COLORADO WATER CONSERVATION BOARD

WATER SUPPLY RESERVE ACCOUNT
GRANT APPLICATION FORM

SANCHEZ RESERVOIR REHABILITATION Phase I Assessment & Upgrade	Rio Grande Basin Roundtable
Name of Water Activity/Project	**Approving Basin Roundtable**

$95,000	**Amount from Statewide Account**	$85,000
Total Amount of Funds Requested	**Amount from Basin Account**	$10,000

Application Content

Attachments

1. Reference Information
2. Insurance Requirements (Projects Over $25,000)
3. WSRA Standard Contract (Projects Over $100,000)
4. W-9 Form (Required for All Projects)

Appendices

- **A. Map and List of Shareholders of the Sanchez system**
- **B. Engineering Drawings of Gate Tower**
- **C. Tramway data and photos**
- **D. Gondola/Tramway Study – Tramway Engineering**
- **E. Area Maps and Photos**
- **F. Corporate Resumes, Quotes, Contracts**
- **G. Letters of Support**
- **H. Memorandum of Inspection - 2003**

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 calendar days prior to the bi-monthly Board meeting
- Statewide Account – 60 calendar days prior to the September Board meeting

Board Meeting Dates	Basin Account Deadlines	Statewide Account Deadlines
July 20-21, 2010	May 21, 2010	n/a
September 21-22	July 23, 2010	July 23, 2010
November 16-17	September 17, 2010	n/a
January 2011	60 days prior	n/a
March 2011	60 days prior	n/a
May 2011	60 days prior	n/a
July 2011	60 days prior	n/a
September 2011	60 days prior	60 days prior

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
Water Supply Planning Section
WSRA Application
1580 Logan Street, Suite 200
Denver, CO 80203
Todd.Doherty@state.co.us

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

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

1. Applicant Name(s): The Sanchez Ditch and Reservoir Company

Mailing address: Route 1 Box 215
San Acacio, CO 81550

Taxpayer ID#: 84-0465682 Email address: sanchezditch@gojade.org

Phone Numbers: Business: 719-672-3963
Home: 719-588-6385
Fax: none

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

Name: Jerry Lorenz

Position/Title President

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

[ ] 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.

[ ] Public (Districts) – special, water and sanitation, conservancy, conservation, irrigation, or water activity enterprises.

[X] Private Incorporated – mutual ditch companies, homeowners associations, corporations.

[ ] Private individuals, partnerships, and sole proprietors are eligible for funding from the Basin Accounts but not for funding from the Statewide Account.

[ ] Non-governmental organizations – broadly defined as any organization that is not part of the government.

4. Provide a brief description of your organization

The Sanchez Ditch and Reservoir Company (SDRC) is a Colorado Mutual Ditch Company, incorporated in 1956. SDRC administers an irrigation system with approximately 227 contracts to supply water, serving an area of 22,414 acres which are capable of being irrigated in Costilla County, Colorado. The "Sanchez System" came into being when SDRC purchased from the San Luis Power and Water Company in February, 1956 certain physical structures, "including (but not limited to) Sanchez Dam and Reservoir, the Culebra Sanchez Canal, Mesita Reservoir, the Culebra Eastdale Canal, and the various canals, ditches, and diversion structures" now comprising the Sanchez system. In addition to the physical property, certain decreed water rights, both direct flow and storage, were included in the transaction. The company's facilities, built between 1910 and 1915, consist of the Sanchez Reservoir, with a full reservoir storage capacity of 103,114 acre feet; the Sanchez Head Stabilization Reservoir, with capacity of 257 acre feet; approximately 38 miles of concrete-lined ditch; approximately 15 miles of earthen ditch; approximately 23 miles of canal; and a diversion structure at the inlet of Culebra Sanchez Canal.

The service area of the Sanchez Ditch and Reservoir Company includes 13,424 acres of irrigated crop land and 18,392 acres of farm land which, due to lack of water, are either not irrigated or irrigated in rotation. Sanchez Reservoir serves 34 corporate and individual shareholders with a total of 21,802.716 shares. Irrigated crops include potatoes, wheat, barley, oats, alfalfa, and hay mixtures. The 2011 list of shareholders and the assets and boundaries of the Sanchez system are in Appendix A of this proposal.

The reservoir is impounded by two separate earthfill dams: a Main Dam and an East Dike, with a total of 104,000 acre feet of water. The Main Dam, 135 feet in height and 1170 feet in length, is constructed across the channel of Ventero Creek, and contains the reservoir outlet works. This dam is classified as a Large, High Hazard structure. Both dams were constructed during the period of 1910-1911.

