

The Gunnison Basin Roundtable
P. O. Box 544
Lake City, CO 81235

June 12, 2012

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

Re: Grant Request from the Water Supply Reserve Account
Colorado Parks & Wildlife/City of Gunnison
Gunnison River System Assessment and Restoration

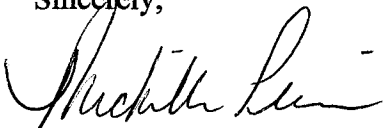
Dear Mr. Doherty:

This letter is presented to advise you that the grant application submitted by Colorado Parks & Wildlife and the City of Gunnison for \$20,000 from Basin Account funds and \$200,000 from Statewide Account funds for the Gunnison River System Assessment and Restoration project was reviewed by the Gunnison Basin Roundtable and its Project Screening Committee, recommended for approval by that committee, and approved by a majority vote of the Gunnison Basin Roundtable during our meeting on June 4, 2012.

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

This activity furthers the Gunnison Basin Roundtable's ongoing basin-wide water needs assessment process in that it will identify and repair known deficiencies in the Gunnison River near the town of Gunnison. This is a heavily used stretch of the Gunnison River that was identified in the Gunnison Basin Roundtable's Non-consumptive needs assessment as having 9 attributes including high recreational value. The project intends to improve fisheries health, water quality, access to irrigation water, and improve recreational user experiences while protecting multiple landowners from flood damage.

Sincerely,



Michelle Pierce
Chair

Cc: Tom Alvey (e-mail)

Michelle Pierce

From: tramperanches@pcrs.net
Sent: Monday, June 11, 2012 1:51 PM
To: michellepierce@townoflakecity.us
Subject: Minority opinion letter

June 11, 2012

Gunnison Basin Roundtable

This letter is to explain my reason for voting in the negative in the matter of Colorado Parks and Wildlife/City of Gunnison application for funding the River System Assessment and Restoration Project on the Gunnison River near Gunnison.

I do not believe the Gunnison Basin Roundtable has ever considered criteria or priority points that would be considered in funding grants for nonconsumptive projects. The Roundtable never identified particular types of projects or reaches of streams that should be considered for nonconsumptive projects.

And since this appears to me to be nearly a totally nonconsumptive project, I believe approving this application sets a precedence that the Roundtable will be faced with in the future and we as a Roundtable have not had an opportunity to discuss criteria and priorities for funding nonconsumptive use projects.

Respectfully,
Bill Trampe



COLORADO WATER CONSERVATION BOARD
WATER SUPPLY RESERVE ACCOUNT
APPLICATION FORM



River System Assessment and Restoration - Gunnison River near Gunnison, Colorado

Name of Water Activity/Project

Colorado Parks and Wildlife and City of Gunnison

Name of Applicant

Gunnison Basin Roundtable

Amount from Statewide Account:

\$200,000

Amount from Basin Account(s):

\$ 20,000

Total WSRA Funds Requested:

\$220,000

Approving Basin Roundtable(s)

(If multiple basins specify amounts in parentheses.)

Application Content

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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)

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):	Colorado Parks and Wildlife (CPW) and The City of Gunnison (City)		
	Mailing address:	Colorado Parks and Wildlife 300 W. New York Gunnison, CO 81230	City of Gunnison P.O. Box 239 Gunnison, CO 81230	
	Taxpayer ID#:			
	Primary Contact:	Dan Brauch (CPW)	Position/Title:	Fishery Biologist
	Email:	dan.brauch@state.co.us		
	Phone Numbers:	Cell:	Office:	970-641-7070
	Alternate Contact:	Steve Westbay (City)	Position/Title:	Planning Director
	Email:	swestbay@cityofgunnison-co.gov		
	Phone Numbers:	Cell:	Office:	970-641-8152

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.
- ☐ 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.

Colorado Parks and Wildlife (CPW), created July 1, 2011 from the merger of Colorado State Parks and the Colorado Division of Wildlife, provides outdoor recreation and wildlife management for Colorado's 41 state parks and 23 million acres of public land. The CPW owns the Gunnison River Corridor adjacent to the VanTuyl Ranch.

The City of Gunnison (City) is a Home Rule municipality under Article XX of the *Colorado Constitution*. The City of Gunnison provides domestic water, sewer, and electric services to the 5,854 residents of the city, Western State College and several neighborhoods in the adjacent unincorporated county area. Other services provided by the City include parks, recreation, streets, trails, police, planning and land development. The City owns the 382 acre VanTuyl Ranch, which is adjacent to the channel reach of the Gunnison River for which this grant application is being made. The VanTuyl Ranch is the aquifer recharge area for the City's domestic water source.

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

☒ 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.

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.

There are no TABOR issues contemplated either by the CPW or the City of Gunnison.

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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)

<input checked="" type="checkbox"/>	Nonconsumptive (Environmental or Recreational)
<input type="checkbox"/>	Agricultural
<input type="checkbox"/>	Municipal/Industrial
<input type="checkbox"/>	Needs Assessment
<input type="checkbox"/>	Education
<input type="checkbox"/>	Other

Explain:

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

This project will serve several purposes. Restoration of this river channel reach will help to improve both terrestrial and aquatic habitat, it helps to improve public access to the river, and it is anticipated that final improvements will reduce flood risks.

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

<input checked="" type="checkbox"/>	Study	<input type="checkbox"/>	Implementation
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4. To catalog measurable results achieved with WSRA funds can you provide any of the following numbers?

