

SOUTHWEST BASINS ROUNDTABLE

Michael Preston, Chair
c/o Dolores Water Conservancy District
P.O. Box 1150
Cortez, Colorado 81321
970-565-7562

EMAILED: July 16, 2012

Mr. Greg Johnson
Program Manager, Water Supply Management Section
Colorado Water Conservation Board
1580 Logan Street, Suite 600
Denver, Colorado 80203

SUBJECT: La Plata Archuleta Water District Construction of Municipal Water
Distribution Pipeline and Related Facilities - \$25,000 from Basin Account and
\$475,000 from Statewide Account

Dear Mr. Johnson:

The Southwest Basin Roundtable is pleased to recommend funding of \$25,000 from the Southwest Basin Account and \$475,000 from the Statewide Account for the La Plata Archuleta Water District application for Construction of Municipal Water Distribution Pipeline and Related Facilities.

The application was considered in detail and approved at the July 11, 2012 meeting of the Southwest Basin Roundtable. There was a quorum of Roundtable members present. The Project is a Consumptive IPP in the SWBRT SWSI 2010. The Roundtable requests that the ratio of 5% between Basin and Statewide funding be maintained if the request for Statewide funding is adjusted.

The completed Grant Application will be forwarded directly to you by the applicant. Please contact the applicants directly or me at 970-565-7562, mpreston@frontier.net, if you have questions or wish to discuss these applications in more detail.

Sincerely,



Michael Preston
Southwest Basin Roundtable Chair



COLORADO WATER CONSERVATION BOARD



WATER SUPPLY RESERVE ACCOUNT APPLICATION FORM

LAPLATA ARCHULETA WATER DISTRICT

Name of Water Activity/Project

Construction of Municipal Water Distribution Pipeline and
Related Facilities

Name of Applicant

La Plata Archuleta
Water District

Amount from Statewide Account:

\$475,000

Amount from Basin Account(s):

\$25,000

Total WSRA Funds Requested:

\$500,000

Approving Basin Roundtable(s)

(If multiple basins specify amounts in parentheses.)

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Required Exhibits

- A. Statement of Work, Budget, and Schedule
- B. Project Map
- C. As Needed (i.e. letters of support, photos, maps, etc.)

Appendices – Reference Material

- 1. Program Information
- 2. Insurance Requirements
- 3. WSRA Standard Contract Information (Required for Projects Over \$100,000)
- 4. W-9 Form (Required for All Projects Prior to Contracting)

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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 and approval is outlined in materials in Appendix 1.

Once approved by the local Basin Roundtable, the applicant should submit this application **with a detailed statement of work including budget and schedule as Exhibit A** to CWCB staff by the application deadline.

WSRA applications are due with the roundtable letter of support 60 calendar days prior to the bi-monthly Board meeting at which it will be considered. Board meetings are held in January, March, May, July, September, and November. Meeting details, including scheduled dates, agendas, etc. are posted on the CWCB website at: <http://cwcb.state.co.us> Applications to the WSRA Basin Account are considered at every board meeting, while applications to the WSRA Statewide Account are only considered at the March and September board meetings.

When completing this application, the applicant should refer to the WSRA Criteria and Guidelines available at: <http://cwcb.state.co.us/LoansGrants/water-supply-reserve-account-grants/Documents/WSRACriteriaGuidelines.pdf>

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:

Greg Johnson – WSRA Application
Colorado Water Conservation Board
1580 Logan Street, Suite 200
Denver, CO 80203
gregory.johnson@state.co.us

If you have questions or need additional assistance, please contact Greg Johnson at: 303-866-3441 x3249 or gregory.johnson@state.co.us.

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

1.	Applicant Name(s):	La Plata Archuleta Water District		
	Mailing address:	255 Ute Street PO Box 1377 Ignacio, Colorado 81137		
	Taxpayer ID#:	800291015		
	Primary Contact:	Edward Tolen	Position/Title:	General Manager
	Email:	etolen@laplawd.org		
	Phone Numbers:	Cell: 970-442-1303	Office:	970-563-0320
	Alternate Contact:	Steve Harris	Position/Title:	Engineering Consultant
	Email:	steve@durangowater.com		
	Phone Numbers:	Cell: 970-749-1202	Office:	970-259-5322

2. Eligible entities for WSRA funds 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.
X	Public (Districts) – authorities, Title 32/special districts, (conservancy, conservation, and irrigation districts), and water activity enterprises.
	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.