The intake structure of Sanchez Reservoir is a 150-foot high, free-standing concrete Gate Tower in the reservoir at the upstream end of the outlet conduit. An octagonal room at the top of the tower houses the gate controls. With construction completed in 1915, this Gate Tower controls discharges utilizing a combination of gates and valves located at various elevations. The cylindrical tower has an inside diameter of 15 feet and a height of 135 feet from its base to the gate-operating platform at the top. The outlet system consists of an inverted U-shaped cast-in-place concrete conduit through the base of the dam at its maximum section, with a width of 8 feet, a height of 10.5 feet, and a length of 576.5 feet. At the downstream end of the conduit, flow is discharged through a concrete flume structure to Ventero Creek. Engineering drawings dated January, 1910 are shown in Figures 1 through 6, with a 1997 Gate Tower Layout from Smith Geotechnical Engineering Consultants as Figure 7, all in Appendix B.

Access to the top of the Gate Tower for operation and maintenance requires the use of a tramway and gondola. The Gondola runs on a fixed cable and a second cable which is run through a drum, and is powered by a portable gasoline generator which winches the Gondola from the shore to the Tower. Access to the Tower is an integral part of the operation of the reservoir, since all valves are currently manually controlled from the control room at the top of the Tower. Daily access to the Tower is required during irrigation season, from May through October. Details on this tramway system are in Appendix C. After a century of faithful operation and an excellent history of meeting irrigation needs and complying with dam safety requirements, the Sanchez system is in need of some major operational improvements and safety upgrades.

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

(same)

6. 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.

[X] The Applicant will be able to contract with the CWCB using the Standard Contract

[ ] 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.

7. The Tax Payer 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.

There are no TABOR issues related to this project.

Part B. - Description of the Water Activity

1. Name of the Water Activity/Project:

   SANCHEZ RESERVOIR REHABILITATION Phase I Assessment & Upgrade

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

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

Study or Analysis of:

- [X] Structural project or activity
- [X] Nonstructural project or activity
- [X] Consumptive project or activity
- [X] Nonconsumptive project or activity

[X] Structural and/ or nonstructural water project or activity

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.

This is Phase I of a 4-phase process. Funding requested for this first phase begins by addressing issues of human safety, continues with infrastructure and operational improvements, and culminates with SDRC bringing its entire system into the 21st Century in terms of efficient and precise water management and operational best practices. SDRC requests $95,000 funding, with $85,000 from the Statewide account and $10,000 from the Rio Grande Basin account. With a long history of effective management and safe operation, SDRC is committed to improving the safety of its employees and reducing risks by anticipating and addressing problems caused by the continued deterioration of the 100-year-old structures and conveyance systems which are critical in operating and maintaining the reservoir.

As its matching contribution to this proposal, in preparation for the other Tasks in this Project, SDRC is rebuilding and replacing one of the cylinders in the lower part of the Gate Tower; conducting an engineering evaluation of the Gondola system, which is used daily by SDRC employees in irrigation season; and repairing, upgrading, and incorporating the safety features which are identified in that Gondola study (Appendix D).

SDRC will evaluate the current configuration of Gate Tower and Gondola in terms of current, continued, and long term operational viability. This feasibility study will determine the best means of upgrading the existing system or, if keeping this architecture is deemed not advisable, will identify the best available alternative to assure ease of access to and efficient operation of Sanchez Reservoir for the next 50-75 years. A preliminary assessment of the potential for hydropower generation will be included for each alternative in this feasibility study by Smith Geotechnical Engineering Consultants, the engineering firm which has worked on the reservoir before, and is familiar with its layout and condition.

In order to adequately meet irrigation needs at high levels of storage, the State has recommended that SDRC be able to accomplish a reservoir drawdown of 1 foot per day over 5 days. Prime Machine, Inc. will install a new hydraulic operating system. Colorado Digital Labs, Inc. will install solar power at the Reservoir and will collaborate with Prime Machine to automate the new hydraulic system, enabling remote electronic observation and operation of the reservoir from the SDRC office in San Acacio. This will greatly reduce labor and maintenance costs, replace guesstimates with accurate measurement and control, and virtually eliminate dependence on the Gondola system for access to the Gate Tower. Because of the remote location of the project, SDRC will install security systems to protect these new installations.

Deliverable: Automated hydraulic systems will quantify and reduce water loss, improve water management efficiency, and achieve the State-recommended draw-down capability. Manual and mechanical systems will be replaced by 21st Century technologies for efficient and precise water management. SDRC will increase efficiencies in storing and releasing water for irrigation; improve flood control capabilities; and very significantly reduce operation and maintenance costs. The fully automated hydraulic system will allow for remote observation and control of the reservoir from the SDRC office in San Acacio, greatly reducing usage of the Gondola system and cutting labor and maintenance costs. These infrastructure repairs and safety upgrades will reduce risks for SDRC employees and provide longer useful life to the present configuration of Gondola-and-Tower while other alternatives are studied.

