



COLORADO WATER CONSERVATION BOARD



WATER SUPPLY RESERVE ACCOUNT APPLICATION FORM

Today's Date: June 2nd, 2015

MacFarlane Dam Rehabilitation

Name of Water Activity/Project

Ducks Unlimited, Inc. in partnership with Evans Land Company, the United States Fish and Wildlife Service. and the Bureau of Land Management

Name of Applicant

North Platte Basin

Amount from Statewide Account:

\$100,000

Amount from Basin Account(s):

\$500,000

Total WSRA Funds Requested:

\$600,000

Approving Basin Roundtable(s)

(If multiple basins specify amounts in parentheses.)

FEIN: 13-5643799

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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)

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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>. In addition, the applicant should also refer to the [Supplemental Scoring Matrix](#) applied to Evaluation Criteria Tiers 1-3 for Statewide Account requests .

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:

Craig Godbout - WSRA Application
Colorado Water Conservation Board
1313 Sherman St., Room 721
Denver, CO 80203
Craig.godbout@state.co.us

If you have questions or need additional assistance, please contact Craig Godbout at: 303-866-3441 x3210 or craig.godbout@state.co.us.

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Part I. - Description of the Applicant (Project Sponsor or Owner);

1.	Applicant Name(s):	Ducks Unlimited, Inc. in partnership with Evans Land Company, the US Fish and Wildlife Service, and the BLM			
	Mailing address:	1825 Sharp Point Drive, Suite 118 Fort Collins, CO 80525			
	FEIN #:	13-5643799			
	Primary Contact:	Matt Reddy	Position/Title:	Regional Biologist	
	Email:	mreddy@ducks.org			
	Phone Numbers:	Cell:	970.381.2876	Office:	
	Alternate Contact:	Blaine Evans	Position/Title:	Landowner	
	Email:	evanscattleco@wildblue.net			
	Phone Numbers:	Cell:	(970) 819-9461	Office:	(970) 723-4927

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

Ducks Unlimited, Inc. (DU) is a private not for profit (501(c)3) organization whose mission is to “conserve, restore and manage wetlands and associated habitats for North America’s waterfowl. These habitats also benefit other wildlife and people.” Established in 1937, DU was founded by a group of men who realized the climatic impact of the “Dust Bowl” was having a devastating effect on waterfowl populations. They set about to form an organization which has become the preeminent conservator of North American wetland habitats. Wetlands are one of the most dynamic natural systems on earth, providing flood irrigation, recharge of aquifers, contaminant removal, wildlife habitat, and they provide the basis for the livelihoods and recreation of millions of people. Over our 75 year history, DU has conserved more than 11 million acres of wetlands and associated habitats. DU is a science-based organization and it pursues its mission continent-wide, focusing on priority areas with the biggest impact on North American waterfowl populations.

In Colorado, DU has worked with several organizations focused on both wildlife conservation and water resources conservation. Since 1997, we have conserved, restored and managed more than 100,000 acres of wetlands and associated habitats in Colorado. To deliver wetland conservation projects in the state, DU maintains a staff including a full-time program manager, a regional biologist, a certified engineer, and a regional director of grassroots membership. We also maintain a registered membership of over 10,000 members in the state of Colorado.

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

Not applicable

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.

None

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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 checked="" 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 ensure the functioning condition of MacFarlane Reservoir in Jackson County, CO. Water from this reservoir is used to irrigate private and federal lands used for cattle production, hay production, big game wintering range, waterbird habitat and grouse habitat. Therefore, we consider the project to address both Agricultural and Nonconsumptive purposes.