<input type="text"/>	New Storage Created (acre-feet)
<input type="text"/>	New Annual Water Supplies Developed, Consumptive or Nonconsumptive (acre-feet)
<input type="text"/>	Existing Storage Preserved or Enhanced (acre-feet)
13,465'	Length of Stream Restored or Protected (linear feet)
<input type="text"/>	Length of Pipe/Canal Built or Improved (linear feet)
<input type="text"/>	Efficiency Savings (acre-feet/year OR dollars/year – circle one)
<input type="text"/>	Area of Restored or Preserved Habitat (acres)
<input type="text"/>	Other -- Explain: <input type="text"/>

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

Latitude: 38°34'N

Longitude: 106°56'W

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 history of this project dates to 1993 when the Trust for Public Lands purchased the VanTuyl Ranch (Ranch) and subsequently brokered deals with the City of Gunnison and the Bureau of Reclamation (BOR) to transfer title of this real property. The City of Gunnison gained title to a 384 acre operating ranch containing a large floodplain and riparian area, and the BOR received title to the river corridor. The City purchased the Ranch to protect the alluvial gravel aquifer and recharge area that serves as the domestic water source for the city. The BOR purchased the 1.5 mile river corridor to help fulfill an obligation to replace approximately 18 miles of public river access lost by the construction of Blue Mesa Reservoir. Subsequent to purchasing the river corridor, the BOR deeded it to Colorado Parks and Wildlife with a deed restriction requiring that this river reach shall be used “to conserve wildlife..., provide for public access and enjoyment... and mitigate losses of, and improve conditions for, the propagation of fish and wildlife”.

In 2008 Raymond VanTuyl, who had owned the ranch for over 60 years and had been granted a life estate at the Ranch by the City, passed away. Hence, the City of Gunnison went into the business of managing a ranch. Great Outdoors Colorado Board (GOCO) awarded the City a planning grant in 2008 to help fund development of the *VanTuyl Ranch Management Plan* (adopted August 2010). This management plan is premised on an adaptive resource management model, directing several key resource administration components including: water quality and quantity protection; agriculture operations; riparian habitat protection; public recreation; and public safety.

In 2001 CPW developed a *Fluvial Geomorphological Assessment and River Restoration Considerations report for the Gunnison River near Gunnison, Colorado*. The report addressed concerns about large concrete-rubble levees in the river channel reach adjacent to the VanTuyl Ranch. These human alterations have significantly affected the river system function.

The City and CPW have agreed to work on a programmatic strategy to implement actions aimed at improving the river channel function while protecting the City’s interests in managing the Ranch open space. Specifically, any proposed alterations of the fluvial system will be critically assessed to ensure that flood hazards either on the Ranch and adjacent properties or downstream do not increase. The proposed strategy to address this challenging task entails a four-step approach: 1) stream reach survey data collection; 2) define and assess alternative action options and establish a specific preferred alternative or combination of alternatives; 3) develop project designs and detailed cost estimates; and, 4) implement improvement actions.

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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 proposed grant will fund a project to determine existing condition issues, identify alternatives that are safe and enhance the fluvial system, and design projects for implementation. It is anticipated that some actions may be implemented at a very low cost, while other actions may have a very high price-tag.

Acquiring field data and identifying potential improvement projects will have no adverse effect on any existing water rights as recognized by the *State Constitution*.

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

This application was submitted to the Gunnison Basin Roundtable for consideration at their June 5, 2012 meeting. The Roundtable voted to approve the grant application. The Roundtable discussed the relationship of non-consumptive criteria and this project and they concluded that the application met the intent of a non-consumptive project.

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.

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.

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

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- d) **Matching Requirement:** For requests from the **Statewide Fund**, the applicants is required to demonstrate a **20 percent** (or greater) match of the request from the Statewide Account. 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).

Several funding partners have joined in this grant application. A summary of the partner match commitments is provided below.

Colorado Division of Parks and Wildlife. The CPW will provide in-kind services to include specialized staff needed to manage the planning, design and action implementation proposed by this grant. In the fall of 2011 the Colorado Division of Parks Wildlife granted a one-quarter mile easement to the City of Gunnison in order to facilitate a trail extension providing public access to the riparian area. The value of the easement grant was not calculated but it is considered to be a relevant in-kind donation considered in this grant application.

City of Gunnison. After the City received the CPW easement, the construction of a 1.5 mile long trail segment, providing public access was initiated. This new trail segment provides public access to the riparian area. This capital project, which is being completed this spring, also includes the construction of over 2.5 miles of fencing to protect habitat from livestock grazing. The total cost of this trail and fencing project was \$150,000 and this direct expenditure is considered a relevant in-kind donation to this grant application. The City will be committing a \$5,000 of in-kind labor, equipment and materials for the construction of a new trail segment to the Gunnison River.

Gunnison Trails. Gunnison Trails, a local non-profit organization will commit 50 hours of in-kind labor for the construction of the new trail segment to the river.

Trout Unlimited. Trout Unlimited will commit up to \$15,000 to the project.

Bureau of Reclamation. The United States Bureau of Reclamation will commit up to \$30,000 to the project.

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.

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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).
- 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.
- 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.

