property right, and this article is not intended to restrict the ability of the holder of a water right to use or to dispose of that water right in any manner permitted under Colorado law. (2) The General Assembly affirms the protections for contractual and property rights recognized by the contract and takings protections under the state constitution and related statutes. This article shall not be implemented in any way that would diminish, impair, or cause injury to any property or contractual right created by intergovernmental agreements, contracts, stipulations among parties to water cases, terms and conditions in water decrees, or any other similar document related to the allocation or use of water. This article shall not be construed to supersede, abrogate, or cause injury to vested water rights or decreed conditional water rights. The General Assembly affirms that this article does not impair, limit, or otherwise affect the rights of persons or entities to enter into agreements, contracts, or memoranda of understanding with other persons or entities relating to the appropriation, movement, or use of water under other provisions of law.

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- c) **The water activity meets the provisions of Section 37-75-104(2), Colorado Revised Statutes.² Specifically describe how the water activity either furthers the Roundtable's basin-wide water needs assessment or meets a consumptive or non-consumptive water supply need identified in the Roundtable's working needs assessment.**

The Southwest Basins Roundtable has not yet completed a needs assessment. However, projects were identified in SWSI for the Norwood region's consumptive water needs. This project will protect and enhance existing decreed water rights by determining the yield of the water rights and proposing means of meeting future consumptive needs through a variety of mechanisms including, but not limited to new projects, more efficient use of existing water rights, additional water rights, etc.

² 37-75-104 (2)(c). Using data and information from the Statewide Water Supply Initiative and other appropriate sources and in cooperation with the on-going Statewide Water Supply Initiative, develop a basin-wide consumptive and nonconsumptive water supply needs assessment, conduct an analysis of available unappropriated waters within the basin, and propose projects or methods, both structural and nonstructural, for meeting those needs and utilizing those unappropriated waters where appropriate. Basin Roundtables shall actively seek the input and advice of affected local governments, water providers, and other interested stakeholders and persons in establishing its needs assessment, and shall propose projects or methods for meeting those needs. Recommendations from this assessment shall be forwarded to the Interbasin Compact Committee and other basin roundtables for analysis and consideration after the General Assembly has approved the Interbasin Compact Charter.

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- d) Matching Requirement: For requests from the Statewide Fund, the applicants is required to demonstrate a 20 percent (or greater) match of the request from the Statewide Account. Sources of matching funds include but are not limited to Basin Funds, in-kind services, funding from other sources, and/or direct cash match. Past expenditures directly related to the project may be considered as matching funds if the expenditures occurred within 9 months of the date the application was submitted to the CWCB. Please describe the source(s) of matching funds. (NOTE: These matching funds should also be reflected in your Detailed Budget in Part D of this application)

This is not a request for Statewide Funds. However, the Town of Norwood is providing matching funds in the form of in-kind contributions of staff and consultants as set forth in the budget.

The water system is operated by the Town of Norwood Water Commission, a water activity enterprise of the Town. As a water activity enterprise, it operates as a government-owned business with revenues principally from user fees. This year, the NWC is undertaking a large project to rehabilitate a 500,000 storage tank and lines and install a chlorination system. While the NWC received grant funding to assist with this project, the NWC is also using its own funds to assist with the project.

The Town of Norwood owns the water rights, ditch shares and the water system that is operated by the NWC. As the owner of the system, the Town is responsible for ensuring that there is sufficient water under its water rights and shares to address future growth. While in other years, the NWC may be able to participate financially in this project, it is unable to do so for the next couple of years due to the large rehabilitation projects it is undertaking.

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2. For Applications that include a request for funds from the Statewide Account, describe how the water activity meets the Evaluation Criteria. (Detailed in Part 3 of the Water Supply Reserve Account Criteria and Guidelines.)

N/A - This application does not request funds from the Statewide Account.

Part D. – Required Supporting Material

1. Water Rights, Availability, and Sustainability

This information is needed to assess the viability of the water project or activity. Please provide a description of the water supply source to be utilized, or the water body to be affected by, the water activity. This should include a description of applicable water rights and the name/location of water bodies affected by the water activity.