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

- | | |
|--------------------------------|--|
| <input type="checkbox"/> Study | <input checked="" type="checkbox"/> Implementation |
|--------------------------------|--|

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) |
| 6,507 | Existing Storage Preserved or Enhanced (acre-feet) |
| <input type="text"/> | 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) |
| 1,664 | Area of Restored or Preserved Habitat (acres) |

Other -- Explain:

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

Latitude:

40.553

Longitude:

-106.292

5. Please provide an overview/summary of the proposed water activity (no more than one page).

Ducks Unlimited, Inc. (DU), in partnership with Evans Land and Cattle, Inc. (ELC), the United States Fish and Wildlife Service (USFWS) and the Bureau of Land Management (BLM), requests \$600,000 in Water Supply Reserve Account funding to complete necessary dam repairs on MacFarlane Dam in Jackson County, Colorado. This sum will match over \$1M in match provided by the partnership. The MacFarlane Reservoir is a multiple purpose reservoir jointly owned by ELC, the USFWS, and the BLM. The Colorado Division of Water Resources (DWR) has issued a notice that a storage restriction will be placed on the reservoir if the outlet pipe and toe drains are not repaired within the next five years. The reservoir is used for irrigation of private and public land as well as supporting waterfowl habitat in wetlands within the Arapaho National Wildlife Refuge and Hebron Slough Wetland Management Area. Preservation of existing storage in the basin is recognized in the North Platte Basin Implementation Plan as a high priority project.

MacFarlane Dam is an intermediate-sized dam impounding at least 6,500 acre-feet of water in southern Jackson County, Colorado (See Map 1, p. 17). The dam was originally constructed in 1915 and reconstructed in 1962. The dam can irrigate more than 1,600 acres of pasture and wet meadow in North Park. Thousands of acres of wetlands and wet meadow are associated with the water stored and delivered from the reservoir, including some of the highest quality waterfowl and sage grouse production areas in the state. MacFarlane Dam has had a history of seepage and slope stability problems. The Colorado Dam Safety Branch files indicate a slope failure occurred near the left abutment of the main dam and that this area was repaired in 1975. The 2014 field investigations noted several other dam safety deficiencies including: (1) Wave erosion damage along the upstream slope of the north embankment; (2) Inadequate seepage control along both embankments; (3) Localized slope instability in the downstream slope of both embankments; (4) A severely deteriorated outlet works terminal structure; and, (5) No emergency spillway control section to minimize scour during large spillway discharges.

The overall goal of this project is to address the identified dam safety deficiencies. The following are objectives to meet that goal: (1) Ensure dam safety by repairing the existing embankment and associated outlet structures; (2) Ensure longevity of the dam by reconstructing the emergency spillway; (3) Provide adequate storage volumes matching existing water rights; and, (4) Provide reliable access to the site.

Repair of the dam and maintenance of its storage capacity is a high-priority project for the North Platte Basin. In its draft *Basin Implementation Plan*, the North Platte Basin has identified eight basic goals to establish priorities for water development and maintain important historical water uses in the basin (2014, p. 2). The MacFarlane Dam Rehabilitation Project directly addresses four (4) of those needs. The project is identified in the Basin Implementation Plan as a potential project meeting Plan goals (pp. 72 – 73). It states there that, “*This project excels at meeting the basin goals 1, 3, 4, and 5. The preserved storage helps to maintain and maximize the consumptive use of water in the basin (Goal 1), while helping to maintain important existing infrastructure (Goal 3). In addition, the multiple purpose uses of the reservoir help to directly maintain healthy wetlands (Goal 4), while showcasing the beneficial relationship between agricultural and environmental and recreational water use (Goal 5).*”

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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

This project shall conform to the requirements/language of the above Statute. We affirm the prior appropriation doctrine and water rights adjudication system as stated in C.R.S. 37-75-102.

- 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.

To Be Determined at the regular July 28th meeting of the North Platte Basin Roundtable.

- 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.

The project application was submitted to the North Platte Basin Roundtable in time for review at their regular monthly meeting on July 28th, 2015.

- d) Matching Requirement: For requests from the **Statewide Fund**, the applicants will be required to demonstrate a **25 percent** (or greater) match of the total grant request from the other sources, including

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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by not limited to Basin Funds. A minimum match of 5% of the total grant amount shall be from Basin funds. A minimum match of 5% of the total grant amount must come from the applicant or 3rd party sources. 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 contract or purchase order between the applicant and the State of Colorado is executed. 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)

Matching funds will be provided by three partners: The United States Department of Interior (including the BLM), ELC and DU. WSRA funds will account for 36% of the overall project cost, of which 30% is North Platte Basin funds and 6% is statewide funds.