Tier 1. This application meets the Tier 1 criteria in several ways. Management of the VanTuyl Ranch has been established through a collaborative effort between the City and Colorado Parks and Wildlife. The *VanTuyl Ranch Management Plan* establishes specific objectives directed at protecting the riparian corridor and floodplain functions. Colorado Parks and Wildlife is required by a deed restriction to manage the adjacent river corridor to allow public access and the two entities have collaborated on the development of a public trail system that allows the public to access the Gunnison River.

The Surface Water Quality Classifications and Standards, as established by the State of Colorado for this reach of the Gunnison River include an "Aquatic Life Cold 1" designation and "Recreation E" designation. Rafting and fishing are primary recreation functions and opening the VanTuyl Ranch and the adjacent 1.5 miles of the Gunnison River to public use has significantly increased the amount of public recreation use. This river reach is truly a public treasure with enormous potential.

This proposed project will help advance watershed protection and restoration on this river segment. Emphasis is focused on the enhancement of the fluvial system which, in turn, will promote higher riparian and aquatic habitats. The project will also help to advance flood protection by increasing potential storage in the river system's natural floodplain. Enhancement of fluvial system functions will help increase in-stream flows during dry periods and benefit aquifer recharge.

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).
- 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.

Funding this project will make a significant difference for facilitating an important resource management action. The project is directed at fulfilling objectives of the *VanTuyl Ranch Management Plan* and helping CPW fulfill their mission to protect and enhance aquatic (fishery) habitat. Riparian habitat on this reach of the Gunnison River has been degraded over the past 50 years and this project will help reduce that trend. Additionally, the project will ensure that public recreation potential is increased and the project will be implemented in a beneficial and safe manner. Flood mitigation is also a significant benefit.

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Investments by CPW and the City to protect and enhance the VanTuyl Ranch and river corridor over the last 20 years have exceeded two million dollars. Significant funds were allocated for the acquisition of the Ranch and river corridor. Colorado Parks and Wildlife and the City expended over \$50,000 combined to develop the *VanTuyl Ranch Management Plan*, and as previously noted, GOCO provided \$50,000 for the plan's development. The adaptive resource management framework of the *Management Plan* is the primary impetus for proposing this grant. Furthermore, during the past four years the City and CPW have worked together to establish easements for public access and have spent approximately \$200,000 for a trail system which now allows easy non-motorized public access to this unique river corridor system.

Neither the City nor CPW have allocated funding in their respective annual budgets for this proposed project. However, both entities have expended enormous funds and services to develop a truly wonderful public open space environment. Colorado Parks and Wildlife may be able to provide in-kind services (riparian restoration expert) and provide some labor and equipment costs for implementation. The City can also provide in-kind labor for the proposed trail segment access to the river. While neither entity can contribute funds under their existing budgets, other partners are available to provide the 20 percent matching funds for this proposed project.

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.

The proposed project meets the Tier 3 criteria intent statements. Riparian habitat improvements and water-based recreation opportunities will be enhanced as management programs on this river reach are implemented.

The VanTuyl Ranch and this river reach are located in occupied habitat of the Gunnison Sage-Grouse. One of the major management objectives being promoted by federal land management agencies and the US Fish and Wildlife Service is to concentrate recreational opportunities adjacent to the city's urban area; the idea is to concentrate activities rather than dispersing activities across the occupied habitat. The public use of the VanTuyl Ranch and this river corridor help to promote this concentrated recreation objective.

Very few river systems in the State of Colorado still sustain agriculture, recreation and domestic water needs to such a high degree as the upper Gunnison basin. Protecting this unique river system provides a significant benefit to all residents and visitors of the state.

Continued: Explanation of how the water activity/project meets all applicable **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 proposed restoration of this river reach will not affect any existing applicable water rights.

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

Permitting from the Army Corps of Engineers must be anticipated for the implementation of restoration projects. Floodplain permits from the City of Gunnison and Gunnison County are also anticipated. A wetlands delineation will be required for the spur trail to the Gunnison River that is being proposed in the Scope of Work.

The *Fluvial Geomorphological Assessment and River Restoration Considerations Report for the Gunnison River Near Gunnison, Colorado* (2001) provides a very sound basis for moving forward with resource management actions. The *VanTuyl Ranch Management Plan* (August 2010) is also germane to the proposed fluvial resource management actions being proposed by the CPW and City of Gunnison. The *VanTuyl Ranch Management Plan* can be found on the City's web-site at the following link:

http://www.cityofgunnison-co.gov/Community%20Development/planning_department/planning_documents/vantuyl_ranch_management_plan.pdf

In December 2010 the Upper Gunnison River Water Conservancy District (UGRWCD) published a study authored by BioEnvirons LLC, titled *Assessment of Riparian and Aquatic Habitat Associated with the upper Gunnison River, Gunnison County, Colorado*. This study notes that riparian habitat such as that found on the VanTuyl Ranch provides water storage and release; enhances aquifer recharge and helps maintain a high groundwater table; high quality riparian habitat provides stream bank stability and maintains water quality; and, riparian habitat reduces flood impacts. The UGRWCD report notes that the VanTuyl Ranch is a high priority area for restoration. The report contains the following statement:

The Van Tuyl Ranch was listed above as an area for conservation but it is also in need of restoration. Based on aerial photographs from 1950 to the present, this area has lost much of its riparian forest and thus some of the functions of a riparian area. To maximize this publicly owned land for these benefits, we recommend the restoration of the riparian community, restoration of active side channels and overland high water flow in this area to maximize the benefits of water storage, aquifer recharge, water quality protection, a productive riverine/fisheries ecology and additional flood protection for the City of Gunnison and downstream.

