



COLORADO WATER CONSERVATION BOARD



WATER SUPPLY RESERVE ACCOUNT APPLICATION FORM

Today's Date: June 29, 2015

La Plata West Water Authority Raw Water Pipeline Upgrade & Operations Funding

Name of Water Activity/Project

La Plata West Water Authority

Name of Applicant

Southwest Roundtable

Amount from Statewide Account:

\$500,000

Amount from Basin Account(s):

\$ 50,000

Total WSRA Funds Requested:

\$550,000

Approving Basin Roundtable(s)

(If multiple basins specify amounts in parentheses.)

FEIN: **26-1656812**

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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 (CWCBC). 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 CWCBC 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 CWCBC 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):	La Plata West Water Authority		
	Mailing address:	PO Box 631 Durango, CO 81302		
	FEIN #:	26-1656812		
	Primary Contact:	Roy Horvath	Position/Title:	President
	Email:	horvath_r@hotmail.com, lpwwaboard@gmail.com		
	Phone Numbers:	Cell: 970-749-1181	Office:	
	Alternate Contact:	Mardi Gebhardt	Position/Title:	Treasurer
	Email:	Mardi.geb@gmail.com		
	Phone Numbers:	Cell: 970-749-1949	Office:	

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

The La Plata West Water Authority (LPWWA or the "Authority") is managing the design and construction of a critically needed rural domestic water system to serve residents in southwestern La Plata County as well as potentially the Ute Mountain Ute Tribe, Southern Ute Indian Tribe where there is a critical need for a domestic water system. Currently, LPWWA is the managing entity for a project to construct a raw water transmission line from the LPWWA intake structure to Lake Durango, in partnership with Lake Durango Water Authority (LDWA), the Southern Ute Indian Tribe (SUIT) and Ute Mountain Ute Tribe (UMUT). LPWWA is also engaged in a sign-up campaign for property owners in LPWWA proposed initial distribution phase area to provide determination of feasibility and definition for final engineering for this phase.

The LPWWA was formed in November 2007 and is an independent political subdivision of the state of Colorado formed by two local government entities, the Animas La Plata Water Conservancy District and the La Plata Water Conservancy District. These entities approved an establishment agreement forming the Authority (attached) and appointed the Board members. The Colorado statutes allow the formation of authorities for a variety of purposes however a specific statute authorizes the formation of water authorities "to effect the development of water resources, systems, or facilities." The Authority succeeded and replaced the La Plata West Water Company (founded in 2004) and now oversees project administration, collaboration with other entities, development and evaluation of design options for a water supply structure and permitting compliance.

Based on a design/build proposal from EPC Corporation for an intake structure to provide access to the ALP reservoir, LPWWA submitted an application for funding to the Southwest and State Roundtables and ultimately received a total of \$1.1 million to start the project. Subsequently, LPWWA approached the Southern Ute Indian Tribe (SUIT) and Ute Mountain Ute Indian Tribe regarding partnership in the construction and ownership of the intake structure. Subsequent to Tribal commitments of \$4.5 million from Tribal Resource Funds, the Establishment Agreement for the Authority was amended to provide for Tribal directors representing each Tribe. Based on financial contributions, the capacity of the intake structure is owned by the three entities in respective percentages: Southern Ute Indian Tribe - 52.9%, Ute Mountain Ute Tribe - 26.5% and LPWWA - 20.6%. Because Tribal Resource Funds were not accessible until substantial completion of the ALP Project, arrangements were made to obtain interim financing through the Colorado Water Resources and Power Development Authority. LPWWA obtained appropriate and required approvals and began construction of the intake structure in the fall of 2008. The intake structure was turned over to the Authority Board in July of 2009, about two weeks before water filling the ALP reservoir covered the lower portal of the intake structure.