These levels of match achieve the minimum requirements for WSRA funding. CWCB requires at least 25% match to the Statewide Fund, we provide 94% in this proposal. CWCB requires a minimum match of 5% from the North Platte Basin, we provide 30% here.

Statewide Account funds will be reserved to contingent project expenses and will, therefore, be the last funds expended on the project and the first funds left unspent and returned to state coffers should project costs be less than budgeted.

The following table presents the partners, allocated dollars and percent share of the project budget:

Partner	Type	Allocation (\$)	Share
WSRA-NPB	North Platte Basin Account	500,000	30%
WSRA-S	Statewide Account	100,000	6%
DOI	Cash and In-kind Match	916,925	54%
ELC-L	CWCB Loan Program	100,000	6%
DU	In-kind Indirect Cost Donation	69,540	4%
TOTAL		1,686,465	100%

WSRA-NPB (Colorado Water Conservation Board Water Supply Reserve Account, North Platte Basin); WSRA-S (Colorado Water Conservation Board Water Supply Reserve Account, Statewide Account), DOI (Department of Interior); DU (Ducks Unlimited, Inc.); ELC (Evans Land Company)

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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. The applicant should also refer to the Supplemental Scoring Matrix applied to Evaluation Criteria Tiers 1-3 for Statewide Account requests. 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.

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).

The MacFarlane Dam Rehabilitation will address both consumptive and non-consumptive needs as identified in local and state-wide planning documents. Because the water stored in MacFarlane irrigates tracts of land managed by a private ranching enterprise, federal lands managed for multiple use (including grazing) and federal lands managed strictly for wildlife habitat, it is certain that the economic, environmental and recreational needs of the North Platte Basin and Colorado will be served upon completion of the work. This range of benefits is derived from the multiple uses the waters of MacFarlane Dam provide. These include cattle production, duck and grouse production, wetland habitat maintenance, landscape integrity, and the value of open space and beautiful vistas in this part of Colorado.

Letters of support from other Basin Roundtables will be sought with authorization from the North Plate Basin Roundtable.

- 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.

Four (4) entities are represented as project partners in the application. They provide the basis for the project’s collaborative nature between traditional, consumptive use and non-consumptive water users in the North Platte Basin. Two federal partners, the Bureau of Land Management and the United States Fish and Wildlife Service, are landowners and partners in the effort. A single, private ranching operation, Evans Land Company, is

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a landowner and partner in the effort. And, a single non-governmental, not-for-profit organization, Ducks Unlimited, Inc., is a partner in the effort.

The project is critical to maintaining Colorado's share of the North Platte's water supply under the Equitable Apportionment Decree entered by the Supreme Court. The 6,500 AF of storage represents 38% of the allowed 17,000 AF of storage. Maximizing this use of water is one of the principal goals stated in the North Platte Basin Implementation Plan.

Further, MacFarlane reservoir could serve as storage for the Basin-wide Augmentation Plan now being considered by the Roundtable.

- 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.

In its draft *Basin Implementation Plan*, the North Platte Basin has identified eight basic goals to establish priorities for water development and maintain important historical water uses in the basin (2014, p. 2). The MacFarlane Dam Rehabilitation Project directly addresses four (4) of those needs. The project is identified in the Basin Implementation Plan as a potential project meeting Plan goals (pp. 72 – 73). It states there that:

"This project excels at meeting the basin goals 1, 3, 4, and 5. The preserved storage helps to maintain and maximize the consumptive use of water in the basin (Goal 1), while helping to maintain important existing infrastructure (Goal 3). In addition, the multiple purpose uses of the reservoir help to directly maintain healthy wetlands (Goal 4), while showcasing the beneficial relationship between agricultural and environmental and recreational water use (Goal 5)."

This work is similarly responsive to the values expressed in the latest draft of Colorado's Water Plan. It is stated there that the state's core water values are , *"A productive economy that supports vibrant and sustainable cities, viable and productive agriculture, and a robust skiing, recreation, and tourism industry; Efficient and effective water infrastructure promoting smart land use; and A strong environment that includes healthy watersheds, rivers and streams, and wildlife (p.2)."* The consumptive and Nonconsumptive water needs alleviated by the dam work proposed here are true to all three of these value statements.