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.

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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 project 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.

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

Signature of Applicant (CDPW):

(City of Gunnison)

Print Applicants' Names:

J Wenum, Area Wildlife Manager

Jonathan Houck, Mayor

Project Title: River System Assessment and Restoration – Gunnison River near Gunnison, CO

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

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Exhibit A **Statement of Work**

WATER ACTIVITY NAME – River Assessment and Restoration of the Gunnison River near Gunnison, CO

GRANT RECIPIENT – Colorado Parks and Wildlife and the City of Gunnison

FUNDING SOURCE – Gunnison River Basin Account

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)

The NOAA Habitat Restoration Center recommends that river restoration programs follow a three-step approach: planning and permitting; design and cost estimate; and construction. This grant application follows this recommended process.

According to the CPW geomorphology study, “Local flooding along the reach has historically been contained by large, concrete-rubble levees constructed on one or both sides of the river. The levees have been extended downstream in response to continued flooding.”

Colorado Parks and Wildlife and the City recognize that floodplain and channel functions have been significantly altered and agree that improving these functions will be beneficial. Because no development will occur on this reach of the river’s floodplain a holistic resource management approach is possible to implement. However, the City requires that a detailed assessment of the alternatives be developed and assessed in order to make an informed decision for using the floodplain located in the City owned open space.

River management alternatives will be developed through a comprehensive review and implementation program using a four-step approach: 1) stream reach survey data collection; 2) definition and assessment of alternative action options to develop preferred alternative(s); 3) development of project designs and detailed cost estimates; and, 4) implementation.

OBJECTIVES

There are four main objectives of the project.

Survey work will provide data required to identify factors contributing to sediment scouring and bedload aggradation. Survey data is considered essential to ensure that preferred alternative actions may occur without adversely impacting the long-term channel functions degrade riparian habitat or endanger structures located downstream from the City’s open space area.

Preferred alternatives actions will enhance the fishery habitat. Features such as habitat structures that can withstand high velocities during peak flow are to be considered. Alterations of the channel geometry will also provide benefits for rafting and kayaking enthusiasts.

Preferred alternative actions to be implemented may include the removal of levees in order to break the scouring and aggradation caused by the levees. It is the desire to make alterations that will promote inundation by high

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frequency flood events while providing protection to citizens and structures during high volume events. The resulting actions should play a significant role in flood protection and mitigation.

TASKS

Provide a detailed description of each task using the following format

TASK 1 – Existing River Channel Conditions Survey

Description of Task 1.

This project will follow study recommendations established in the CPW 2001 geomorphology report recommendations. The contexts of those recommendations are noted below.

1. Survey cross sections at intervals frequent enough to adequately describe the dimensions, pattern and profile of the project reach based on the selected alternative and channel dimensions.
2. Develop a new channel profile survey extending both upstream and downstream of the established by the CPW geomorphology report.
3. Locate a reference reach from which to develop a template of functional bankfull channel geometry parameters including bankfull channel cross sectional area, surface width, and depth.
4. Obtain pertinent, available hydrology data for peak flow frequency and flow duration analysis.
5. Collect particle size data on bed materials through bulk sample and/or pebble counts methods. Bed material information will identify the size range of material that has been scoured and deposited and denote material size remaining in those reaches that have already been scoured. This information can then be used, together with an analysis of flows, to determine the potential for additional scour and the size of material from which to construct fishery enhancement or grade control structures.
6. Install passive monitoring devices including bank erosion pins and scour chains on banks upstream of restored or enhanced reaches in order to monitor areas identified as active or potential sediment sources so that stabilization steps may be taken to protect restored areas.

Task 1 Method/Procedure.

Section and Profile Survey. Survey data will identify features including edge of water, bankfull indicators, thalweg, top of bank, edge of vegetation (grasses, shrubs and trees) and identifiers of large rock and man-made features. At least five cross sections will extend onto the floodplain far enough to delineate terrace features and width at twice bankfull depth. End points should be marked with permanent, capped re-bar stakes marked with tags indicating identification number, date of survey and names of surveyors.

River Segment Reference Assessment. The assessment will evaluate a river reach with minimal human disturbance in order to assess fluvial functions and channel geometry. A potential location may be located upstream from the VanTuyl Ranch. However, it would be beneficial to assess a reach located adjacent to a stream gage in order to correlate bankfull geometry with discharge.

Particle Size and Bulk Sample Data. On coarse-bed stream channels, the bulk sample may require several hundred pounds of material in order to determine grain size of the larger sizes in the sample. Therefore, a 5-gallon bucket method may be used in conjunction with a bed-surface pebble count.

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A “Wolman” type pebble count method, or an equivalent, will be used for this project. In the Wolman method, typically 100 individual particles are taken from the stream bed and the intermediate axis of each particle is measured with a ruler or other measuring device.

Erosion and Scouring Measures. Very elementary systems will be used to assess erosion and scouring. Typically bank erosion can be measure by installing a reference rebar stake and seasonal measurements can be conducted. Scouring will be assessed by using a scour chain placed in the channel.

Task 1 Deliverables.

Task 1 will result in a field reconnaissance report with detailed channel sections and profile data. Report details will also include a description of a river segment reference to be used for describing bank-full conditions. Furthermore, bulk data describing bedload material characteristics will be included in the field reconnaissance report. The placement of scour chains and rebar reference points for measuring bank erosion rates will also occur during Task 1.