The water rights owned by the Town are provided in Table 1.

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

- 1) Raw Water Supply System, March 22, 1995. Updated October 2000. Provides an over view of the raw water supply system. However, given the dates of the report did not include the drought years or 2002 or 2003 and current contract with the Farmers Water Development Company.
- 2) Update to Water System Master Plan, November 2006. Focused on water treatment, finished water storage and transmission. Did not include updates of raw water system and yield.

3. Statement of Work, Detailed Budget, and Project Schedule

The statement of work will form the basis for the contract between the Applicant and the State of Colorado. In short, the Applicant is agreeing to undertake the work for the compensation outlined in the statement of work and budget, and in return, the State of Colorado is receiving the deliverables/products specified. Please note that costs incurred prior to execution of a contract or purchase order are not subject to reimbursement.

Please provide a detailed statement of work using the following template. Additional sections or modifications may be included as necessary. Please define all acronyms. If a grant is awarded an independent statement of work document will be required with correct page numbers.

Statement of Work

WATER ACTIVITY NAME – Town of Norwood, Raw Water System Update and Future Needs Study

GRANT RECIPIENT – Town of Norwood

FUNDING SOURCE - Basin Account

INTRODUCTION AND BACKGROUND

The Town of Norwood and the Norwood Water Commission own numerous water rights in the San Miguel River Basin. Currently, the primary source of water is storage water in Gurley Reservoir and surface and ground water supplies in the Gurley Canyon drainage basin. The Raw Water Supply System Report Updated (December 2000 Report) calculated a dry year yield of 199 AF, including 119 AF from 119 shares of Gurley Reservoir Water. It is important to note the yield from Gurley Reservoir was based on 1 AF per share, which is greater than the 0.7 AF per share yield measured in 1977. An estimated yield per share for the 2002 and 2003 drought was not provided because the report was authored in 2000. In addition, the December 2000 report states the Gurley Reservoir System water is available for water system during the summer months, and direct flow water rights and local storage is used for winter months. Since the time of the report, the 119 shares of Gurley Reservoir are no longer used as a source for the water system and a new contract with Farmers Water and Development Company (FWDC) has been executed. The Town is currently leasing the 119 shares to other users.

Since the last update to the Raw Water System Report four important changes have occurred to the raw water supplies have occurred that require an update to the Raw Water Master Plan: 1) the 2002-2003 drought, 2) the contractual change with FWDC for the primary water supply for the water system, and 3) updates in population and full-build out growth estimates, 4) adoption of watershed ordinance.

OBJECTIVES

The objectives of the study are:

Update the 2000 Raw Water Master Plan to include:

- 1) Assess average and dry year water supply yield including the 2002 and 2003 drought.
- 2) Incorporate the provisions of the latest contract with the FWDC for Gurley Reservoir storage water.
- 3) Update the raw water master plan to include population and full build-out growth estimates.
- 4) Provide recommendations on protection and enhancement of the Town's portfolio of water rights and provides strategies on water measurement, conservation and management.
- 5) Provide baseline hydrologic data for implementation of watershed ordinance

TASKS

TASK 1 – Gurley Reservoir Firm Yield

Description of Task

Provide review of general hydrology of Gurley Reservoir System and estimate firm yield during average and dry years. Provide baseline hydrology for Town's watershed ordinance.

Method/Procedure

Review the provision of the current water contract with FWDC. Review available data for precipitation, inflow, and demands including agricultural and municipal for average and dry years. Provide preliminary water balance inflows, outflows, carryover storage and estimates of evaporation, seepage and transit losses. Review historical call records and administration. Provide assessment of legal and physical water supply yield on a monthly basis. Provide baseline hydrology for Town's watershed ordinance.

Deliverable

Estimate of the firm yield of the reservoir system for average and dry years including 2002 and 2003 and anticipated delivery losses. Provide an average and dry-year water supply schedule on a monthly basis. Provide recommendations including water measurement and management.

