

Water Supply Reserve Account – Grant and Loan Program
Water Activity Summary Sheet
September 24, 2013
Agenda Item 18(e)

Applicant: South Metro Water Supply Authority

Water Activity Name: Water Infrastructure And Supply Efficiency (WISE) Partnership: Western Pipeline Connection Engineering/Design

Water Activity Purpose: Municipal/Industrial

County: Douglas and Arapahoe

River Basin: Metro

Water Source: South Platte

Amount Requested: \$1,413,000 (Statewide Account); \$157,000 (Metro Account)

Matching Funds: \$5,285,000 (77%)

Staff Recommendation:
Staff recommends approval of up to \$1,413,000 from the Statewide Account, and \$157,000 from the Metro Basin Account to help complete the project titled: Water Infrastructure And Supply Efficiency (WISE) Partnership: Western Pipeline Connection Engineering/Design

Water Activity Summary:

The WISE Partnership is a regional water supply project between Aurora Water, Denver Water and the South Metro Water Supply Authority (SMWSA) to combine available water supplies and system capacities to create a sustainable new water supply. Through WISE, Aurora Water and Denver Water will provide 7,000 AFY (on average) of fully treated water to SMWSA for distribution to its members on a permanent basis. Aurora's Prairie Waters system will provide the backbone for delivering water from the South Platte when Aurora and Denver Water have available water supplies and capacity. WISE will also enable Denver Water to access its supplies through Prairie Waters during periods when it needs to utilize its additional water supplies. Denver Water and Aurora Water will supply water to SMWSA at a master meter located near Aurora's Binney Water Purification Facility (Binney Facility). SMWSA will develop infrastructure within their area for distribution to their members.

To distribute WISE water to its members, SMWSA is developing the Western Pipeline system. This system will begin at a new pump station located at the Binney Facility. This pumping facility will be dedicated to pumping WISE water generally west to a high point located near the intersection of Smoky Hill Road and Highway E-470. From this location, WISE water would flow by gravity south and then west along the Highway E-470/C-470 corridor through an existing pipeline currently owned and operated by East Cherry Creek Valley Water & Sanitation District (ECCV) known as the ECCV western pipeline. Several turnouts will be constructed to deliver water directly to WISE partners with systems adjacent to this pipeline. A turnout and pump station will also be constructed near the intersection of Chambers Rd. and E-470 to deliver water to WISE

partners located south of the ECCV western pipeline. A pipeline will be constructed along the eastern side of Rueter-Hess Reservoir to allow storage of WISE water. In total, three new pump stations, 45 miles of new pipelines, 15 miles of existing pipe to be acquired from ECCV, and unique delivery points for each of the participants will be part of this system. In total this system will cost approximately \$132 million.

SMWSA is seeking a WSRA grant to help with the engineering and design of the connections necessary to connect each participant to the ECCV western pipeline. In total, there will be 10 separate connections into the ECCV western pipeline. These 10 connections are estimated to cost \$6,855,000 to design and construct. The WSRA grant is for 23% of the cost associated with the 10 connections and 1% of the total project cost.

Threshold and Evaluation Criteria

The application meets all four Threshold Criteria.

The application articulates how the project meets the Evaluation Criteria as summarized below:

Tier 1: Promoting Collaboration/Cooperation & Meeting Water Management Goals & Identified Needs:

a. **Multipurpose:** The WISE Partnership is broadly supported by state leaders, the western slope, the environmental community, and entities throughout the Metro area. This is demonstrated by statements of support were provided by 11 individuals. In addition, in March of 2012, the CWCB adopted a resolution of support for the WISE Partnership.

b. **Collaboration & Cooperation:** The WISE Partnership is a regional collaborative project between 10 South Metro water providers, Aurora Water, and Denver Water. It is promoting an unprecedented degree of cooperation among Metro area water providers. The WISE Partnership represents the future of cooperation between water providers on the front range and collectively impacts over 2 million Coloradoans.

c. **Meets Defined Needs:** The WISE Partnership was specifically listed as an Identified Project and Process (IPP) in SWSI 2010 and the Metro Roundtable's Needs Assessment Report. This WSRA grant helps implement this important IPP and address the M&I gap in the South Metro area.

Tier 2: Facilitating Water Activity Implementation:

d. Coordinating the funding of 10 individual participants in a \$132 million project is a difficult undertaking. Grant funding will allow the SMWSA to expedite and coordinate engineering/design of the connections, thus allowing the individual participants to focus on securing funding for their share of the construction costs.

e. This WSRA grant is a small, but important part of the overall project. It represents 1% of the total project cost and 23% of the costs associated with the connections.

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

f. The WISE Partnership indirectly helps sustain agriculture and meet environmental needs. It provides a renewable water supply to the South Metro area from reusable return flows. Without the ability to make use of these reusable return flows, the South Metro area would need to meet these needs either by acquiring agricultural water rights or developing new water supplies.

g. The WISE Partnership promotes maximum utilization of state waters by maximizing the use of reusable return flows from Denver Water and Aurora Water.

i. The WISE Partnership implements an important IPP, helps meet the South Metro M&I Gap, provides a renewable water supply to the South Metro area there-by reducing reliance on non-renewable groundwater, provides a backup drought supply to Denver, and uses Aurora Water's existing infrastructure benefiting over 2 million Coloradoans.

j. Individual WISE Participants are evaluating the CWCB Loan Program as a potential option for financing their portion of the \$132 million in WISE infrastructure.

Discussion:

No additional discussion is needed.

Issues/Additional Needs:

No additional issues or needs were identified.

Staff Recommendation:

Staff recommends approval of up to \$1,413,000 from the Statewide Account, and \$157,000 from the Metro Basin Account to help complete the project titled: Water Infrastructure And Supply Efficiency (WISE) Partnership: Western Pipeline Connection Engineering/Design

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 and Final Deliverable: 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. 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.

Staff recommends approval of up to \$619,200 from the Statewide Account and up to \$68,800 from the Metro Basin account to help complete the project titled: Water Infrastructure and Supply Efficiency (WISE) Partnership: Western Pipeline Connection Engineering/Design. Staff also recommends approval of up to \$793,800 from the Statewide Account and up to \$88,200 from the Metro Basin account subject to the availability of funds in the WSRA at the March CWCB meeting.