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3. Provide a brief description of your organization

The La Plata Archuleta Water District (District) is a special district organized pursuant to Article 1 of Title 32, Colorado Revised Statutes. The District was formed by a majority vote in an election held August 12, 2008. A successful mill levy election was held in May, 2010 that authorized a 5 mill levy on property within the District. A successful debt authorization election was held in November, 2011 that authorized up to \$25 million in debt. A General Manager, Edward Tolen, was hired and started work on September 1, 2011.

The District will finance, construct, operate and maintain a public water distribution system for a four hundred square mile service area in La Plata and Archuleta Counties. The District has received two prior WSRA grants. The first was for \$100,000 to prepare a Master Plan which is being used to guide the development of the water system and can be viewed on the District web site (LAPLAWD.org). The master plan describes the number of customers to be served, the general facilities to be used, the water sources, and other pertinent information.

The second WSRA grant was for \$400,000 to provide funds to develop the various agreements, plans, and designs necessary to initiate the project. Those funds have been successfully used to develop an agreement with the Town of Bayfield to have a joint water treatment plant; design the pipelines to extend from the treatment plant to the customers in the District; develop and finalize a court settlement with the Southern Ute Tribe concerning the mill levy; conduct a public process to establish the initial rate schedule; and to prepare the associated environmental work necessary for construction. The District is presently in a position to begin construction on the first pipelines in late 2012 or early 2013 with service to the first customers in 2013.

The District is well along in developing the various rules, regulations, charges, agreements, etc. necessary for the water system. This work can be reviewed on the web site.

The District is using a joint treatment plant with the Town of Bayfield but plans are to eventually also utilize water from the Animas-La Plata Project (ALP) through an agreement with the CWCB to utilize a portion of the State of Colorado's allocation.

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

N/A

5. 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 link to this standard contract is included in Appendix 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
<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

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grant approval and the funds being available.

6. 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.

The District was “de-Bruced” in the May, 2010 election. The ballot measure is available upon request.

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Part II. - Description of the Water Activity/Project

1. What is the primary purpose of this grant application? (Please check only one)

☐ Nonconsumptive (Environmental or Recreational)

☐ Agricultural

☒ Municipal/Industrial

☐ Needs Assessment

☐ Education

☐ Other Explain:

2. If you feel this project addresses multiple purposes please explain.

This project is primarily service to an area that presently uses wells (many of which do not have adequate quantity or quality) or water hauling. The multiple purposes involve the cooperation between the District and other local entities to maximize the use of joint facilities such as the joint treatment plant with Bayfield and pipelines to serve both District and Bayfield customers. The District will also cooperate with the CWCB to utilize the State's allocation in the Animas-La Plata Project.

3. Is this project primarily a study or implementation of a water activity/project? (Please check only one)

☐ Study

☒ Implementation

4. To catalog measurable results achieved with WSRA funds can you provide any of the following numbers?

New Storage Created (acre-feet)

New Annual Water Supplies Developed, Consumptive or Nonconsumptive (acre-feet)

Existing Storage Preserved or Enhanced (acre-feet)

Length of Stream Restored or Protected (linear feet)

Length of Pipe Built (miles)

Efficiency Savings (acre-feet/year OR dollars/year – **circle one**)

Area of Restored or Preserved Habitat (acres)

Other -- Explain:

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4. To help us map WSRA projects please include a map (Exhibit B) and provide the general coordinates below:

Latitude:

Longitude:

5. 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. A full **Statement of Work** with a detailed budget and schedule is required as **Exhibit A** of this application.