Funding: SDRC is providing **matching funds of $33,160** for cylinder replacement; for inspection and upgrades to the gondola and cableway system; and for establishing security systems at the Reservoir. **Total grant funds of $95,000** will be applied to (a) a feasibility study of the existing Gondola-and-Tower configuration by Smith Geotechnical Engineering Consultants; (b) the new electrical system and automated hydraulic system and remote controls by Colorado Digital Labs, Inc.; (c) protecting all systems from vandalism; and (d) covering direct costs of project management including additional supervision and administration by SDRC. Quotes, proposals, and contracts are included in Appendix F.

Subsequent Phases: **Phase II** will implement the recommendations made in Phase I relating to the configuration of the system, or, if major changes are advised, will factor those recommendations into future planned upgrades. **Phase III** will repair the spalling on the concrete exterior of the Gate Tower and repair deteriorated concrete on the outlet structure. And **Phase IV** will conduct an in depth feasibility study of the potential for

hydropower generation, depending on findings of this Project's feasibility study.

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]

- **Protecting water rights:** By improving the operational and maintenance efficiency of Sanchez Reservoir, as proposed in this application, this project protects from flooding and improves the ability of Sanchez Ditch and Reservoir Company to store and release water for irrigation, for recreation, for wildlife, and for flood control, thus protecting existing water rights in the boundary of SDRC's jurisdiction as well as in the surrounding area. Furthermore…

- **Not affecting water rights:** This project does not affect, supersede, abrogate, or otherwise impair the current system of allocating water within Colorado. Nothing in this project has any effect upon, nor does it repeal or in any manner amend the existing water rights adjudication system. Nor does it affect the state constitution's recognition of water rights as a private usufructuary property right. Nothing in this project is 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.

- **Not affecting other rights:** This project does not affect the protections for contractual and property rights recognized by the contract and takings protections under the state constitution and related statutes. When implemented, this project will not 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 project does not supersede, abrogate, or cause injury to vested water rights or decreed conditional water rights, nor does it 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.

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.

[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.

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 information is included in the accompanying letter from the Chairman of the Rio Grande Basin Roundtable.

c) The water activity meets the provisions of Section 37-75-104(2), Colorado Revised Statutes.[2] **The Basin Roundtable Chairs** shall include in their approval letters for particular WSRA grant applications a description of how the water activity will assist in meeting the water supply needs identified in the basin roundtable's consumptive and/or non-consumptive needs assessments.

- This information is included in the accompanying letter from the Chairman of the Rio Grande Basin Roundtable.

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)

- SDRC is contributing $33,160 from its own operating funds, and is requesting a total of $95,000 in WSRA funds, i.e. a matching amount of 26% of the total project cost and 35% of the grant amount requested.

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.)

[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.

Promoting Collaboration/Cooperation and Meeting Water Management Goals and Identified Water Needs

a. The water activity addresses multiple needs or issues, including consumptive and/or non-consumptive needs, or the needs and issues of multiple interests or multiple basins. This can be demonstrated by obtaining letters of support from other basin roundtables (in addition to an approval letter from the sponsoring basin).

- This water activity meets the provisions of Section 37-75-104 (2) (c), C.R.S. by supporting the effective management of water for recreation. This addresses the Colorado Surface Water Supply Index (SWSI) goal to increase **non-consumptive uses associated with recreation.** Costilla County has almost no public recreation areas, with Sanchez Reservoir being a popular **fishing and boating** destination throughout southern Colorado and northern New Mexico. This provides a direct **economic benefit** to Costilla County from tourism, extending into winter, when ice fishing is popular. With 4,571 surface acres, the reservoir is managed as **a Colorado State Wildlife Area,** offering angling opportunities for brown trout, northern pike, walleye, yellow perch and channel catfish. By improving the operational and maintenance efficiency of Sanchez Ditch and Reservoir Company, SDRC will increase its ability to more efficiently address both consumptive and non-consumptive needs of the Rio Grande Basin.

- Sanchez Reservoir is accessible by vehicle to a **public boat ramp**, and is listed by the Colorado Division of Wildlife (CDOW) as a featured **ice fishing destination.** Sanchez Reservoir assists CDOW to reach its water use goals and storage objectives by maintaining a **fish and wildlife conservation pool** of 2,500 acre feet.