TASK 2 – Develop Alternatives and Identify Preferred Alternatives

Description of Task 2.

Task 2 will use the established field reconnaissance data to develop a list of alternative project actions that may be implemented. It is anticipated that certain obvious actions such as stream bank stabilization will be included. However, other more complex restoration actions also will be considered.

All proposed alternative actions will be subject to a prioritization matrix directed at considering implications resulting from each action. The matrix will include several factors to eliminate proposed actions. Obvious factors to be used in this matrix include, but are not limited to the following:

- costs
- effects on existing water rights
- impacts to existing agriculture operations
- effects upon recreation activities to include fishing and boating
- increased/decreased flood potential both on the ranch and for properties adjacent to and downstream from the Ranch

Task 2 will also include a public outreach component. Outreach will involve two public meetings as well as individual interviews with stakeholders. Stakeholders will include adjacent property owners, Upper Gunnison River Water Conservancy District, Gunnison County, Trout Unlimited, commercial rafting operators, Gunnison Trails, Mr. William Goddard (adjacent property owner), CPW and the City.

The proposed alternatives will be presented at a final workshop with CPW representatives, City policy leaders and interested stakeholders. The Task 2 process will conclude with the selection of a preferred alternative or a hierarchal list of preferred alternative actions that are mutually agreeable to the CPW and the City.

Task 2 Methods and Procedures

- A. **Individual Stakeholder Meetings.** It anticipated that up to 10 individual stakeholders will be contacted to discuss the potential action alternatives.

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- B. **Community Meeting 1.** A community meeting will be held to present the field assessment data and existing issues affecting the river system function. The presentation will also include an overview of potential alternative actions being considered for implementation.
- C. **Community Meeting 2.** While the second community meeting will be held in a public forum, its primary purpose is to present alternatives to elected officials and CPW representatives.

Task 2 Deliverables

A report summarizing alternatives, along with a detailed description variables used to filter alternatives will be included in the report. Ultimately the report will provide a broad summary of preferred alternative(s) to be considered for engineering design and permitting.

TASK 3 – Project Design and Detailed Cost Estimates

Description of Task 3.

Without completing Task 1 and Task 2 it is somewhat difficult to describe design functions but, it is possible that the design may include actions such as stream bank restoration and stabilization and channel rehabilitation. Channel rehabilitation will require very detailed design including hydraulic analysis and scour modeling of the proposed channel rehabilitation.

Cost estimates including material, labor and permitting fees will be established for each of the proposed alternatives.

Task 3 Methods and Procedures

Designs for channel rehabilitation projects will be developed by specialists in the fields of hydrology, hydraulic engineering, geomorphology and ecology. Construction-level drawings will be required for each preferred alternative.

Task 3 Deliverables

Deliverables will include the submittal of two hard bound copies of the design drawing. Additionally, an electronic copy of the final drawing will be provided. The electronic drawing will be developed and delivered in an AutoCad® format. Detailed costs estimate sheets will also be included in the deliverable package.

TASK 4 – Proposed Action Implementation

Description of Task 4

This task includes physical improvements to address the areas of degradation, improvements to diversions within the river channel, and improved access to the Gunnison River.

The first improvement will be treatment of the stream bank and riparian area by seeding/mulching exposed soils and planting 200 sapling trees. This project will be implemented as a community volunteer day. Participants may include students from the local schools and Western State College, Gunnison Trails and other local non-profit organizations.

Removal of the large gravel bar at the Wilson Creek headgate will eliminate further downstream sediment deposition. Improvements to the Piloni Ditch diversion will benefit the river system by eliminating sediment loading.

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Installation of a spur trail from the existing VanTuyl Ranch trail to the Gunnison River as recommended by the City's *VanTuyl Ranch Master Plan* and the *Pedestrian and Non-Motorized Transportation Plan* will also support the CPW mission to ensure recreational access.

Task 4 Methods and Procedures

The tree planting and revegetation project will be fairly straight forward. CSU extension and/or local ecologists at Western State College will be asked provide a recommendation of tree types indigenous to the basin's riparian area. Species will likely include cottonwoods, willows, and Douglas fir. A community work day may be focused on a special event such as Arbor Day or Earth Day.

Permitting by the Army Corps of Engineers and wetland delineation will be required for the spur trail.

Improvements to the Wilson Creek and Piloni Ditch headgates will likely require significant channel improvement structures. Design and construction of these structures will be expensive and this grant will help to understand the details and costs for such improvements.

Task 4 Deliverables

Revegetation of the concrete rubble area and riparian corridor by planting saplings will occur.

Design and cost estimates for these headgate modifications on the Gunnison River at Wilson Creek and the Piloni Ditch will be provided.

The spur trail and Wilson Creek bridge will be completed. The goals of the City and local recreation enthusiasts to gain access to public lands will come closer to realization with the spur trail to the Gunnison River.

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.