TASK 2 – Direct Flow Water Rights Firm Yield

Description of Task

Provide average and dry year yield of Town's direct flow water rights

Method/Procedure

Map decreed and actual locations of water rights. Review available data for precipitation, diversions and transit losses. Review historical call records and administration. Provide assessment of legal and physical water supply yield.

Deliverable

Estimate of the firm yield of the direct flow water rights for average and dry years including 2002 and 2003 and anticipated delivery losses. Average and dry year firm yield water supply schedule will be provided on a monthly basis. Provide recommendations including water measurement and management.

TASK 3 – Assess Water System Demands

Description of Task

Assess Water Systems Demands for Town and rural customers for current and full build-out conditions

Method/Procedure

The development of the water system demands is largely based on findings of November 2006 Water System Master Plan Update and allowable development under County land use regulations. Growth estimates and demands will be updated based on current information. Water system demands will be broken out into a current and full build-out monthly demand schedule.

Deliverable

Monthly current and full build-out water demand schedule for the Town and rural water users.

TASK 4 – Assess Firm Yield of Water Supply and Water Demands

Description of Task

Compare average and dry year water supply and water demand estimates for current and full build-out conditions.

Method/Procedure

Compare monthly water supply and demand using average and dry year firm yield water supplies from Task 1 and Task 2 and monthly current and full build-out water demands from Task 3. Assess water conservation, use of non potable irrigation system and development of additional storage if needed.

Deliverable

Provide results of monthly comparison of water demands and supplies. Provide recommendations to reduce water demands including conservation, using nonpotable irrigation systems, and increasing delivery efficiencies, etc. Provide recommendations to increase supplies if needed including water storage.

TASK 5 – Report Preparation

Description of Task

Prepare report based on findings of Task 1 through Task 4

Deliverable

Provide report including text, maps, photographs, figures and tables based on findings from Task 1 through 4. Provide summary and recommendations.

REPORTING AND FINAL DELIVERABLE

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 statement 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 deliverables associated with each tasks as outlined above.

BUDGET

A budget for each task is provided in Table 2.

SCHEDULE

A proposed schedule is provided in Figure 1. The schedule is subject to change based partly on execution of a contract with CWCB.

PAYMENT

Payment will be made based on actual expenditures and invoicing by the applicant. Invoices from any other entity (i.e. subcontractors) cannot be processed by the State. The request for payment must include a description of the work accomplished by major task, and estimate of the percent completion for individual tasks and the entire water activity in relation to the percentage of budget spent, identification of any major issues and proposed or implemented corrective actions. The last 5 percent of the entire water activity budget will be withheld until final project/water activity documentation is completed. 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 help promote the development of a common technical platform.

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

Signature of Applicant:

Print Applicant's Name:

Project Title: Town of Norwood, Raw Water System Update and Future Needs Study

Return this application to:

Mr. Todd Doherty
Intrastate Water Management and Development Section
COLORADO WATER CONSERVATION BOARD
1580 Logan Street, Suite 600
Denver, CO 80203

To submit applications by Email, send to: todd.doherty@state.co.us

Attachment 1
Reference Information

The following information is available via the internet. The reference information provides additional detail and background information.

Colorado Water Conservation Board (<http://cwcb.state.co.us/>)

Loan and Grant policies and information are available at – <http://cwcb.state.co.us/Finance/>

Interbasin Compact Committee and Basin Roundtables (<http://ibcc.state.co.us/>)

Interbasin Compact Committee By-laws and Charter (under Helpful Links section) –
<http://ibcc.state.co.us/Basins/IBCC/>

Legislation

House Bill 05-1177 - Also known as the Water for the 21st Century Act –

<http://cwcbweblink.state.co.us/DocView.aspx?id=105662&searchhandle=28318>

House Bill 06-1400 – Adopted the Interbasin Compact Committee Charter –

<http://cwcbweblink.state.co.us/DocView.aspx?id=21291&searchhandle=12911>

Senate Bill 06-179 – Created the Water Supply Reserve Account –

<http://cwcbweblink.state.co.us/DocView.aspx?id=21379&searchhandle=12911>

Statewide Water Supply Initiative

General Information – <http://cwcb.state.co.us/IWMD/>

Phase 1 Report – <http://cwcb.state.co.us/IWMD/SWSITechnicalResources/SWSIPhaseIReport/>

Attachment 2
Insurance Requirements

NOTE: The following insurance requirements taken from the standard contract apply to WSRA projects that exceed \$100,000 in accordance with the policies of the State Controller's Office. Proof of insurance as stated below is necessary prior to the execution of a contract.