- Water stored in Sanchez Reservoir includes primary water rights for **irrigation** from high runoff from the following: Culebra Creek, Ventero Creek, San Francisco Creek, Vallejos Creek, and Torcido Creek. This **flood protection** is highly valued throughout these communities, some of the earliest settlements in Colorado, including San Luis, the oldest town in Colorado. Flood protection reduces risk to Ventero Creek, where "The Peoples Ditch" runs through the Vega (a commons, or shared pasture land) and through San Luis, **protecting cultural values** and the **aesthetics** of this spectacular part of southern Colorado. See the photo of Ventero Creek in Appendix E.

b. The number and types of entities represented in the application and the degree to which the activity will promote cooperation and collaboration among traditional consumptive water interests and/or non-consumptive interests, and if applicable, the degree to which the water activity is effective in addressing intrabasin or interbasin needs or issues.

- Municipal and county entities are represented in recognizing the high value of the reservoir's flood protection services and the importance of creating greater operational capability for flood control. In this process, SDRC has consulted with and obtained advice and historical data and records from the Division of Natural Resources (Pat McDermott and dam safety engineer Mark Perry). The San Luis office of Natural Resources Conservation Service actively supports this project (letter from Tracy Miller, District Conservationist). And the Costilla Conservation District also provides support for this Project (letter from Harold Anderson, President).

- Sanchez Reservoir has worked with the Town of San Luis and Costilla County on numerous occasions. They have expressed their support in attached letters (Appendix H). Communities which would be most seriously affected in the unlikely event of dam failure are San Pablo, San Luis and Old San Acacio. Such an event would cause severe damage and possible loss of life. San Luis, the oldest town in Colorado, with The People's Ditch crossing La Vega, the last remaining grazing commons in the U.S., has been struggling with municipal drainage problems for many years due in part to a high water table, inadequate drainage systems, and a lack of sufficient ground flow. In many instances when Culebra Creek was at flood stage, or when Ventero, Vallejos, San Francisco were at flood stage, SDRC helped direct water away from San Luis and its surrounding historic communities.

- For the valuable contribution which Sanchez Reservoir makes for recreation, wildlife, economic development and flood control, the Board of Commissioners of Costilla County have given their support to this project on behalf of San Acacio, Viejo San Acacio, San Pablo, San Pedro, and the rural communities along Culebra Creek and Ventero Creek.

c. The water activity helps implement projects and processes identified as helping meet Colorado's future water needs, and/or addresses the gap areas between available water supply and future need as identified in SWSI or a roundtable's basin-wide water needs assessment.

- The Rio Grande Basin Roundtable has identified the deteriorating condition of its reservoirs as a major concern, and has categorized the upgrading of these facilities as IPP's. This project, by increasing the functional and operational efficiency of a large reservoir in a distinctly agricultural region of the San Luis Valley, responds to the Basin's future water needs by helping to keep water in the Basin. It improves irrigation efficiency, reduces water loss, and improves the delivery of water.

- The automation of operations and the creation of a Supervisory Control and Data Acquisition (SCADA) system for Sanchez Reservoir will improve water efficiency, enabling precise water management for the Sanchez system.

- Although SDRC is not in a groundwater management subdistrict at this time, the formation of subdistricts in the Basin is creating a critical need for more storage for augmentation, yet there are few options available. Sanchez Reservoir is primarily a storage resource, equalizing distribution in times of increasingly unpredictable climate.

<u>Facilitating Water Activity Implementation</u>

d. Funding from this Account will reduce the uncertainty that the water activity will be implemented. For this criterion the applicant should discuss how receiving funding from the Account will make a significant difference in the implementation of the water activity (i.e., how will receiving funding enable the water activity to move forward or the inability obtaining funding elsewhere).

- The financial condition of the company is stable, but not thriving. Costs of maintenance and operation have risen every year, with 2010 total operating costs of approximately $220,000 and income of approximately $240,000. Assessments at $8.99 x 21802.719 have not risen for many

years, mostly due to the extremely depressed economic condition of Costilla County in which poverty and unemployment rank highest in the state at approximately the state's average. An additional assessment of $1.51 is specifically for the purpose of serving our two loans with CWCB, Contracts C153623 and C153755. With two full time employees, SDRC has maintained current with its CWCB loans and is not delinquent on any of its liabilities. SDRC and its Board and Shareholders has determined that prudent management requires the company not take on any additional debt. This is the principal reason for this request for funding.

- This project will greatly reduce operating and maintenance costs of the Sanchez system, freeing up funds to be directed to future phases of this 4-stage reservoir rehabilitation and upgrade. All subsequent phases depend upon the conclusions and determinations in this Phase I project, giving a high leverage factor to the funds requested here.

- With its generous matching contribution, SDRC cannot do more, and relies upon these grant funds to complete the project.

e. The applicant must demonstrate its ability to implement the proposed activity.

- The company has committed matching funds to the beginning of this Phase I project, analyzing and addressing issues of human safety, asking some hard questions regarding the efficacy of its century-old Gondola system, and recognizing that the time has come to make needed upgrades. Phase I of this project is the company's response to the natural processes of wear-and-tear and gradual deterioration which have taken place over the past century.