The District has completed an agreement with the Town of Bayfield to receive water from the existing Bayfield treatment plant while an expansion of the treatment plant is being constructed. The expansion is estimated to provide both entities with adequate treated water capacity for at least 10 years. The District will contribute approximately \$5 million towards construction of the expansion. To utilize the water from the treatment plant, the District plans to construct approximately 5 miles of pipeline along the Bayfield Parkway to County Road (CR) 509 then south along CR 509 to CR 510 and west on CR 510. The District will have approximately, \$2,750,000 from the 2010 and 2011 mill levy to construct pipelines. Because construction bids have not yet been received, the length of pipeline that can be installed for the funds available is not definitively known.

The \$500,000 requested from the WSRA grant will be used to extend the pipeline from the point that current District funds have been expended a distance of approximately 2 miles, depending upon the construction bids. The specific location and length of the pipeline funded by WSRA will be designated. All of the funds will be used for construction of that specific reach of pipeline.

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Part III. – 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 District and this water activity meet the provisions of Section 37-75-104(2). The District is listed in the SWSI *June 2006 Water Supply and Needs Report for the Dolores/San Juan/San Miguel Basin*, Table 8-3 “Detailed Identified Projects and Processes for Dolores/San Juan/San Miguel Basin”. The Major Provider is listed as the La Plata Archuleta Water District and the Notes indicate “This District is needed to treat and distribute water. There is a gap if this District is not formed. Options include wells or water hauling.” The District is now formed and funds are available to begin the process to construct the facilities to provide potable water to citizens of the area. The sooner funds are available the sooner that the customers of the District can receive water.

- 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.

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 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.
- 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. Statewide requests must also include a minimum match of **5 percent** of the total grant amount from Basin Funds. 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 **Exhibit A** of this application)

The District is including \$2,750,000 of its funds from mill levy collections and borrowing \$5 million to expand the Bayfield treatment plant. The District is expending nearly \$8 million which is about 16 times more than the WSRA request. All of the facilities are for treated water and not eligible for CWCB loan funds. The Southwest Roundtable is requested to allocate \$25,000 from its Basin Fund to provide the 5% required match.

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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2. For Applications that include a request for funds from the **Statewide Account**, describe how the water activity/project meets all applicable **Evaluation Criteria**. (Detailed in Part 3 of the Water Supply Reserve Account Criteria and Guidelines and repeated below.) Projects will be assessed on how well they meet the Evaluation Criteria. **Please attach additional pages as necessary.**

Evaluation Criteria – the following criteria will be utilized to further evaluate the merits of the water activity proposed for funding from the Statewide Account. In evaluation of proposed water activities, preference will be given to projects that meet one or more criteria from each of the three “tiers” or categories. Each “tier” is grouped in level of importance. For instance, projects that meet Tier 1 criteria will outweigh projects that only meet Tier 3 criteria. WSRA grant requests for projects that may qualify for loans through the CWCB loan program will receive preference in the Statewide Evaluation Criteria if the grant request is part of a CWCB loan/WSRA grant package. For these CWCB loan/WSRA grant packages, the applicant must have a CWCB loan/WSRA grant ratio of 1:1 or higher. Preference will be given to those with a higher loan/grant ratio.

Tier 1: 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). **The project addresses multiple needs as indicated by the agreement with the Town of Bayfield to construct a joint treatment plant that will meet the needs of both entities for at least a decade.**
- 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. **The District has collaborated with the Town of Bayfield and is planning to collaborate with the CWCB to utilize the State’s water allocation in ALP.**
- 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 project is an IPP necessary to meet the 2050 water demand. WSRA funds have been utilized to initiate and develop the District facilities to the point they are ready for construction, contributing towards construction is the logical next step to show the success of the WSRA funding process.**

Tier 2: Facilitating Water Activity Implementation

- 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). **WSRA funding will increase the speed that the District can construct the approximately 200 miles of pipeline needed to serve up to 3,600 customers.**
- e. The amount of matching funds provided by the applicant via direct contributions, demonstrable in-kind contributions, and/or other sources demonstrates a significant & appropriate commitment to the project. **The District will fund approximately \$5,000,000 for the joint treatment plant expansion**

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and \$2,750,000 for pipeline construction simultaneously with the WSRA funds. The District will eventually spend approximately \$100 million to construct the water system.