After completion of the intake structure, attention turned to the development of a treated water distribution system for Western La Plata County. During the first half of 2010 and in anticipation of receiving project funding from USDA Rural Development, LPWWA solicited and received about 650 commitments of interest in signing up for water system service, with each commitment included a \$500 deposit. After initial engineering generated a project cost of about \$34.5 million, it was determined that USDA did not have adequate funding for the project. Also, during early 2010, LDWA submitted a funding proposal to the Colorado Water Conservation Board to construct a raw water line from the LPWWA ALP reservoir intake structure to Lake Durango to provide access to ALP project water for LDWA to augment its water supply, which LPWWA supported and encouraged. Subsequent agreements between LPWWA and LDWA and the Tribes have defined initial terms of operation between the entities and final engineering is nearing completion for the raw water pipeline and pumping facilities. LDWA has committed about \$2.8 million for the overall raw water pipeline project, with SUIT and UMUT each contributing \$1 toward upsizing the initial $\frac{3}{4}$ mile of pipeline in response to challenging terrain that would make subsequent addition of additional pipeline capacity very difficult and expensive. LPWWA is the coordinating entity, with agreement by Tribes and LDWA to utilize a common engineering firm and other supporting services wherever possible. LPWWA and LDWA have general agreements in place that provide for LDWA to treat water for LPWWA and deliver water through some of LDWA's existing pipeline to a location that provides adequate elevation for gravity feed of water to a large portion of the potential LPWWA service area, which has been defined in agreement. In general terms, other aspects of the LPWWA/LDWA agreements provide for LDWA to treat an amount of water estimated to be adequate to provide service for two initial phases of the overall LPWWA service area. This arrangement provides treated water for the LPWWA service area without the need to fund, construct and operate a treatment plant in parallel with the initial phases of constructing a distribution system. It is anticipated the LPWWA will construct a treatment plant at some point in the future and transition both service and revenue to that treatment plant as LDWA system demands for treated water increase. Since completion of the intake structure, LPWWA has received operational funding in the form of grants from the Animas La Plata Water Conservancy District, grants and loan from the Southwest Water Conservancy District and CWRPDA interest forgiveness.

As of June 30, 2015, LPWWA will have reached a deadline established for property owners in the initial distribution phase to sign-up for water service from the system. As of June 29, 2015, approximately 85 property owners have submitted partial payments totaling approximately \$300,000, mostly representing a first half payment of water tap subscription fees, with a similar amount being due by

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December 31, 2015. This represents a substantial investment and indication of need for a dependable, consistent water supply in Western La Plata County.

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

It is anticipated that LPWWA will be the contracting entity for the raw water construction project. Tribal resource funds are being held in a separate account and LPWWA is providing invoicing and accounting for project costs to the Tribes and LDWA.

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.

Being formed under the provisions of the Colorado Constitution, Article XIV, §18(2)(a) and (2)(b) and C.R.S. §29-1-201, et seq. (the "Intergovernmental Relationships Act" or "IGA Act") by the Animas La Plata Water Conservancy District and the La Plata Water Conservancy District, forming members, the LPWWA is not considered a "district" as that term is used in TABOR. In a relevant Colorado Court of Appeals case, Olson v. City of Golden, the court ruled that an entity that lacked the capacity to levy taxes or hold elections could not be considered a local government within the TABOR definition of "district" and was not subject to the provisions of TABOR. Since the LPWWA lacks these capacities, it is not subject to TABOR regulations and can receive grants directly from the state of Colorado and other local governments.

Part II. - Description of the Water Activity/Project

1. What is the primary purpose of this grant application? (Please check only one)

☐ Nonconsumptive (Environmental or Recreational)

☐ Agricultural

☒ Municipal/Industrial

☐ Needs Assessment

☐ Education

☒ Other

Explain: Raw water supply from ALP Reservoir

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2. If you feel this project addresses multiple purposes please explain.

Since the proposed pipeline upgrade for which funds are being requested will transport raw water, there is potential for capacity and use by entities other than LPWWA, LDWA and the Tribes to utilize both the pipeline and the proportionate share of intake structure capacity owned by LPWWA.