- The company has identified qualified and specialized contractors with specific capabilities to complete the tasks in the Scope of Work. Proposals and quotes are attached in Appendix F together with data and corporate resumes showing each contractor's experience and capacity.

- Work to complete this project will be facilitated by SDRC repairing and upgrading the Gondola and facilitating access to the Gate Tower. These infrastructure improvements will facilitate the work to be done as well as subsequent inspection and maintenance of the Gate Tower, thus supporting the ability of SDRC to complete this water activity.

- The principal contractors for this project are Tramway Engineering Ltd.; Prime Machine, Inc.; Smith Geotechnical Engineering Consultants; and Colorado Digital Labs. SDRC chose Tramway Engineering because of its specialization in cable cars and its nationwide and global reputation as a consultant to ski resorts and aerial people-moving systems. Prime Machine, Inc. comes highly recommended by the Conejos Water Conservancy District for its excellent work at Platoro Reservoir. Smith Geotechnical Engineering Consultants knows the Gate Tower and the Sanchez system intimately, having performed several major studies and projects dating back many years. Colorado Digital Labs (CDL) is an electronics design firm specializing in embedded systems and controls. They have a global client base, come highly recommended, and are easily accessible from their location just fourteen miles from the reservoir. CDL will monitor and calibrate the electrical and electronic installations as needed for sixty days after installation, at no additional cost.

f. The applicant is providing matching funds and the amount of matching funds or is obtaining partial funding from other sources and the amount and source of such other funds or is providing demonstrable in-kind contributions.

- This project seeks $85,000 from the Statewide fund and $10,000 from the Rio Grande Basin WSRA account and is contributing $33,160 of its own funds to the project, or 35% of requested grant funds and 26% of total project costs. This matching contribution is generous and leverages many future benefits.

The Water Activity Addresses Issues of Statewide Value and Maximizes Benefits

g. The water activity helps sustain agriculture, and open space, or meets environmental or recreational needs.

Agriculture: This project sustains agriculture by improving SDRC's ability to store and distribute water. It serves an area of 22,414 acres which are capable of irrigation, with approximately 227 contracts to supply water. The service area of the Sanchez Ditch and Reservoir Company includes 13,424 acres of irrigated crop land and 18,392 acres of farm land which, due to lack of water, are either not irrigated or irrigated in rotation. Sanchez Reservoir irrigates crops which include potatoes, wheat, barley, oats, alfalfa, and hay mixtures.

Environmental: This project helps meet environmental needs by ensuring the continued viability of the Sanchez Reservoir, created by the impoundment of excess runoff from the surrounding Sangre de Cristo mountains and the creeks and rivers just north of the Colorado-New Mexico border. Tourism, boating and fishing bring needed funds into one of the poorest communities of Colorado.

h. The water activity assists in the administration of compact-entitled waters or addresses problems related to compact entitled waters and compact compliance and the degree to which the activity promotes maximum utilization of state waters.

- This project is not related to the Rio Grande Compact.

i. The water activity assists in the recovery of threatened and endangered wildlife species or Colorado State species of concern.

- We do not know. This information is not available to SDRC at this time.

j. The water activity provides a high level of benefit to Colorado in relationship to the amount of funds requested.

- **A Good Investment:** SDRC is putting up 35% of the money requested. This Phase I project leverages decisions which will govern the next three phases, rehabilitating this large reservoir, reducing the risk of flood, and ensuring the continued recreational enjoyment of visitors and residents in this spectacular part of southern of Colorado. Efficiencies are also gained by selecting specialized consultants, each with the professional capacity to address the different elements of this project.

- **Leveraging Emerging Technologies and Advances in Science:** The economy of the Rio Grande Basin relies on the unique characteristics of the geology in the San Luis Valley, with its complex aquifer layers and interactions. Models are being developed to study patterns of ground water movement, ground water recharge and discharge. Water budgets are being developed and studies are continually emerging on the interaction between ground and surface water. The Sanchez system, as it installs new hydraulic systems, and SCADA remote controls, updates a century-old facility, providing the capability to apply best management practices for the efficient management of water.

k. The water activity is complimentary to or assists in the implementation of other CWCB programs.

- Recently the Rio Grande Basin Roundtable approved a request for funding from the San Luis Peoples Ditch for an upgrade and rehabilitation of their irrigation system. The flood control aspects of the Sanchez Reservoir are critically important in maintaining the integrity of the acequia system.

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.

