

Water Supply Reserve Account – Grant and Loan Program
Water Activity Summary Sheet
November 19-20, 2014
Agenda Item 11(b)

Applicant & Program Sponsor: Town of Olathe, Colorado.

Water Activity Name: Town of Olathe Water Rights Assessment

Water Activity Purpose: Needs Assessment

County: Montrose

Drainage Basin: Gunnison

Water Source: Dry Creek, Moffit Spring and Citizen Reservoir

Total Amount Requested: \$15,000

Source of Funds: Gunnison Basin Account

Matching Funds: Applicant Match (\$6,500) = 30% of total study costs (\$21,500)
(refer to *Funding Summary/Matching Funds*)

Staff Recommendation
Staff recommends approval of up to \$15,000 from the Gunnison Basin Account to help fund the project titled: Town of Olathe Water Rights Assessment.

Water Activity Summary: WSRA funds will be expended to perform a study to evaluate options for the Town of Olathe to protect and improve its pre-Compact water rights from Dry Creek, Moffit Spring and the Citizens Reservoir. The Town of Olathe will partner with local, State and Federal entities with interest in water conservation to develop an alternative analysis for the continued beneficial use of the existing pre-Compact water rights. The proposed study would include evaluation of alternatives as described below. Because of the pre-Compact status of the water rights, leasing the water to users to augment water depletions caused by a water call or by banking water to prevent or mitigate compact curtailment may benefit the wider basin and the State of Colorado

M&I: The proposed project will evaluate the possibility of using the Town's existing water rights to supplement the Town's M&I water to protect against dry years and potential shortages through the Project 7 Water Authority.

Irrigation: The project will analyze the feasibility of leasing the water to local farmers for irrigation and stock watering to protect against dry years and potential shortages.

Compact Water Bank Pilot Program: The Colorado River Water Conservation District (River District), acting by and through its Colorado River Water Projects Enterprise, the Southwestern Water Conservation District (Southwestern District), the Nature Conservancy (TNC), and the Front Range Water Council (FRWC) are investigating the feasibility of a water bank that may prevent compact curtailment or allow the continued use of some post-Compact water rights in the case of Compact curtailment.

The Town of Olathe is interested in investigating the possibility of using its pre-Compact water rights in this pilot water bank program. This study will help identify potential constraints and issues that may arise in the implementation of a water bank.

Repairs and improvements to existing infrastructure: The project will also analyze infrastructure needs and improvements necessary to implement the proposed water uses.

Other: The proposed project will evaluate the feasibility of donating the water rights to improving riparian habitat or hydropower generation through increased in stream flows and other considerations.

Discussion:

No additional discussion is required.

Issues/Additional Needs:

No issues or additional needs have been identified.

Threshold and Evaluation Criteria:

The application meets all four Threshold Criteria

Tier 1-3 Evaluation Criteria:

n/a

Funding Summary/Matching Funds:

	<u>Cash</u>	<u>In-kind</u>	<u>Total</u>
WSRA Gunnison Basin Account	\$15,000	n/a	\$15,000
Riverside Ranch Company, LLLP	\$5,000	\$1,500	\$6,500
Total Project Costs	\$20,000	\$1,500	\$21,500

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.