In Chapter 6.1 of the draft Water Plan, *Scenario Planning & Adaptive Strategies*, seven (7) preferred actions are recommended to achieve water supply goals in the short-term. The MacFarlane Dam Rehabilitation project addresses three (3) of these actions by utilizing existing storage capacity to water portions of the North Platte Basin that are important economically and ecologically:

- Implement projects and methods that support environmental and recreational uses: Implement local projects, especially those that support imperiled species and recreational areas that are important to local economies;
- Strive for high success rates for projects and methods that are already planned: Work to support the projects that are already planned, as these already have a project proponent and are often smaller and less controversial than many of the other project options; and,

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- Assess and implement storage projects and other infrastructure: Implement storage and other infrastructure to maximize flexibility and reliability. Focus on options that support multiple needs, such as for communities, agriculture, and the environment.

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).

The requested funds are necessary for the successful completion of the MacFarlane Dam Rehabilitation. Grant funds will complement both the private and the federal dollars that have been allocated to the project. There are no other funding sources available that can allocate the necessary level of funding within the established timeframe slated for project implementation. Failure to fund the project will result in project delays and state curtailment of storage in the reservoir.

This will negatively impact the agricultural, wildlife and recreational resources in North Park. Prolonged curtailment could result in irreversible loss of irrigated acres, waterfowl populations and grouse populations there. All of these have farther-reaching implications than just the local loss of some grazing land or diminishment of bird populations. The location and quality of pasture and habitat provided by irrigation water from MacFarlane are connected to much larger economic and ecologic systems that will react negatively to the incremental loss of irrigated grounds in North Park. These negative reactions could include depressed agricultural markets along the Front Range, decreased recreational opportunities for waterfowl hunters along the South Platte and increased threat to sage grouse populations in the state.

- 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.

Ducks Unlimited is not providing any direct cash funding to the project. We are acting as a facilitative partner, allowing (because we alone in the partnership are eligible) Water Supply Reserve Account funding of the proposed work. DU is donating nearly \$70K in indirect costs we normally charge the WSRA and other state and federal grants. Evans Land Company is providing \$100K in cash contribution to the project to be sourced from a CWCB Loan. This represents six percent (6%) of total project costs.

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.

The proposed work will enable an 800 cow/calf ranching operation – Evans Land Company – to continue to irrigate approximately 800 acres of pasture land and, as supplemental water, to irrigate 200 acres of hay land. Approximately 95% of the Evans land irrigated with MacFarlane water is used for grazing cattle and is not hayed. ELC is also the permittee on the Bureau of Land Management tracts irrigated with MacFarlane Reservoir water supplies. The continued irrigation of Evans ranch property and associated leased lands will insure ranching remains a viable enterprise in this section of North Park. Cattle and forage production provide the