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

☐

Study

☒

Implementation

4. To catalog measurable results achieved with WSRA funds can you provide any of the following numbers?

New Storage Created (acre-feet)

New Annual Water Supplies Developed, Consumptive or Nonconsumptive (acre-feet)

Existing Storage Preserved or Enhanced (acre-feet)

Length of Stream Restored or Protected (linear feet)

Length of Pipe/Canal Built or Improved (linear feet)

Efficiency Savings (acre-feet/year OR dollars/year – **circle one**)

Area of Restored or Preserved Habitat (acres)

Other -- Explain:

20 year operating cost savings - see below

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From Bartlett & West Preliminary Design Report:

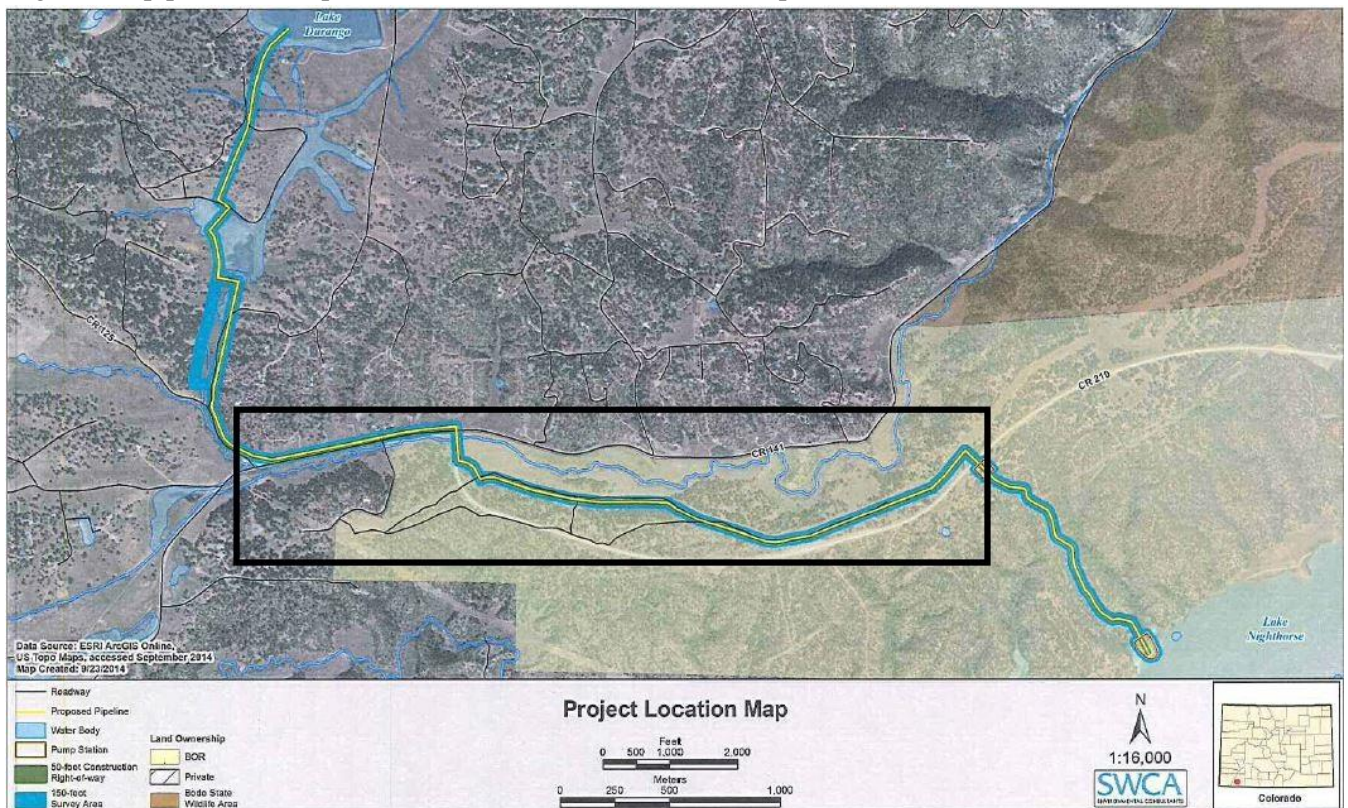
- An 8-inch pipeline for the 125 Pipeline segment of the project meets the project objectives and results in a cumulative operating cost of \$706,400 over the 20-year analysis period. Total cumulative lifecycle cost, including depreciation of the facilities, is projected at \$3.796M over the 20-year analysis period.
- A 16-inch pipeline for the 125 Pipeline segment of the project meets the project objectives while reducing operating costs and provides an avenue for future expansion of the 125 Pipeline to meet future LPWWA needs. This alternative results in a cumulative operating cost of \$561,000 over the 20-year analysis period. Total cumulative lifecycle cost, including depreciation of the facilities, is projected at \$3.975M over the 20-year analysis period.