- Inflow to the reservoir comes from Culebra Creek, on which the reservoir is located, and its tributaries, Culebra Creek, San Francisco Creek, Vallejos Creek, Torcido Creek, and from the Culebra Sanchez Inlet Ditch and Canal. Releases from Sanchez Reservoir flow down Ventero Creek into the Culebra above the San Luis gauging station. The release, less intervening decreed stream water and transportation losses, is diverted from Culebra Creek at the headgate of the Culebra Eastdale Canal, where it is measured at the headgate by a Stevens Type F recorder, and is delivered into the Sanchez Head Stabilization Reservoir.

- The Stabilization Reservoir provides a reasonably constant supply to the Sanchez system irrigators below the stabilization reservoir. Releases at this point consist of water previously stored in Sanchez Reservoir and some direct flow decreed water in high runoff periods.

- Sanchez Ditch and Reservoir Company has a storage right and a decreed direct flow right. This usually occurs during big rains, in spring runoff, and in winter. After November 1st there is no irrigation water, only stock water.

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

1978 - An internal inspection of the conduit revealed some deterioration of the concrete near the downstream end.

1982 – Bent stems were noted on the outside tower gates.

1993 – Four of the 30-inch gates on the outside of the tower were "refurbished" to an operable condition, with plans noted to restore a fifth.

1993 - The outer surface of the tower was painted to protect it from weathering.

1994 – The left wall of the concrete flume structure at the downstream end of the conduit was rebuilt and a drain constructed behind it.

1996 – Some of the outlet tower gates were noted to be inoperable and the outlet was rated "acceptable-poor" by Frank Kugel during his annual inspection.

1996 – September – SDRC hired engineering firm, Smith Geotechnical of Fort Collins, to assist in the design and repair of the leaking valves. This investigation revealed that the upper 48" gate valve at the base of the tower had never been connected to an operator. Also the stem for the lower right 48-inch gate valve was broken just above its connection to the valve. The two lower gate portals on the tower, at elevation 8330, were buried under about 9 feet of silt in the reservoir bottom and were therefore not operable. Leakage past the middle and upper-level sets of tower gates and valves was noted to be problematic. Due to the poor condition of the ladder below elevation 8380, a full examination of the interior of the tower was not possible.

1997 – January - A comprehensive hydraulic study of the Gate Tower and outlet conduit was completed by Smith Geotechnical. This study dictated the replacement of the existing upper 48-inch gate valve at the base of the tower with a new 30-nch diameter Lindey-Hartman fixed cone valve, as well as the replacement of the three mid-level inside gate valves on the tower at elevations 8340, 8345, and 8350. DeZurik 30-inch diameter knife gate valves were specified as the replacements for the existing 30-inch gate valves

1997 – February – A design was prepared by Smith Geotechnical with input by the State Engineer's Office and work began as an expedited project, without formal approval of plans and specifications by the State Engineer. Frank Kugel provided review of the design as it progressed, both prior to and during construction.

1997 – February 10 – A more thorough inspection of the tower was completed at which time it was discovered that the steel structure supporting the stem guides for the mechanically-operated 48-inch gate valves was completely deteriorated. At that point, a hydraulic operating system was designed for the 48-inch gate valves, the new fixed cone valve, and the new knife gate valves on the inside of the tower.

1997 – May – State engineer provided "a very descriptive and complete" final construction report for the project, but as-built plans were never received.

2003 – November 6 – Memorandum of Inspection with Jerry Lorenz, Travis Robinson, and water commissioner Charlie Quintana. See paragraphs #4 and #5, page 4 for further details, and see page 5 for an Inspection History of the

Outlet Conduit. This Memorandum is attached at Appendix G.

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 – SANCHEZ RESERVOIR REHABILITATION
Phase I - Assessment & Upgrade

GRANT RECIPIENT – The Sanchez Ditch and Reservoir Company

FUNDING SOURCE - $85,000 Statewide Funds; $10,000 Rio Grande Basin Funds, $33,160 matching funds

INTRODUCTION AND BACKGROUND – **This first phase of a 4-phase process** addresses issues of human safety, makes infrastructure and operational improvements, and concludes with The Sanchez Ditch and Reservoir Company (SDRC) bringing its entire system into the 21st Century in terms of efficient and precise water management and operational best practices, in preparation for future phases of the Project. The Sanchez system, built around 1910, regulates flows using a unique configuration of a free-standing cylindrical concrete Gate Tower with an 8-sided control room at the top of the tower and inflow gates at various elevations. Access to the control room is via a 100-year-old cable car and tramway. SDRC is making repairs and upgrades to the Gondola per findings of a recent engineering study, improving safety and extending the useful life of this system. With $95,000 in funding, SDRC will make essential operational and safety repairs and install an automated hydraulic system, thus achieving the State-recommended drawdown capability of 1-foot per day over five days. The configuration of gondola-and-tower will be re-evaluated in the context of the next 50-75 years of operation, with the goal of achieving optimum operational efficiency, thus preserving the multiple benefits of flood control, irrigation, recreation, wildlife and fishery enhancement, and greatly reduced O&M costs.