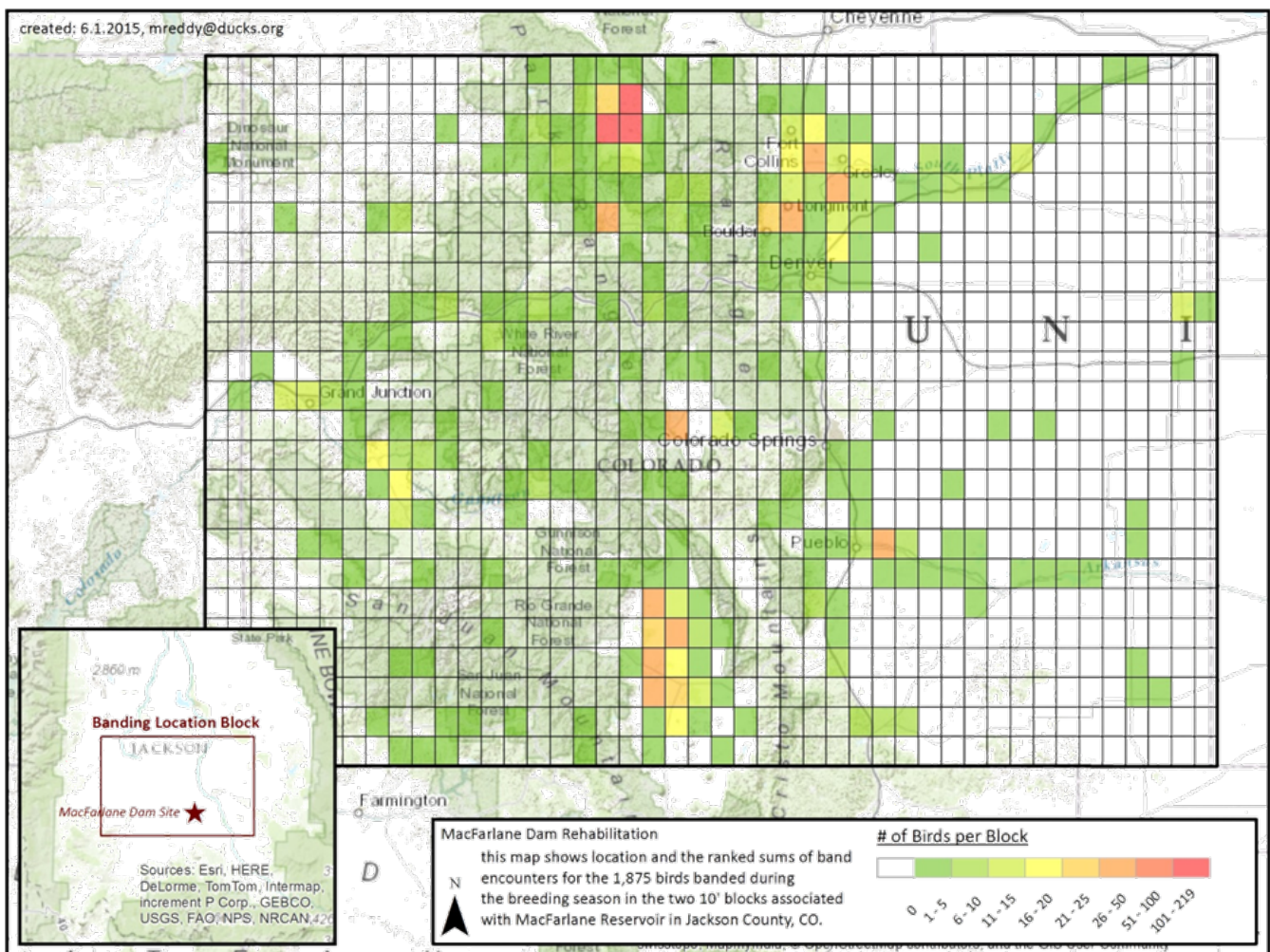
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basis for Jackson County's economy and efforts to maintain the water supplies necessary for that production are a top priority for the community.

The proposed work will also support some of the most important waterfowl habitat found in the state of Colorado. North Park in general and the wetland complex surrounding MacFarlane Dam in particular is home to some of the highest densities of nesting waterfowl in the state. Surpassed only by the San Luis Valley to the south, North Park is recognized as the second most important waterfowl nesting area in Colorado. Indeed, during periods of drought in the San Luis Valley, North Park most likely succeeds to that title. MacFarlane dam provides irrigation water to two important areas that are managed for nesting ducks and other waterbirds: Hebron Slough Wetland Management Area (Bureau of Land Management) and Arapaho National Wildlife Refuge (United States Fish and Wildlife Service).

Map 2 (below) shows how important this is beyond just local distribution of birds. This map presents the destination of almost 2,000 birds bred on and near MacFarlane Reservoir in North Park. It shows that nearly every important waterfowling area in Colorado, including the South Platte River, the Lower Arkansas Basin, the San Luis Valley and the Grand Valley, enjoys birds that ultimately came from the area irrigated by water from MacFarlane Reservoir.



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- 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.

The rehabilitation of MacFarlane Dam will insure that the North Platte Basin's water compact with Wyoming and Nebraska, permitting Colorado to store up to 17,000 Acre Feet of water in one year, will not be jeopardized through lack of storage space. This would deliver a positive impact the state's utilization of entitled water.