13. INSURANCE

Grantee and its Sub-grantees shall obtain and maintain insurance as specified in this section at all times during the term of this Grant: All policies evidencing the insurance coverage required hereunder shall be issued by insurance companies satisfactory to Grantee and the State.

A. Grantee

i. Public Entities

If Grantee is a "public entity" within the meaning of the Colorado Governmental Immunity Act, CRS §24-10-101, et seq., as amended (the "GIA"), then Grantee shall maintain at all times during the term of this Grant such liability insurance, by commercial policy or self-insurance, as is necessary to meet its liabilities under the GIA. Grantee shall show proof of such insurance satisfactory to the State, if requested by the State. Grantee shall require each Grant with Sub-grantees that are public entities, providing Goods or Services hereunder, to include the insurance requirements necessary to meet Sub-grantee's liabilities under the GIA.

ii. Non-Public Entities

If Grantee is not a "public entity" within the meaning of the GIA, Grantee shall obtain and maintain during the term of this Grant insurance coverage and policies meeting the same requirements set forth in §13(B) with respect to sub-Grantees that are not "public entities".

B. Sub-Grantees

Grantee shall require each Grant with Sub-grantees, other than those that are public entities, providing Goods or Services in connection with this Grant, to include insurance requirements substantially similar to the following:

i. Worker's Compensation

Worker's Compensation Insurance as required by State statute, and Employer's Liability Insurance covering all of Grantee and Sub-grantee employees acting within the course and scope of their employment.

ii. General Liability

Commercial General Liability Insurance written on ISO occurrence form CG 00 01 10/93 or equivalent, covering premises operations, fire damage, independent Grantees, products and completed operations, blanket Grantual liability, personal injury, and advertising liability with minimum limits as follows: (a) \$1,000,000 each occurrence; (b) \$1,000,000 general aggregate; (c) \$1,000,000 products and completed operations aggregate; and (d) \$50,000 any one fire. If any aggregate limit is reduced below \$1,000,000 because of claims made or paid, Sub-grantee shall immediately obtain additional insurance to restore the full aggregate limit and furnish to Grantee a certificate or other document satisfactory to Grantee showing compliance with this provision.

iii. Automobile Liability

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Automobile Liability Insurance covering any auto (including owned, hired and non-owned autos) with a minimum limit of \$1,000,000 each accident combined single limit.

iv. Additional Insured

Grantee and the State shall be named as additional insured on the Commercial General Liability and Automobile Liability Insurance policies (leases and construction Grants require additional insured coverage for completed operations on endorsements CG 2010 11/85, CG 2037, or equivalent).

v. Primacy of Coverage

Coverage required of Grantee and Sub-grantees shall be primary over any insurance or self-insurance program carried by Grantee or the State.

vi. Cancellation

The above insurance policies shall include provisions preventing cancellation or non-renewal without at least 45 days prior notice to the Grantee and the State by certified mail.

vii. Subrogation Waiver

All insurance policies in any way related to this Grant and secured and maintained by Grantee or its Sub-grantees as required herein shall include clauses stating that each carrier shall waive all rights of recovery, under subrogation or otherwise, against Grantee or the State, its agencies, institutions, organizations, officers, agents, employees, and volunteers.

C. Certificates

Grantee and all Sub-grantees shall provide certificates showing insurance coverage required hereunder to the State within seven business days of the Effective Date of this Grant. No later than 15 days prior to the expiration date of any such coverage, Grantee and each Sub-grantee shall deliver to the State or Grantee certificates of insurance evidencing renewals thereof. In addition, upon request by the State at any other time during the term of this Grant or any sub-grant, Grantee and each Sub-grantee shall, within 10 days of such request, supply to the State evidence satisfactory to the State of compliance with the provisions of this §13.