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

Latitude: 37.238799

Longitude: 107.964134

Segment of pipeline to be upsized included within black line on map below



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5. Please provide an overview/summary of the proposed water activity (no more than one page). Include a description of the overall water activity and specifically what the WSRA funding will be used for. A full **Statement of Work** with a detailed budget and schedule is required as **Exhibit A** of this application.

The primary request is for \$500,000 to increase the diameter of 2.33 miles of pipeline from 8" to 16" pipe to leverage current project costs and minimize ongoing operating costs and future construction costs. The 16" pipeline would provide adequate capacity for the long term needs of both LDWA and LPWWA, as well as providing some capacity for use by other entities with ALP project water allocation rights for delivery to Western La Plata County. It is anticipated that additional pipeline would extend from the end of the proposed pipeline at the intersection of CR 125 and CR 141 to the west when LPWWA pursues construction of a water treatment plant at a future date. As a request to upsize a particular segment of pipeline of the overall proposed project, specific engineering and budgetary information is being included as attachments to this application.

The secondary request is for operating funds for LPWWA in the amount of \$100,000, with the understanding that half of that amount would be provided for by match funding from the Animas La Plata Water Conservancy District, so the total net amount requested for operating funds from the Roundtables is \$50,000.

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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

The proposed water supply for the La Plata West project is the Animas La Plata project, which has decreed water rights (see water court Case No. 01CW54). Therefore, this project is consistent with Section 37-75-102. The use of ALP water by the La Plata West and Lake Durango water supply systems will not affect any existing water rights.

- 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.

This application is for the Southwest Basin Roundtable WSRA, therefore, it has not yet been approved by the BRT.

- c) The water activity meets the provisions of Section 37-75-104(2), Colorado Revised Statutes.² The Basin

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 on-going 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 ² 37-

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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 proposed LPWWC Water Supply System will utilize decreed water from the ALP project (originally derived from the Animas River). This will lessen the overdraft of limited groundwater supply in the La Plata River basin by decreasing domestic use of groundwater in the area and likely contributing to groundwater recharge. The project will be conducted in coordination with Tribal and local governments as well as other invested organizations, including Lake Durango Water Authority. The Animas La Plata Water Conservancy District is purchasing ALP Project allocation that it is making available for purchase by LPWWA, LDWA and potentially other entities in incremental amounts to provide water supply for domestic water systems.

- 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 but 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)

Southern Ute Indian Tribe	\$1,000,000 – 210 Pipeline segment
Ute Mountain Ute Tribe	\$1,000,000 – 210 Pipeline segment
Lake Durango Water Authority	\$1,500,000 – 210 Pipeline segment
Lake Durango Water Authority	\$1,300,000 – remainder of project other than 210 Pipeline segment

Additionally, as of 6-29-2015, approximately 90 LPWWA Service area property owners have submitted about \$440,000 in initial deposits toward distribution system construction. The majority of property owners have submitted half of the total amount due as of June 29, 2015, and it is anticipated that 2nd half payments will be made by December 31, 2015. While the distribution system is a separate project and this amount is not being included as a matching amount, it is important to understand the interest, investment and need for the project that is evidenced by these initial deposits for the construction of the distribution system.

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.

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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).
- 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.
- 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.

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).
- 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.

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.
- 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.
- h. The water activity assists in the recovery of threatened and endangered wildlife species or Colorado State species of concern.
- i. The water activity provides a high level of benefit to Colorado in relationship to the amount of funds requested.
- j. The water activity is complimentary to or assists in the implementation of other CWCB programs.

Continued: Explanation of how the water activity/project meets all applicable **Evaluation Criteria**.

Please attach additional pages as necessary.

Project relation to evaluation criteria:

Overall references to specific IPPs for Animas River Basin – IPP 1-A, 5-A and 1-LaP, as referenced in Appendix A of the Basin Implementation Plan for the Southwest Roundtable dated 4/17/2015.