Tier 3: The Water Activity Addresses Other Issues of Statewide Value and Maximizes Benefits

- f. The water activity helps sustain agriculture & open space, or meets environmental or recreational needs.
- g. 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.
- h. The water activity assists in the recovery of threatened and endangered wildlife species or Colorado State species of concern.
- i. The water activity provides a high level of benefit to Colorado in relationship to the amount of funds requested.
- j. The water activity is complimentary to or assists in the implementation of other CWCB programs.

Continued: Explanation of how the water activity/project meets all applicable **The District plans to eventually utilize a portion of the State's water supply in ALP which is administered by the CWCB.**

Evaluation Criteria.

Please attach additional pages as necessary.

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Part IV. – 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 water rights issues, and the name/location of water bodies affected by the water activity.

The following is a list of alternative water supplies that were evaluated as part of the Master Plan.

Animas River Basin - LAPLAWD owns 15 cfs conditional water right on the Animas River and from the Florida River near the confluence with the Animas River. The right was awarded in Water Court Case No. 03CW102. The water may be diverted at any of three diversion locations, downstream of Durango, and in connection with the decrees issued in Water Court Case No. 03CW103 and Case No. 03CW 119. The Animas River and the lower Florida River are not in “water critical” areas and water is available for appropriation and use at any time during the calendar year. Even during the 2002 drought, there was adequate water physically and legally available in the Animas River to provide up to 30 cfs.

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

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

Pine River Irrigation District - The Pine River Irrigation District (PRID) has been a long time supporter of the rural water system and continues to be committed to supplying water to the water system. The PRID Board can allocate between irrigation and Leased Water within PRID, pursuant to Case No. 03CV300. The Court further determined that shareholders can voluntarily allow their water in PRID to be used for Leased Water inside or outside of PRID, pursuant to Section 37-42-135, C.R.S. The PRID "Voluntary Pool" has been established for this purpose and approximately 3,300 AF have been committed to this Pool for the purpose of providing Leased Water that could be used by the District. The water treated at the joint Bayfield/District treatment plant will be provide to the District from PRID through a contract for water entered in 2011. Copy available upon request.

Animas-La Plata Project - In addition to the Southern Ute Indian Tribe's (SUIT) share of the Animas-La Plata Project (ALP), the State of Colorado also has an option to obtain up to 5,280 acre-feet of depletion or approximately 10,600 acre-feet of supply from ALP. The District is planning to obtain and utilize a portion of this allocation subject to agreement with CWCB. The District has presented a letter of request to the CWCB.

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The Master Plan recommended that two water treatment plants eventually be developed one along the Pine River and one along the Animas River. The Master Plan recommended that the plant along the Pine River be a joint treatment plant with the Town of Bayfield using PRID water and that the plant along the Animas River utilize a portion of the State's water in ALP through a contract with CWCB. The Town of Bayfield joint plant is being pursued first because it can be implemented immediately. The ALP water will be diligently pursued when the CWCB has contracted with the Bureau of Reclamation for the State's share.

2. Please provide a brief narrative of any related studies or permitting issues.

The necessary permits to construct the facilities are either obtained or being pursued.

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.** All WSRA funds are disbursed on a reimbursement basis after review invoices and appropriate backup material.

Please provide a detailed statement of work using the template in Exhibit A. Additional sections or modifications may be included as necessary. Please define all acronyms and include page numbers.

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 construction and documents how the project was completed. This report may contain photographs, summaries of meetings and engineering reports/designs.

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:

Edward Tolen

Project Title: Construction of Municipal Water Distribution Pipeline and Related Facilities

Return an electronic version (hardcopy may also be submitted) of this application to:

Greg Johnson – WSRA Application
Colorado Water Conservation Board
1580 Logan Street, Suite 200
Denver, CO 80203
gregory.johnson@state.co.us

Exhibit A
Statement of Work

WATER ACTIVITY NAME – Construction of Municipal Water Distribution Pipelines and Related Facilities

GRANT RECIPIENT – La Plata Archuleta Water District

FUNDING SOURCE – Southwest Basin and Statewide Accounts

INTRODUCTION AND BACKGROUND

Provide a brief description of the project. (Please limit to **no more than 200 words**; this will be used to inform reviewers and the public about your proposal)

Construction of as many miles of municipal water distribution system along LaPlata County Roads 509 and 510 as the funds will allow, estimated to be approximately 2 to 2.5 miles.