Attachment 3
Water Supply Reserve Account Standard Contract

NOTE: The following contract is required for WSRA projects that exceed \$100,000. (Projects under this amount will normally be funded through a purchase order process.) Applicants are encouraged to review the standard contract to understand the terms and conditions required by the State in the event a WSRA grant is awarded. Significant changes to the standard contract require approval of the State Controller's Office and often prolong the contracting process.

It should also be noted that grant funds to be used for the purchase of real property (e.g. water rights, land, conservation easements, etc.) will require additional review and approval. In such cases applicants should expect the grant contracting process to take approximately 3 to 6 months from the date of CWCB approval.

Attachment 4
W-9 Form

NOTE: A completed W-9 form is required for all WSRA projects prior execution of a contract or purchase order. Please submit this form with the completed application.

CONCEPTS FOR BASIN EVALUATION AND PRIORITIZATION

The following will be used to evaluate a project submitted to the Southwestern Colorado Basin Roundtable:

Required:

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

All applicable sections must be completed.

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.** For the Town of Norwood, Raw Water System Update and Future Needs Study, the Town of Norwood will involve interested parties and stakeholders, including meeting with the public and seeking public input prior to implementation of any recommendations in the plan.
- **Propose methods or projects, both structural and non-structural, for meeting any future needs as well as utilizing any unappropriated waters.** This project will provide recommendations for methods and/or projects for meeting future water needs, and will better enable the town to use and protect its existing water rights.
- **Promote the protection, conservation, and use of water in the Southwestern Colorado Roundtable area.** This project is for an existing community and will make the town's water system more efficient by reducing potential water loss and/or contamination.
- **Promote the socio-economic sustainability of the Southwestern Colorado Roundtable area.** This project supports a historic, agricultural community of working families.
- **Promote the protection and conservation of the natural environment, including the protection of open space.** This project, which is a study, will not impact the natural environment or open space.

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.

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 project will provide the Town with baseline hydrologic data, information on firm yield and options for ensuring adequate water for future growth in the service area.

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? There are no permits or other obstacles to overcome to complete this process. The requested funds, together with in-kind contributions of Town staff, will be adequate to complete the entire study.

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? The study can be completely finished with this funding.

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? All implementation of the study's recommendations will be paid for by the users of the Norwood water system.

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). The Town of Norwood Water Commission is undertaking significant rehabilitation of its treatment system and is unable to pay for the study at this time. Since all water activities are undertaken through the Commission, the Town has no revenues to pay for the studies but will contribute the time of its staff, including outside counsel.

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.
N/A

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? Public input will be solicited regarding the recommendations of the study to determine which recommendations should be implemented first.

8. Is there opposition to the project? If there is opposition, how have those concerns been addressed? There is no opposition.

9. How does the project affect the protection and conservation of the natural environment, including the protection of open space? The project does not affect the natural environment or open space.

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. Because this is a study, non-decreed river values are unaffected.

11. How does the project relate to local land use plans? If conflicts exist, how will these be addressed? The project will utilize the County land use plan to determine allowable growth in the service area. There is no conflict with the land use plan.

12. Identify any intrabasin conflicts and how they will be addressed. N/A

13. Identify any interbasin impacts and how any conflicts would be addressed. N/A

14. How does the project support agricultural development or protect the existing agricultural economy? The Town of Norwood water system provides domestic water to agricultural users, in addition to in-Town users. However, this project will not directly impact agriculture.