- h. The water activity assists in the recovery of threatened and endangered wildlife species or Colorado State species of concern.

Greater Sage Grouse and their habitats will benefit from the proposed work. Water stored in the reservoir is used to irrigate meadows in core sage grouse brood-rearing habitats. Grouse chicks prefer these habitats over others available because of the forage provided during this critical stage of their life cycle: "Seeps, wet meadows and riparian areas become very significant during the brood rearing season, when hens and chicks venture into these areas due to the abundance of forbs and insects that comprise the bulk of a Greater Sage-Grouse chick's diet during the first 12 weeks. Availability of forbs and invertebrates directly affects survival of Greater Sage-Grouse chicks, particularly during drought years..." (Colorado Natural Heritage Program 2011). Greater Sage Grouse are a species of conservation concern at the local, state and federal level. The North Park Greater Sage-Grouse Conservation Plan recognizes the wet meadow habitats conserved under this program as critical brood-rearing areas.

Colorado Parks & Wildlife has identified nine (9) high-priority bird species and eight (8) priority bird species of concern that will benefit from the use of water stored in MacFarlane Dam. These include the largest breeding colony of Willet in the state, one of few nesting colonies of American White Pelican, and foraging areas for Sandhill Cranes. These and other birds are priority targets of conservation actions under plans formulated for the Intermountain West Joint Venture, the North American Shorebird Conservation Plan, the continental Partners in Flight Plan and, importantly, Colorado Parks and Wildlife's Wetlands Program Strategic Plan.

- i. The water activity provides a high level of benefit to Colorado in relationship to the amount of funds requested.

The rehabilitation of MacFarlane Dam provides a high level of benefit to Colorado despite its \$1.6M price tag. The dam has provided over a century of both economic and ecological benefits and this project will ensure that those benefits are maintained far into the future. The current design includes improvements that are higher than state dam safety specifications require, allowing safe operation of the dam for a long period of time. When compared with the cost of permitting, constructing and operating a new reservoir of the same capacity and with the same range of benefits, the cost of this activity begins to seem very reasonable. This is especially true when one considers the amount of infrastructure developed to utilize MacFarlane water for public purposes. Over one hundred thousand dollars of private, state and federal money has been spent on acquiring, upgrading and maintaining the water-delivery infrastructure within the Reservoir's service area.

- j. The water activity is complimentary to or assists in the implementation of other CWCB programs.

We are not aware of any other CWCB programs that will benefit from this activity.

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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.

Right to use the water in MacFarlane Reservoir was granted in Case CA2891 (p. 58). The Reservoir is located within Water Division 6, Water District 47 in Jackson County, Colorado. It is located in Section 29, Township 7 North, Range 79 West, 6th P.M. MacFarlane Reservoir Dam has been assigned by the State a Dam ID of C000997. The current capacity of MacFarlane Reservoir is 6,507 acre-feet absolute with refill rights of 6,833 acre-feet, of which 1,208 acre-feet is absolute and 5,626 is conditional (Cases 84CW156, 84CW157, and 82CW177). The reservoir receives its water from diversion of Willow Creek in the Illinois River watershed. Water is conveyed to the reservoir via ditches, stored in the reservoir and moved to the pasture, meadows and wetlands in the project area for irrigation and wildlife uses.

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

W.W. Wheeler & Associates have been contracted to perform the feasibility, design and permitting of the MacFarlane Dam Rehabilitation. Copies of their Design Criteria Memorandum and 30 Percent Design Submittals are available upon request.

3. Statement of Work, Detailed Budget, and Project Schedule

Please see attached 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.

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 10 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.

Water Supply Reserve Account – Application Form

Revised October 2013

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

Signature of Applicant:



Print Applicant's Name: Matthew A. Reddy

Project Title: MacFarlane Dam Rehabilitation

Date: June 29th, 2015

Return an electronic version (hardcopy may also be submitted) of this application to:

Craig Godbout – WSRA Application
Colorado Water Conservation Board
1313 Sherman St., Room 721
Denver, CO 80203
303-866-3441, ext. 3210 (office)
303-547-8061 (cell)
craig.godbout@state.co.us