

STATE OF COLORADO

Colorado Water Conservation Board Department of Natural Resources

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TO: Colorado Water Conservation Board Members

FROM: Greg Johnson, Todd Doherty and Jacob Bornstein,
Water Supply Planning Section

DATE: March 4, 2011

John W. Hickenlooper
Governor

Mike King
DNR Executive Director

Jennifer L. Gimbel
CWCB Director

SUBJECT: **Agenda Item 10, March 15 - 16, 2011 Board Meeting**
Water Supply Reserve Account Grant Applications to the Statewide Fund

Staff Recommendation

A summary of staff's recommendation for each grant request to the Statewide Fund is provided in the table below. At this meeting, applications to only the Basin Fund are included as Consent Agenda Item number 5. Favorable recommendations may be contingent on providing the CWCB with additional information, clarifications, or modifications in the scope of work. Please refer to the Water Activity Summary Sheets contained within this agenda item to find a summary of staff's review and any conditions associated with each recommendation.

| | Basin | Project Name | Total Request | Recommendation |
|----|-----------------------|---|---------------|---|
| a. | Arkansas and Gunnison | The use of excess storage capacity in Blue Mesa Reservoir to avoid or reduce the impact of a Colorado River Compact curtailment in Colorado | \$245,000 | To fund up to \$245,000 (\$196,000 from the Statewide Account, \$24,500 from the Arkansas Basin Account, and \$24,500 from the Gunnison Basin Account). |
| b. | Arkansas | Helena Diversion Structure/BV Boat Chute Improvement Project | \$325,000 | To fund up to \$325,000 (\$290,000 from the Statewide Account and \$35,000 from the Arkansas Basin Account). |
| c. | Arkansas | Raising Awareness in 2012: A Statewide Celebration of Colorado Water | \$86,668 | To postpone consideration of this application until the May 2011 board meeting. |
| d. | Arkansas | Super Ditch Delivery Engineering | \$ 225,837 | To fund up to \$ 225,837 from the Statewide Account. |

| | | | | |
|----|--------------|---|-------------|---|
| e. | Rio Grande | Rio Grande Initiative: North Rio Grande Ranch Conservation Easement | \$70,000 | To fund up to \$70,000 (\$55,000 from the Statewide Account, and \$15,000 from the Rio Grande Basin Account). |
| f. | South Platte | Alluvial Aquifer Accretion/ Depletion Analysis Tool | \$200,000 | To fund up to \$200,000 from the Statewide Account. |
| g. | Southwest | La Plata River Water Resources Operations Model | \$148,823 | To fund up to \$148,823 from the Statewide Account. |
| h. | Southwest | Lake Durango Water Authority - Source Water Infrastructure Project | \$1,000,000 | To fund up to \$1,000,000 from the Statewide Account. |
| i. | Southwest | Town of Rico Alluvium Pipeline Water Supply Project - Well Drilling and Water Quality Testing | \$88,000 | To fund up to \$88,000 (\$68,000 from the Statewide Account and \$20,000 from the Southwest Basin Account). |
| j. | Yampa/ White | Yampa River/Walker Ditch River Restoration Project | \$40,000 | To fund up to \$40,000 (\$20,000 from the Statewide Account and \$20,000 from the Yampa/White Basin Account). |
| k. | Yampa/ White | Yampa-White Basin Projects and Methods Analysis | \$190,000 | To fund up to \$190,000 (\$152,000 from the Statewide Account and \$38,000 from the Yampa/White Basin Account). |

WSRA Funding Status

The WSRA received the January installment of funds as a "Tier II" severance tax program. This means the WSRA received another 30% of the appropriation for FY 2010/2011 or an additional \$1.8M of the \$6M appropriation. This equates to an additional \$1,314,000 for the Statewide Account and an additional \$54,000 for each Basin Account. The updated WSRA balances are reflected in the table below.

Background

For this agenda item the Board is provided with a brief overview of applications to the Water Supply Reserve Account (WSRA). Attachments to this memo include:

- Summary spreadsheet detailing funding requests for the basin and statewide accounts;
- Water Activity Summary Sheets which provide an overview, discussion, issues/additional needs, and staff recommendation regarding funding, partial funding, or not funding the applications; and
- Copies of the full applications, Basin Roundtable approval letters and any supporting documentation provided by the applicants.

Staff's review of the applications involves the following steps:

- 1) Applications are reviewed for completeness based on the information requirements, which are primarily outlined in Part 2 of the Criteria and Guidelines (C&G).
- 2) Applications are reviewed to verify that the water activity meets the **eligibility requirements** in Section 39-29-108 (III) C.R.S. (C&G, Part 2) and the **threshold criteria**, which are based on the requirements of Section 39-29-108 (III) C.R.S., and two sections of the Water for the 21st Century Act (House Bill 1177); Section 37-75-102 and Section 37-75-104(2)(c) (C&G, Part 3). Staff also verified whether that the applicant was an **eligible entity** to receive funding (C&G, Part 2).
- 3) Staff then prepares the Water Activity Summary Sheet which documents the outcome of the review process and contains staff's recommendations.

Water Supply Reserve Account Balances as of February 2011

| Basin | Approved Basin Grants | Total Basin Funds | Basin Account Balance | Approved State Grants | Statewide Account Balance |
|------------------------------|------------------------------|--------------------------|------------------------------|------------------------------|----------------------------------|
| Arkansas | \$1,151,756 | \$1,299,250 | \$147,494 | \$2,809,620 | |
| Colorado | \$950,171 | \$1,299,250 | \$349,079 | \$2,402,900 | |
| Southwest | \$1,183,946 | \$1,299,250 | \$115,304 | \$3,790,000 | |
| Gunnison | \$938,665 | \$1,299,250 | \$360,585 | \$861,660 | |
| Metro | \$1,056,229 | \$1,299,250 | \$243,021 | \$1,818,125 | |
| North Platte | \$919,755 | \$1,299,250 | \$379,495 | \$311,027 | |
| Rio Grande | \$1,150,450 | \$1,299,250 | \$148,800 | \$2,961,400 | |
| South Platte | \$1,113,857 | \$1,299,250 | \$185,393 | \$2,213,423 | |
| Yampa/White | \$1,073,374 | \$1,299,250 | \$225,876 | \$259,813 | |
| TOTAL | \$9,538,203 | \$11,693,250 | \$2,155,047 | \$17,427,968 | \$3,853,782 |
| TOTAL APPROVED GRANTS | | | | | \$26,966,171 |

Note: Only includes grants approved by CWCB

Water Supply Reserve Account Balance Summary and Project Status Report:

To provide the Board updates on the status of specific Water Supply Reserve Account grant applications and projects, staff provides a status report in the CWCB Director's Report. The WSRA status report includes the following information:

- Water Supply Reserve Account Balance Summaries;
- List of completed WSRA projects;
- List of WSRA projects in progress; and
- List of WSRA projects in the contracting and procurement process.