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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 Costs				
	Labor	Other Direct Costs	Matching Funds (If Applicable)	Total Project Costs
Task 1 - Channel Survey	\$ 6,000			\$ 6,000
Task 2 – Establish Preferred Alternatives		\$ 22,000		\$ 22,000
Task 3 – Design and Costs Estimates (\$50,000/river mile)	\$150,000		\$26,000	\$176,000
Task 4 – Revegetation Project	\$ 3,000	\$ 2,000	\$2,000	\$ 7,000
Task 4 – Wetlands Delineation	\$ 3,350			\$ 3,350
Task 4 – Design for Improvements to Piloni diversion		\$ 19,650		\$ 19,650
Task 4 – Removal of gravel bar	\$ 10,000		\$13,000	\$ 23,000
Task 4 – Trail Extension to river	\$ 4,000		\$4,000	\$ 8,000
Total Cash	\$176,350	\$ 43,650	\$45,000	\$265,000
In-Kind Contributions				
Colorado Parks and Wildlife equipment and labor	\$ 5,000	\$ 15,000		
City of Gunnison – Revegetation	\$ 3,000	\$2,000 Material/Equip		
Community Volunteers – revegetation project (20 people/\$20 per hr/8 hours)	\$ 1,600			
Gunnison Trails, (50 hours labor)	\$ 1,000			
In-Kind Totals	\$10,600	\$17,000		
Budget Summary				
Total Grant Request	\$220,000			
Total Match Funds	\$ 45,000			
Total In-Kind Contribution	\$ 27,600			
TOTAL PROJECT VALUE	\$292,600			

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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.

Preliminary Schedule

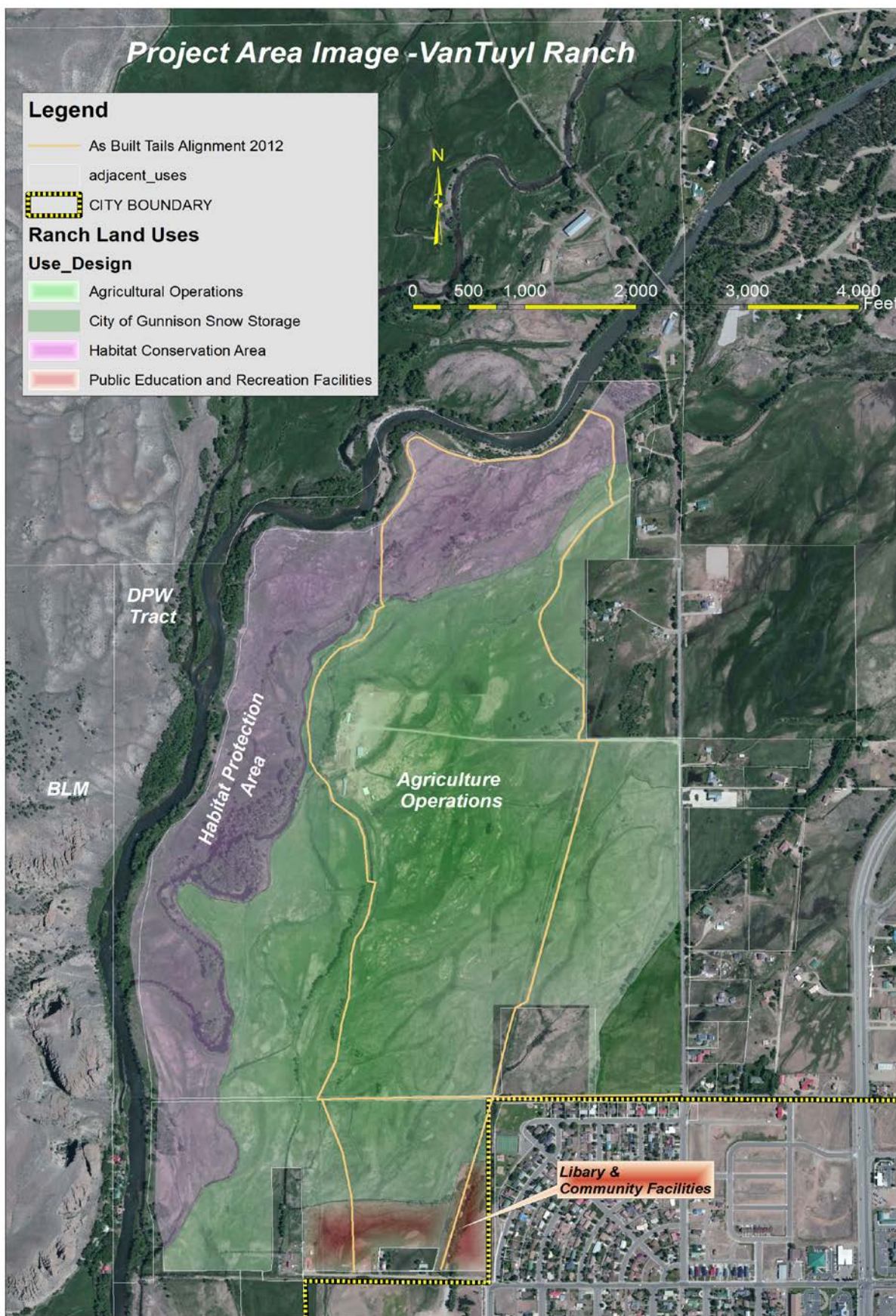
Task	Start Date	Finish Date
1	June 30, 2013	September 1, 2013
2	September 15, 2013	December 15, 2013
3	January 2, 2014	April 1, 2014
4	June 15, 2014	June 30, 2014

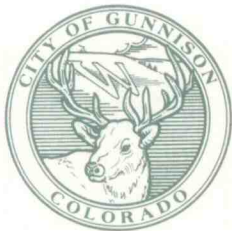
PAYMENT

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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Exhibit B Project Map and Vicinity Map





City of Gunnison

Exhibit C Letter of Support

July 10, 2012

Colorado Water Conservation Board
Attn: Mr. Greg Johnson – WSRA Application
1580 Logan Street, Suite 200
Denver, CO 80203

Re: Water Supply Reserve Account Grant Application

Dear Board Members:

The City of Gunnison has partnered with the Colorado Division of Parks and Wildlife (CPW) to apply for funds for river system assessment and restoration for a 2.5 mile reach of the Gunnison River near the City of Gunnison.