OBJECTIVES

List the objectives of the project

The District has completed an agreement with the Town of Bayfield to receive water from the existing Bayfield treatment plant while an expansion of the treatment plant is being constructed. The expansion is planned to be constructed in 2013/2014 and is estimated to provide both entities with adequate treated water capacity for at least 10 years. The District will contribute approximately \$5 million towards construction of the expansion. To utilize the water from the treatment plant, the District plans to construct approximately 5 miles of pipeline along the Bayfield Parkway to County Road (CR) 509 then south along CR 509 to CR 510 and west on CR 510. The District will have approximately, \$2,750,000 from the 2010 and 2011 mill levy to construct the pipeline, but because construction bids have not been received the actual length of pipeline that can be installed is not definitively known. As soon as the pipeline is constructed the District may begin the first service to its customers.

The objective of the \$500,000 requested from the WSRA grant will be to extend the pipeline from the point that current District funds have been expended. The WSRA funds are estimated to construct approximately 2 miles of additional pipeline, depending upon the construction bids. The specific location and length of the pipeline funded by WSRA funds will be designated. All of the WSRA funds will be used for construction of the pipeline; the District will pay for construction oversight activities from District funds. The WSRA funds are estimated to serve approximately 60 customers directly from the section of pipeline and speed up the service to the other 1,800 to 3,600 potential customers of the District by 2030.

The WSRA funded pipeline will continue to be extended using District funds as the mill levy income allows until the entire approximately 200 miles of distribution pipelines are completed.

TASKS

Provide a detailed description of each task using the following format

TASK 1 – [Name]

Description of Task

Construction of municipal water pipeline with District funds.

Method/Procedure

The District will identify pipeline projects to be constructed with District funds. The necessary permits and approvals from the various local, State, and Federal entities, as well as rights-of way, for all projects will be obtained using District funds prior to construction. Most of this work has been completed or is currently being performed as of the date of this application for both the District and potential WSRA funded projects. These projects will bid and subsequently constructed.

Deliverable

The project constructed with District funds will be identified and constructed.

TASK 2 – [Name]

Description of Task

Construction of municipal water pipeline using WSRA funds.

Method/Procedure

Once the pipeline constructed by District funds has been bid and a better estimate of the cost per foot of pipeline can be determined, the length of additional pipeline that can be constructed with WSRA funds and matching District funds will be identified. Another project will be bid with the length of pipeline designed to utilize all of the WSRA and District matching funds, additional District funds will be used as necessary to ensure completion of the project.

Deliverable

The project constructed using WSRA funds will be identified and the documentation of the construction and the expenditure of funds will be provided.

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.

Total Construction Costs				
		WSRA Funds	District Funds	Total Project Costs
Task 1 - District only Pipeline Project			\$2,250,000	\$2,250,000
Task 2 – WSRA Pipeline Project		\$500,000	\$500,000	\$1,000,000
Total Costs:		\$500,000	\$2,750,000	\$3,250,000

Note: The funds described above are for construction costs with all money being used for construction contracting. The District will fund the construction oversight costs such as project management, inspection, and administrative costs, but these costs have not been tabulated in the tables below.

Example Titles

Example Project Personnel: Hourly Rate:	Project Manager	Project Engineer	Geologist	Scientist	Graphics/ Designer	Clerical		Total Costs
Task 1 -								
Task 2 -								
Total Hours:								
Cost:								

Other Direct Costs

Item:	Copies	Materials	Equipment/ Supplies	Mileage		Total
Units: Unit Cost:	No.			Miles		
Task 1 -						
Task 2 -						
Total Units:						
Total Cost:						

In-Kind Contributions (If Applicable)

Project Personnel: Hourly Rate:				Total
Task 1 -				
Task 2 -				

Total Hours:				
Total Cost:				

SCHEDULE

Provide a project schedule including key milestones for each task and the completion dates or time period from the Notice to Proceed (NTP). This dating method allows flexibility in the event of potential delays from the procurement process. Sample schedules are provided below. Please note that these schedules are examples and will need to be adapted to fit each individual application.

