

**Water Supply Reserve Account – Grant and Loan Program
Water Activity Summary Sheet
Agenda Item 25.b**

Applicant: Animas Airpark Property Owners Association

Water Activity Name: Animas Airpark Water Distribution System

Water Activity Purpose: Non-structural Activity

County: La Plata

Drainage Basin: Animas River

Water Source: Animas River

Amount Requested: \$20,000 (Southwest Basin Account)

Matching Funds: \$5,000 (Applicant)

Staff Recommendation
Staff recommends approval of up to \$20,000 from the Southwest Basin Account to assist in the funding of the Animas Airpark Water Distribution System.

Water Activity Summary:

Despite being the third largest industrial development in the Durango area, the Animas Airpark (AAP) is not supplied with central water and sewer. The AAP was originally conceived as a fly-in, fly-out residential development, but local market forces caused it to become a low-cost industrial park. The Property Owners Association (POA) provides basic services for road maintenance and facilitates business development. The AAP includes 43 lots, of which 8 are residential and 35 are commercial. To date, water has been supplied by individual and shared wells, all of which are low yielding. As a result, many businesses and residents are forced to haul water.

Subsequent to the completion of the Animas La Plata Project (the dam is 1 mile west of the AAP) the City of Durango plans on developing a 2nd water treatment plant on 10 acres next to the AAP. This area is below the dam and will provide the city with pressure sufficient to operate a new membrane water treatment plant. In anticipation of the new plant, Durango plans to extend an existing pipeline to the city's property by the AAP. Durango has appropriated money in the 2012 budget to extend the pipeline near the proposed plant site. The city plans on completing the new plant when the economy recovers and growth in southern Durango resumes.

In the mean time, prior to plant construction, Durango plans to build the pipeline to the plant site in 2013. Durango has also indicated that once the new water line is complete, arrangements could be made to allow the AAP to be served through a master meter from the pipeline via Durango's existing system. The existing Durango system could supply the AAP lots from a storage tank across the valley and slightly above the airpark mesa.

AAP presently does not have a water distribution system to deliver the water to the AAP structures. Initial planning indicates a necessary distribution system of approximately 13,000 feet of 8", 10" and 12" pipe to serve all AAP lots. Since most of the lots are commercial, the distribution system sizing will be primarily dependent on providing fire flow. The Animas Airpark POA seeks WSRA funds to design the pipe distribution system to use water available from the Durango pipeline.

Discussion:

The proposed project seeks to meet an important municipal need identified in the Southwest Basin Needs Assessment. It would allow many businesses and residents who currently rely on low yielding wells and hauling water to connect to the Durango system. The AAP is within the City's "La Posta Road Planning Area" which is presently being studied and developed. The water supplied to AAP would be provided via one of Durango's IPP's listed in SWSI 2010.

Durango has adequate water rights and is acquiring additional Animas La Plata Project water. The Animas-La Plata Project which has been supported by the CWCB. Colorado House Bill (H.B.) 10-1250 authorized the expenditure of up to \$36 million (3 -\$12M million installments) from the Severance Tax Perpetual Base Account towards the purchase of all or portion of the State's 10,460 acre-feet of ALP project water.

Issues/Additional Needs:

No issues or additional needs have been identified.

Staff Recommendation:

Staff recommends approval of up to \$20,000 from the Southwest Basin Account to assist in the funding of the Animas Airpark Water Distribution System.

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 will help promote the development of a common technical platform.

In accordance with the revised WSRA Criteria and Guidelines, staff would like to highlight additional reporting and final deliverable requirements. The specific requirements are provided below.

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 scope 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.

Engineering: All engineering work (as defined in the Engineers Practice Act (§12-25-102(10) C.R.S.)) performed under this grant shall be performed by or under the responsible charge of professional engineer licensed by the State of Colorado to practice Engineering.