The Gunnison City Council proudly supports this collaborative project. The CPW owns the river corridor where the project will take place and the City of Gunnison owns the VanTuyl Ranch, which is adjacent to the river corridor. Degradation of this river section has occurred over the years because of concrete riprap that was placed in the river to divert flood waters, which had the unintended consequence of depositing riverbed materials and causing flooding downstream. As residents and representatives for the citizens of this community, we believe it is important to continue to improve the quality of life in Gunnison by protecting the Gunnison River for residents, visitors, and wildlife.

As a Council, we participated in and support the 2010 City of Gunnison *VanTuyl Ranch Management Plan*, which includes management practices for habitat protection, agriculture operations, recreation, and water resources. This river project will support those goals.

We pride ourselves on our ability to create partnerships and we are fortunate that the Colorado Division of Parks and Wildlife, the US Bureau of Reclamation, Trout Unlimited, and Gunnison Trails are willing to volunteer time and pool resources to make this project a reality.

We hope that you will look favorably upon our request. We believe that with leveraged funding our community can continue to protect the valuable natural resource that the Gunnison River is.

Thank you for your consideration.


Sincerely,



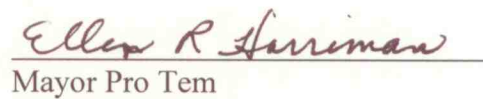
Mayor



Councilor



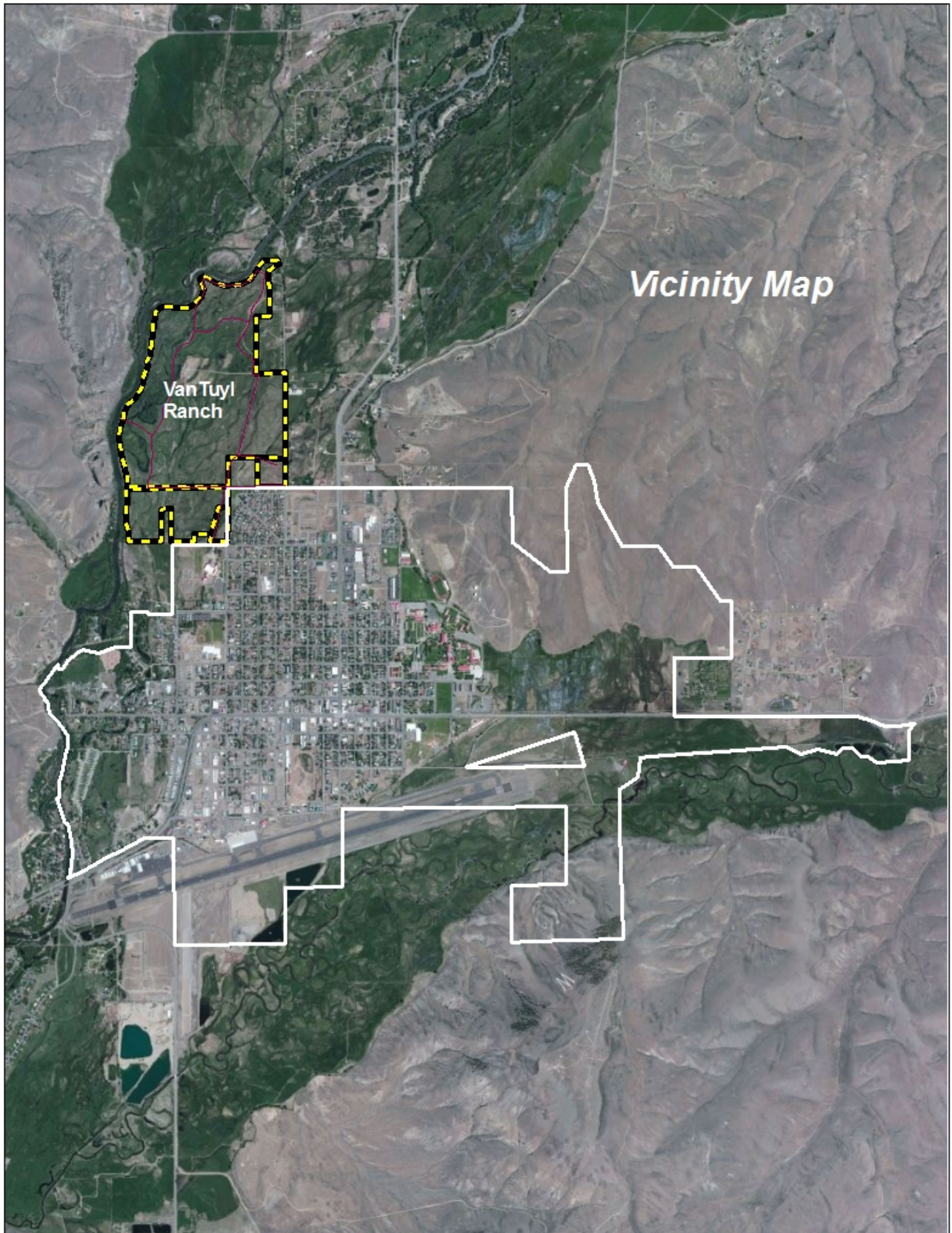
Councilor



Mayor Pro Tem



Councilor



Appendix 1
Reference Information

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

- Water Supply Reserve Account main webpage:
 - <http://cwcb.state.co.us/LoansGrants/water-supply-reserve-account-grants/Pages/main.aspx>
- Water Supply Reserve Account – Basin Fund Application Details:
 - <http://cwcb.state.co.us/LoansGrants/water-supply-reserve-account-grants/Pages/BasinWaterSupplyReserveAccountGrants.aspx>
- Water Supply Reserve Account – Statewide Fund Application Details:
 - <http://cwcb.state.co.us/LoansGrants/water-supply-reserve-account-grants/Pages/StatewideWaterSupplyReserveAccountGrants.aspx>
- Colorado Water Conservation Board main website:
 - <http://cwcb.state.co.us/>
- Interbasin Compact Committee and Basin Roundtables:
 - <http://cwcb.state.co.us/about-us/about-the-ibcc-brts/Pages/main.aspx/Templates/BasinHome.aspx>
- 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 2010:
 - <http://cwcb.state.co.us/water-management/water-supply-planning/Pages/SWSI2010.aspx>
- National Oceanic and Atmospheric Administration (NOAA) Habitat Conservation Restoration Center:
 - <http://www.habitat.noaa.gov/restoration/techniques/srrestoration.html>

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Appendix 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.

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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.

Appendix 3
Water Supply Reserve Account Standard Contract Information

NOTE: The standard 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.

The standard contract is available here under the header "Additional Resources" on the right side:

<http://cwcb.state.co.us/LoansGrants/water-supply-reserve-account-grants/Pages/BasinWaterSupplyReserveAccountGrants.aspx>

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Appendix 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.

Form W-9 (Rev. October 2007) Department of the Treasury Internal Revenue Service	Request for Taxpayer Identification Number and Certification	Give form to the requester. Do not send to the IRS.						
Print or type See Specific Instructions on page 2.	Name (as shown on your income tax return) City of Gunnison							
	Business name, if different from above							