Table 1
Town of Norwood
Portfolio of Water Rights and Shares

Name	Amount	Use	Priority/ Adjudication	Appropriation Date	Case No.	Comments
Priority 214	.25 c.f.s.	M	214; 10/16/1933	10/21/1926	CA 4348	Condemnation changed use to municipal
Town of Norwood Pipeline	.50 c.f.s.	M	385; 7/10/1952	6/1/1935	CA5882	State Engineer's records appear wrong; used in infiltration pipeline
Town of Norwood Pipeline	.25 c.f.s.	M	425; 7/10/1952	6/1/48	CA5882 Absolute 85CW150	State Engineer's records appear wrong; used in infiltration pipeline
Norwood Infiltration Pipeline	.57 c.f.s.	M	513; 1/16/1967	6/10/1962	CA9042	
Norwood Infiltration Pipeline	.18 c.f.s.	M	513c; 1/16/1967	6/10/1962	CA9042; Absolute 85CW151	
Gardner Springs	.25 c.f.s.	D/S	478; 1/16/1967	11/13/1950	CA9042	
Gardner Springs	.50 c.f.s.	I/S	511; 1/16/1967	11/1/1960	CA9042	
NWC River Diversion	5.0 c.f.s., conditional	M	1994	11/1/1994	Case No. 94CW244; Current diligence: Case No. 08CW55	Diligence filed May 2008
NWC Gurley Diversion	5.0 c.f.s., conditional	M	1994	11/1/1994	Case No. 94CW245	Diligence filing due January 2010
NWC Reservoirs Nos. 1, 2, 3 & 4	#1: 18.4 af #2: 91 af #3: 91 af #4: 33 af Conditional	M	2001	12/1/1994	Case No. 01CW270	Diligence filing due December 2009
Farmers Ditch Shares (Owned)	119 shares	D/I				Certificate Nos.* 716 (1) 717 (50) 721 (60) 723 (6) 727 (2)
Farmers Ditch Shares (Contract)	300 a.f. minimum	D				Cost is \$100/af; price can increase at 5-year intervals based upon CPI

*Shares issued to NWC in 1995

Table 2
Norwood Water Study
 Budget
 August 31, 2009

Task	Task Description	WSRA Funding Request						Town of Norwood Cost Share				Total Project Cost
		Project Engineer/ Manager	Civil Engineer / Hydrologist	Geologist	Drafting	Word Processing	WSRA Funding Request	Norwood Water Rights Attorney	City Administrator	Public Works Director	Cost share - In Kind and Attorneys Fees	
		\$171	\$122	\$98	\$88	\$71.5		\$150	\$30	\$37		
Task 1	Provide review of general hydrology of Gurley Reservoir System and estimate firm yield during average and dry years. Provide baseline hydrology of Gurley Reservoir for Watershed Ordinance	10	80	40	40		\$ 18,910	8		16	\$1,792	\$20,702
Task 2	Provide average and dry year yield of Town's direct flow water rights.	6	40		10		\$ 6,786	8		16	\$1,792	\$8,578
Task 3	Assess water systems demands for Town and rural customers for current and full build-out conditions	4	5	11	20		\$ 4,132	8		16	\$1,792	\$5,924
Task 4	Compare average and dry year water supply and water demand estimates for current and full build-out conditions.	8	40	30	10		\$ 10,068	3			\$450	\$10,518
Task 5	Report preparation and grant administration	8	40	8	20	30	\$ 10,937	3	24		\$1,170	\$12,107
	Total Hours:	36	205	89	100	30		30	24	48		
	Total Labor Cost:	\$6,156	\$25,010	\$8,722	\$8,800	\$2,145	\$ 50,833	\$ 4,500	\$ 720	\$ 1,776	\$6,996	\$57,829
	Expenses (15%)						\$7,625					\$7,625
	Total Cost						\$ 58,458				\$6,996	\$65,454

Match as a percentage of WSRA Project Request 12%

Figure 1
Norwood Raw Water Master Plan Update
Project Schedule

Task	Task Description	2009	2010		
		Oct-Dec	Jan-Mar	Apr-Jun	July-Sep
Task 1	Provide review of general hydrology of Gurley Reservoir System and estimate firm yield during average and dry years. Provide baseline hydrology of Gurley Reservoir for Watershed Ordinance	X	X	X	
Task 2	Provide average and dry year yield of Town's direct flow water rights	X	X		
Task 3	Assess Water Systems Demands for Town and rural customers for current and full build-out conditions	X	X		
Task 4	Compare average and dry year water supply and water demand estimates for current and full build-out conditions.		X	X	
Task 5	Report Preparation and Grant Administration			X	X