

Water Supply Reserve Account – Grant and Loan Program
Water Activity Summary Sheet
September 15-17, 2015
Agenda Item 18(a)

Applicant & Fiscal Agent: South Metro WISE Authority
Water Activity Name: WISE Partnership: Conjunctive Use Infrastructure
Water Activity Purpose: Municipal/Industrial
County: Douglas & Arapahoe
Drainage Basin: Metro
Water Source: Denver Basin Aquifer (Willows Wells)
Amount Requested/Source of Funds: \$105,000 Multiple Basin Accounts
\$800,000 Statewide Account
\$905,000 Total Grant Request

Matching Funds: Basin Accounts Match: \$105,000 = 11.6% of total grant request (meets 5% min);
Basin Accounts & Applicant Match: \$5,603,022 = 619% of total grant request
(meets 25% min);
Applicant Match: \$5,498,022 = 85.9% of total project costs (\$6,403,022)
(refer to *Funding Summary/Matching Funds* section)

Staff Recommendation:

Staff recommends approval of up to \$19,000 from the following Basin Accounts:

- Metro Account: \$40,000
- North Platte Basin Account: \$10,000
- South Platte Basin Account: \$15,000
- Colorado Basin Account: \$10,000
- Arkansas Basin Account: \$10,000
- Gunnison Basin Account: \$10,000
- Yampa/White/Green Basin Account: \$10,000 (pending Sept. 9 RT approval)

and \$800,000 from the Statewide Account to help fund the implementation of the water project titled:
WISE Partnership: Conjunctive Use Infrastructure

Water Activity Summary: The Water Infrastructure and Supply Efficiency (WISE) Partnership is a regional water supply project between Aurora Water, Denver Water and the South Metro WISE Authority (WISE Authority) to combine available water supplies and system capacities to create a sustainable new water supply. Through WISE, Aurora Water and Denver Water will provide up to 10,000 AF annually (on average) of fully treated water to the WISE Authority for distribution to its members on a permanent basis. Aurora's Prairie Waters system will provide the infrastructure for delivering water from the South Platte River when Aurora and Denver Water have available water supplies and Aurora's Prairie Waters system has available capacity. WISE will also enable Denver Water to access its supplies as a new emergency and backup supply. Denver Water and Aurora Water will supply water to the WISE Authority at a master meter to be located near Aurora's Binney Water

Purification Facility (BWPF). The WISE Authority will develop infrastructure within their area for further distribution to their members.

To distribute WISE water to its members, the WISE Authority is developing the Western Pipeline system (see attachment #1 WISE Project Conveyance Alignments). The backbone of this system is the Western Pipeline recently purchased by the WISE Authority and Denver Water from ECCV. However, ECCV retained 8 MGD of capacity in the pipeline to move Denver Basin Aquifer water from the Willows Wells to their service area. In order maximize the use of this existing piece of infrastructure and conjunctively use nonrenewable groundwater and renewable WISE water, treatment and additional pipeline infrastructure needs to be constructed. A treatment facility providing chloramine disinfection and iron and manganese removal for the groundwater is needed in order to comingling this water with WISE water in the Western Pipeline.

The WISE Authority is seeking a WSRA grant to help with the construction of the infrastructure needed to allow conjunctive use of the Willows Wells and WISE water within the Western Pipeline system. This infrastructure includes a treatment plant and piping needed to by-pass an existing pump station. This infrastructure is estimated to cost \$6.4 million. The WSRA grant is for 14% of the construction cost.

Construction of this infrastructure will allow full implementation of the WISE Partnership, maximize the use of the existing Western Pipeline, and allow the conjunctive use of Denver Basin Aquifer water with renewable surface water. Ultimately this will allow South Metro entities to change the way they use the Denver Basin Aquifer going from an unsustainable base supply, to a sustainable and conjunctively used drought supply.

Objectives:

- Allow conjunctive use of Willows Wells supplies in the Western Pipeline system
- Construct necessary treatment plant and piping for connection to the Western Pipeline system
- Help to reduce the M&I Gap
- Support implementation of identified projects and processes (IPPs).

Discussion: The proposed effort complies with the stated Goals and Measurable Outcomes as indicated in the South Platte/Metro Basin Implementation Plan (Section 1.9.2, MO#3, page 1-26), assists the South Platte Basin and Metro Roundtables meet their M&I gap and is identified as a Reuse IPP (Section 4.3.2.1, Table 4-10, page 4-25).

A previous WSRA Grant totaling \$1,570,000 was awarded to the South Metro WISE Authority for the *Western Pipeline Connection Engineering/Design* project; in addition, a total of 16 loans were approved by the Board, four each for four individual WISE Authority members in May of 2014.

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:

Staff has reviewed and evaluated the applicant's response to the Statewide Account Supplemental Scoring Matrix and has determined that it satisfies the Evaluation Criteria. Please refer to the WSRA Application for the applicant's detailed response.

Funding Summary/Matching Funds:

	<u>Cash</u>	<u>In-kind</u>	<u>Total</u>
WISE Authority	\$5,498,022	\$0	\$5,498,022
Metro Basin Account	\$40,000	n/a	\$40,000
North Platte Basin Account	\$10,000	n/a	\$10,000
South Platte Basin Account	\$15,000	n/a	\$15,000
Colorado Basin Account	\$10,000	n/a	\$10,000
Arkansas Basin Account	\$10,000	n/a	\$10,000
Gunnison Basin Account	\$10,000	n/a	\$10,000
Yampa/White Basin Account ⁽¹⁾	\$10,000	n/a	\$10,000
WSRA Statewide Account	\$800,000	n/a	\$800,000
Total	\$6,403,022		\$6,403,022

Notes:

(1) approval pending

CWCB Project Manager: Derek Johnson

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 must 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.