OBJECTIVES - Ensure the continued safety of SDRC employees; create safe and efficient access to all areas of the Gate Tower; determine the viability of the current tramway-and-tower configuration and identify the best configuration for next 50-75 years of operation; achieve the state-recommended draw-down capability of 1 foot per day; install photovoltaic power and automate essential reservoir operations for remote control; establish systems for capturing, managing, reporting, and tracking

accurate reservoir data; reduce cost of operation and maintenance; and preserve the benefits of flood control, irrigation, recreation, and habitat for wildlife and fishery.

TASK 1 - Evaluate and Upgrade the Gondola & Tramway System - (Matching funds)

Task Description

Tramway Engineering, Ltd. will determine current, short-term, and future functionality the Gondola system; implement safety recommendations for current and near term continued use of the Gondola-Tramway system; and improve safe access to the Gate Tower for repairs, upgrades, and continued operation of Sanchez Reservoir.

Method/Procedure

a) Mobilize to site
b) Inspect the cableway, carrier, cables and drive system for the cableway
c) Analyze data; review the history, operations, maintenance and upgrade options of the cableway
d) Produce a report that identifies observed safety, operational and maintenance issues
e) SDRC will implement the recommendations from the Gondola & Tramway report (Appendix D) to increase safety and operation of the Gondola & Tramway, including design and fabrication of a guard system, replacing the wooden deck, replacing bearings and old hardware, and upgrading the bearings, guard system and braking system.

Deliverables

Accomplish needed upgrades and suggested safety modifications in The Tramway Report. Provide estimated potential cost of replacing the current system with a new Gondola system. Meet industry-standard specifications for the upgrade of the Gondola-Cableway system, increasing safety and improving access to the Gate Tower. A Gondola-Tramway report of these repairs and improvements will demonstrate that the Gondola andTramway System has been brought into compliance with generally accepted standards of operation typically required of industrial/corporate people-moving systems in Colorado. Extend the useful life of this system, allowing for continued safe use as long-term strategies for the Sanchez system are developed and implemented.

TASK 2 – Cylinder Repair and Replacement – (Matching funds)

Task Description:

SDRC will take immediate measures to rehabilitate the cylinder in the lower part of the Gate Tower.

Method/Procedure

Prime Field Service LLC, will:

a) Remove and repair cylinder & plunger on one 30” gate in the lower part of Gate Tower.

b) Fabrication - Re-chrome cylinder; re-chrome plunger packing area
c) R.H. Construction will install repaired cylinder, per terms of contract.

Deliverable

Improve ability of SDRC to meet irrigation needs at high levels of reservoir storage and achieve the State's recommended drawdown of 1 foot per day over 5 days. Restore full function of hydraulic cylinder. This will improve the ability of SDRC to more efficiently store and release water for irrigation, improve flood control capabilities, maintain dam safety requirements, and reduce maintenance expense.

TASK 3 – Replace & Automate Hydraulic Activation System:

Description of Task

Prime Machine, Inc. will remove existing hydraulic activation system and install a new hydraulic activation system, coordinating with Colorado Digital Labs, which will design and install automated and remote control systems. This Task will be accomplished by collaboration between both companies to achieve the objectives of SDRC, secured by installing "vandal-proofing" security systems.

Method/Procedure

Prime Machine, Inc will:

a) Mobilize at Prime Machine shop and at Sanchez Reservoir - Install new 90-foot ladder and safety harnesses to facilitate installation.
b) Hydraulic Operators - Remove old hydraulic system; coordinate with Colorado Digital Labs for electronic automation & remote control; engineer new hydraulic system and produce schematics.
c) Install new hydraulic system with motor and RAMs. Collaborate with Colorado Digital Labs to Provide on-site training on the operation of the new hydraulic system. Coordinate with Colorado Digital Labs to create on-site Users Manual for the new hydraulic system.
d) Demobilize

Colorado Digital Labs, Inc. will:

e) Establish Intentions - Determine future SDRC demand for electricity at the Tower - Determine automation goals, operational requirements and documentation needs
f) Conceptual design of overall system – how it works, what it will do. Electrical and electronic designs will be developed in collaboration with Prime Machine.
g) Assess feasibility based on location, infrastructure, seasonal considerations, solar, etc.
h) Design Integration - Establish design requirements; integrate Prime Machine hydraulics, communication, solar power system
i) Preliminary Design -- Develop preliminary design in conjunction with Prime Machine hydraulic system; review with SDRC.
j) Develop and deliver detailed final design to SDRC obtaining sign-off as final approval.

k) Production Plan - Work with Prime Machine to coordinate production, installation
l) Solar components & software development - Install solar power system, working with SDRC for vandalism prevention and with Prime Machine for control systems. Complete component acquisition, system production, software development
m) Install all systems, timed to interface with other contractors, seasonal considerations, etc.
n) Create User Manual for automated system, interfacing with Prime Machine; test and calibrate systems; verify performance over first 60 days of operation; maintenance contract options.