Example 1

Task	Start Date	Finish Date
1	Late 2012 or early 2013	To be determined
2	Mid to late 2013	To be determined

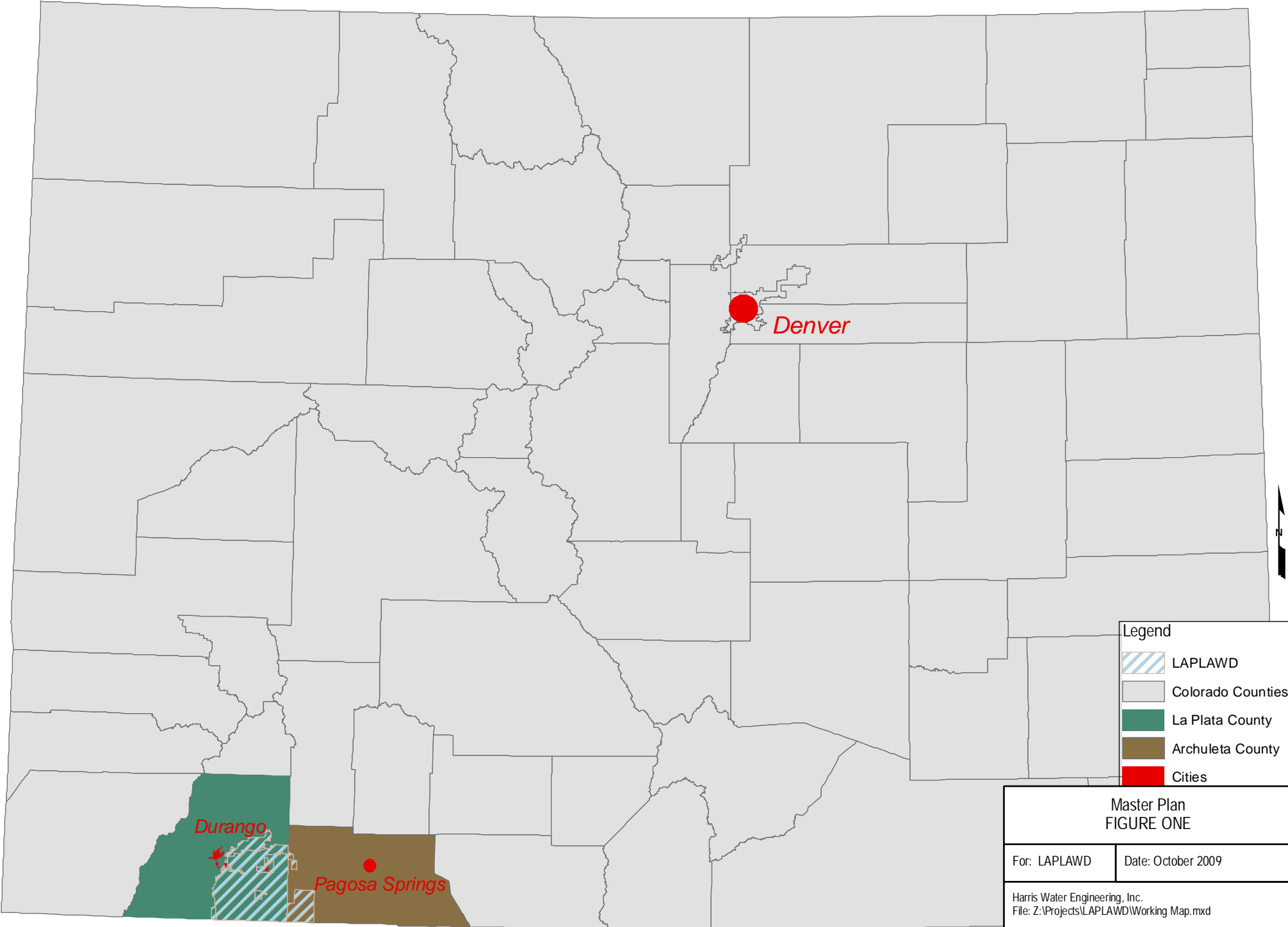
NTP = Notice to Proceed

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 payment method is fine with the District. The insurance requirements, Form W-9, and standard contract will also be followed as required for WSRA funding.