	Check appropriate box: <input type="checkbox"/> Individual/Sole proprietor <input type="checkbox"/> Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Limited liability company. Enter the tax classification (D=disregarded entity, C=corporation, P=partnership) ▶ <input type="checkbox"/> Exempt payee <input checked="" type="checkbox"/> Other (see instructions) ▶ Government/Local Municipality							
	Address (number, street, and apt. or suite no.) 201 West Virginia Avenue, P.O. Box 239							
	City, state, and ZIP code Gunnison CO 81230							
Requester's name and address (optional)								
List account number(s) here (optional)								
Part I Taxpayer Identification Number (TIN)								
Enter your TIN in the appropriate box. The TIN provided must match the name given on Line 1 to avoid backup withholding. For individuals, this is your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see <i>How to get a TIN</i> on page 3. Note. If the account is in more than one name, see the chart on page 4 for guidelines on whose number to enter.								
<table border="1" style="width: 100%; border-collapse: collapse;"><tr><td style="width: 60%;">Social security number</td><td style="width: 40%;">or</td></tr><tr><td>Employer identification number</td><td></td></tr><tr><td>84</td><td>6000673</td></tr></table>			Social security number	or	Employer identification number		84	6000673
Social security number	or							
Employer identification number								
84	6000673							
Part II Certification								
Under penalties of perjury, I certify that:								
<ol style="list-style-type: none">The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), andI am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, andI am a U.S. citizen or other U.S. person (defined below).								
Definition of a U.S. person. For federal tax purposes, you are considered a U.S. person if you are: <ul style="list-style-type: none">• An individual who is a U.S. citizen or U.S. resident alien,• A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States,• An estate (other than a foreign estate), or• A domestic trust (as defined in Regulations section 301.7701-7).								
Special rules for partnerships. Partnerships that conduct a trade or business in the United States are generally required to pay a withholding tax on any foreign partners' share of income from such business. Further, in certain cases where a Form W-9 has not been received, a partnership is required to presume that a partner is a foreign person, and pay the withholding tax. Therefore, if you are a U.S. person that is a partner in a partnership conducting a trade or business in the United States, provide Form W-9 to the partnership to establish your U.S. status and avoid withholding on your share of partnership income.								
The person who gives Form W-9 to the partnership for purposes of establishing its U.S. status and avoiding withholding on its allocable share of net income from the partnership conducting a trade or business in the United States is in the following cases: <ul style="list-style-type: none">• The U.S. owner of a disregarded entity and not the entity,								
Sign Here Signature of U.S. person ▶ <u>Wendy K. Harrison</u> Date ▶ <u>3/31/11</u>								
General Instructions								
Section references are to the Internal Revenue Code unless otherwise noted.								
Purpose of Form								
A person who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) to report, for example, income paid to you, real estate transactions, mortgage interest you paid, acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA.								
Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN to the person requesting it (the requester) and, when applicable, to:								
<ol style="list-style-type: none">1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),2. Certify that you are not subject to backup withholding, or3. Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income.								
Note. If a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.								

Cat. No. 10231X

Form **W-9** (Rev. 10-2007)