SDRC will install protective shields, limit access, establish remote alarm systems, and work with Prime Machine and Colorado Digital Labs to protect all installed systems from environmental damage and human vandalism.

Deliverable

A new hydraulic operator system is installed, designed to be operated manually on site as well as by remote electronic controls from the office of SDRC, with automated controls developed in collaboration with Colorado Digital Labs, Inc.

Achieve operation and data management objectives defined by SDRC for the remote operation, data collection, and reservoir management of Sanchez Reservoir. All systems will be in place, tested, and fully operational, with security systems in place to protect these installations. This will enable SDRC to operate the Sanchez system with precise and efficient water management and to implement reservoir best management practices.

Task 4 – Evaluate Long- term Viability of Present Gondola/Tower Configuration vs. Alternatives

Description of Task

SDRC will evaluate the current configuration of gate tower and cable-car in terms of current, continued, and long term operational viability, determining the best means of upgrading the existing system or, if keeping it is deemed not advisable, identifying the best available alternative to provide ease of access to and efficient operation of the reservoir. Consideration will be given in each alternative to the potential viability of a micro-hydro installation. SDRC has secured a proposal to perform this evaluation from Smith Geotechnical Engineering Consultants, the engineering firm which has worked on the reservoir in past years.

Method/Procedure

Smith Geotechnical Engineering Consultants will survey and assess current and projected condition of the Gate Tower, outlet control system, and gates to determine long term viability of the current configuration, and evaluate potential alternative operational systems, including potential for generating micro-hydropower.

a) Site visit – Engineer will inspect the Tower

b) Project Engineer will determine Repair/Replacement alternatives, and feasibility of a micro-hydro installation, presenting conclusions in text/graphic format.
c) Prepare Cost estimates and analyses for each alternative
d) Prepare Economic Analysis of various alternatives
e) Complete feasibility study and deliver Final Report, including preliminary projections relating to the potential for micro-hydropower.

Deliverable

The Final Report will provide the Board of Directors of SDRC with a sound basis for making a decision with regard to the type of reservoir outlet best suited for the future.

TASK 5 – Supervion, Administration, & Final Report

Task Description – Throughout all of Phase I of this Project, SDRC will be directly responsible, functioning as the general contractor for all Tasks. Invoices, reports, reimbursements, and the final report will be processed.

Method/Procedure – Supervise all tasks, accompany crews to the Tower, govern coming and going and traffic, complete paperwork and keep books, avoid unnecessary delays, ensure safety, troubleshoot issues as they arise. All reporting will meet CWCB specifications and guidelines, per paragraph below.

Deliverable – Completion of Phase 1, with all tasks completed safely, on schedule, and within or under budget.

REPORTING AND FINAL DELIVERABLE
Reporting: The applicant shall provide the CWCB a progress report every 6 months, beginning from the date of the executed contract. The progress report shall describe the completion or partial completion of the tasks identified in the 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 project and documents how the project was completed. This report may contain photographs, summaries of meetings and engineering reports/designs.

BUDGET
Provide a detailed budget by task including number of hours and rates for labor and unit costs for other direct costs (i.e. mileage, $/unit of material for construction, etc.). A detailed and perfectly balanced budget that shows all costs is required for the State's contracting and purchase order processes. Sample budget tables are provided below. Please note that these budget tables are examples and will need to be adapted to fit each individual application. Tasks should correspond to the tasks described above.

(Budget is on next page)

SCHEDULE

K			NTP	Wk 1	Wk 2	Wk 3	Wk 4	Wk 5	Wk 6	Wk 7	Wk 8	Wk 9	Wk 10	Wk 11	Wk 12	Wk 13
	Gondola Study															
	Gondola Upgade															
	Cylinder Replacement															
	Hydraulic System															
	Solar Electric, Automation & Security															
	Gondola – Tramway Feasibility															
	Supervision, Admin, Final Report															

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.

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

Signature of Applicant:

Print Applicant's Name:

Project Title: **SANCHEZ RESERVOIR REHABILITATION Phase I Assessment & Upgrade**

Date: May 11, 2011

Return this application to:

Mr. Todd Doherty
Intrastate Water Management and Development Section
COLORADO WATER CONSERVATION BOARD
1580 Logan Street, Suite 200
Denver, CO 80203

To submit applications by Email, send to: todd.doherty@state.co.us
To submit applications by Fax, send to: (303) 894-2578

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 $25,000 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

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.