La Plata Archuleta Water District Location



La Plata Archuleta Water District Preliminary Pipeline Routing & Distribution System

As preliminary pipeline is completed in certain areas, then secondary routing will be constructed.

Legend

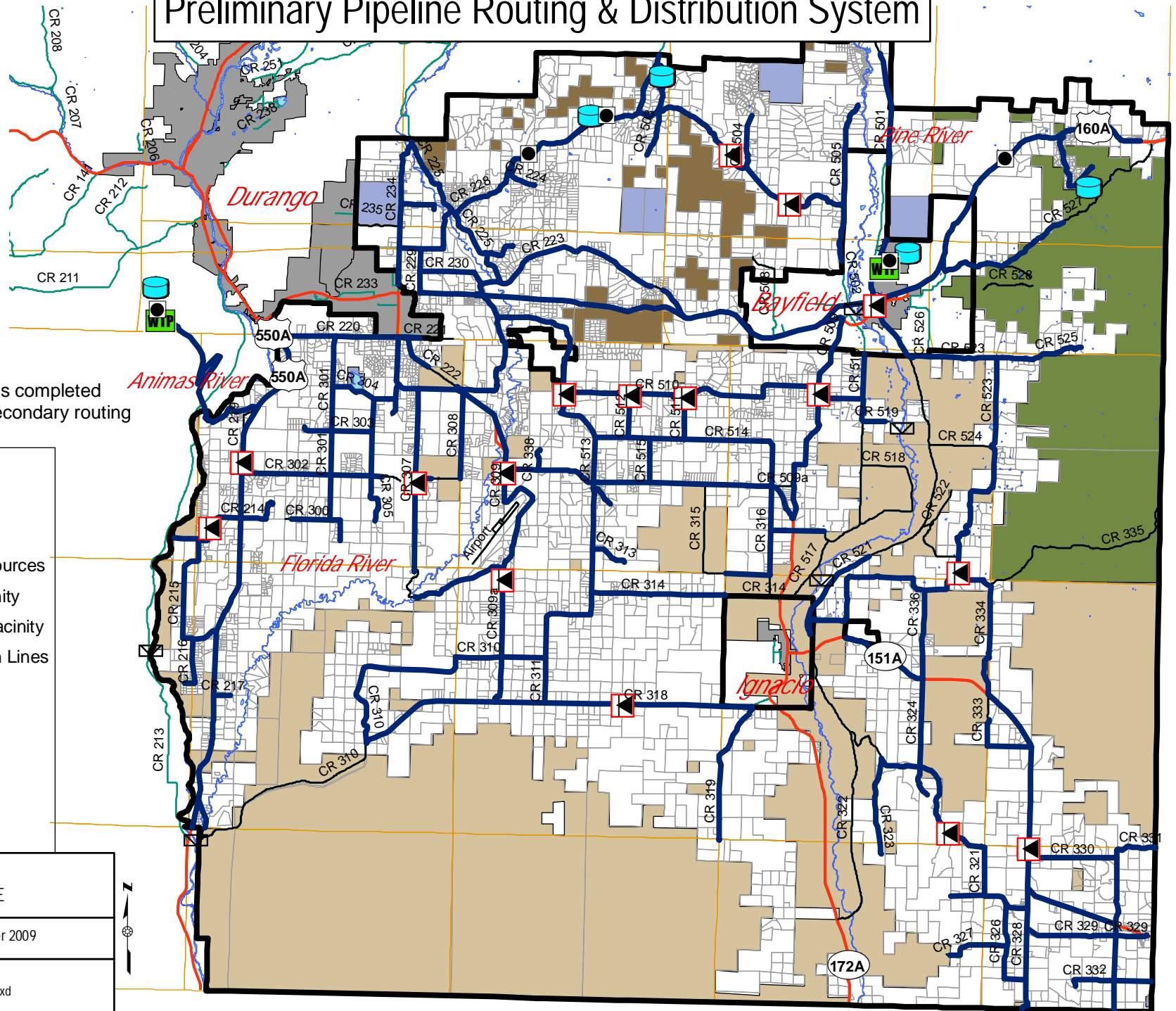
- Pumps
- ◻ PRVs
- ◻ Alternate Water Sources
- WTP TP - General Vacinity
- Tanks - General Vacinity
- Distribution & Main Lines
- Twn_Rng
- Cities
- BIA
- BLM
- COLORADO
- USFS

Master Plan
FIGURE NINE

For: LAPLAWD

Date: October 2009

Harris Water Engineering, Inc.
File: Z:\Projects\LAPLAWD\exclusions.mxd



CONCEPTS FOR BASIN EVALUATION AND PRIORITIZATION

This is an attachment to the standard WSRA application to address the specific information request of the Southwestern Basin Roundtable:

Required:

- A. Projects must be submitted on an application form used by the State IBCC and CWCB. All applicable sections must be completed. *See attached application.*
- 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.
 - Propose methods or projects, both structural and non-structural, for meeting any future needs as well as utilizing any unappropriated waters.
 - Promote the protection, conservation, and use of water in the Southwestern Colorado Roundtable area.
 - Promote the socio-economic sustainability of the Southwestern Colorado Roundtable area.
 - Promote the protection and conservation of the natural environment, including the protection of 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.

The project is an IPP that has been advancing from inception to the initiation of construction with the assistance of WSRA funds. WSRA has provided funding that has allowed the project to reach the construction phase and it is appropriate to complete the funding cycle by also providing a portion of the construction funds. The project will provide an adequate supply of good quality drinking water to areas of LaPlata County initially and eventually Archuleta County that presently do not have such water. The District and the Town of Bayfield are cooperating on an expanded water treatment plant that will reduce the construction and operation costs of both entities.

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?

The LaPlata County and federal environmental permits to construct the portion of the pipelines using WSRA funds have been submitted and if not issued by the time this application is submitted, are imminent. The funds requested in this application have not and will not be used for the permitting but entirely for construction.

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 requested funds are entirely for construction which will commence at the time or shortly after the funds are available.

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?

The District has held three successful elections of residents of the District: August 2008 to form the District; May 2010 to assess a mill levy and "de-Bruce"; November 2011 to authorize debt. All three elections have been successful which clearly indicates the support of the beneficiaries of the water system. The pipelines are for treated water and therefore not eligible for CWCBA loans.

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 District has a mill levy that will over time pay for the project facilities. The use of WSRA funds for construction will reduce the time to construct the facilities.

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.

There are no conflicts, the project is ready for construction.

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?

Refer to the answer to question #4 and the three elections that have been held.

8. Is there opposition to the project? If there is opposition, how have those concerns been addressed?

Refer to the answer to question #4 and the three elections that have been held.

9. How does the project affect the protection and conservation of the natural environment, including the protection of open space?

Not applicable.

10. What is the impact of the proposed action on other non-decreed values of the stream or river? Non-decreed values may include things such as non-decreed water rights or uses, recreational uses and soil/land conservation practices.

The water source is the existing Vallecito Reservoir and water is treated at an existing water treatment plant, so there is no impact to non-decreed values.

11. How does the project relate to **local** land use plans? If conflicts exist, how will these be addressed?

The District service plan was approved by the LaPlata County Board of Commissioners prior to the three elections. The service plan was negotiated with the County to comply with its land use plans.

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

No conflicts.

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

No conflicts.

14. How does the project support agricultural development or protect the existing agricultural economy?

(1) Presently new home developments are mostly constructed on irrigated land because of the availability of well water is most likely. The District rural water system provides a source of water that is not dependent on irrigation recharged well water so the developments can be placed on non-irrigated land. (2) Many ranchers haul water during the non-irrigation season for livestock in and around their homesteads, the water system will provide a less expensive and easily accessible livestock water supply. (3) The District is a partner with the Pine River Irrigation District to provide the water and the Los Pinos Ditch company to deliver water to the treatment plant. In both cases the District is providing substantial financial payments to those entities that will be used to assist in keeping the irrigation costs affordable.