Tier 1: Promotes cooperation and meets water management goals/needs:

The project addresses the issue of inadequate and unavailable access to any developable or available water rights within the La Plata River Drainage by providing access to ALP project water as a long-term domestic water supply for an area of La Plata County with significant need for domestic water. Water utilized through the project within the La Plata River drainage will help replenish ground water levels. Active participants in the project include LDWA, UMUT and SUIT - See attached letter of support from SUIT. Development of access to ALP source water provides an alternative to possible conversion of existing La Plata drainage agricultural water rights and could allow for diminished use of La Plata River water currently providing domestic water outside of the La Plata drainage, adding to La Plata River flow available to satisfy La

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Plata River compact requirements. The project supports access to ALP project water for multiple uses by current partners and provides by participation by additional entities by virtue of available LPWWA capacity in the intake structure.

Tier 2: Facilitates Water Activity Implementation:

The project builds on the initial investment made by the Southwest Basin and State Roundtable groups, which served as a basis for investment by LDWA and the Tribes to develop a singular infrastructure for the benefit of and use by multiple entities. Funds committed by the Roundtables to the overall project serve to leverage previous and requested funding by encouraged additional investment and participation by other entities. LPWWA has supported the construction of the intake structure and raw water pipeline project as the initiating and managing entity and has no other option for funding until it is able to start its domestic distribution system, the construction of which is to be 50% funded by property owners in the service area.

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

In terms of statewide interests, the raw water project will likely be the first project to actually utilize ALP project water. Although not anticipated to be needed for domestic water supply for some time, the LPWWA intake structure would provide for potential delivery of state-acquired ALP project water to entities needing water in Western La Plata County. Any additional water diverted from the Animas drainage into the La Plata drainage could add to the output of the La Plata River drainage and possibly lessen amounts required to be delivered under the La Plata River Compact. LPWWA is utilizing the services of local professionals for legal, surveying, testing and engineering, including Bartlett & West, which is increasing its presence in Southwest Colorado through the addition of additional staff in Durango.

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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.

The proposed LPWWC Water Supply System will utilize decreed water from the ALP project (originally derived from the Animas River). This will lessen the overdraft of limited groundwater supply in the La Plata River basin by decreasing domestic use of groundwater in the area and likely contributing to groundwater recharge. The project will be conducted in coordination with Tribal and local governments as well as other invested organizations, including Lake Durango Water Authority. The Animas La Plata Water Conservancy District is purchasing ALP Project allocation rights that it is making available for purchase by LPWWA, LDWA and potentially other entities in incremental amounts to provide water supply for domestic water systems. In consideration of the inability to acquire any water rights from the La Plata River Drainage, lack of any available and appropriate storage capacity within the La Plata River Drainage, and diminished run-off from the La Plata River Drainage, water from the ALP Project presents the only readily accessible source of water for the project.

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

The Southwestern La Plata County Regional Water System Study, Phase I, June 2003 (Harvey Economics) evaluated the need for a domestic water system in the project area. The study was commissioned by the Animas La Plata Water Conservancy District, the Southern Ute Indian Tribe, La Plata County and the Upper La Plata Water Users Association (New Mexico). The study concluded that the water demand and potential economic resources are sufficient to further pursue the development of water in this region.

The Southwestern La Plata County Rural Domestic Water System Appraisal Level Study, March, 2004 (Bureau of Reclamation Technical Service Center) determined an appraisal-level cost to construct a rural domestic water system from Lake Nighthorse to New Mexico, with main distribution lines to areas in southwestern La Plata County.

The Preliminary Engineering Report for Southwestern La Plata County Rural Domestic Water System, August 2007, conducted by Cheney Walters Echols, Inc., evaluated the feasibility, construction cost and operation and maintenance costs for five different system layout designs. The LPWWA has used is continuing to refine these preliminary engineering designs and develop the best water supply structure design for the system.

LPWWA engaged Bartlett & West engineers in 2013. Previous preliminary engineering information was reviewed, re-analyzed and updated to provide for a phased project approach to construct a domestic water distribution system. Provisions were also developed to incorporate the proposal from LDWA to build a raw water pipeline that eventually resulted in a partnering arrangement between LPWWA, LDWA and the Tribes as described in the initial section of this application.

Efforts are ongoing in the process of finalizing a licensing agreement with the Bureau of Reclamation for the portion of the pipeline route crossing BOR property, as well as to include the Tribes as parties to the licensing agreement. Since the project involves BOR property, the full extent of the pipeline route across BOR property requires an Environmental Assessment to be conducted, which is ongoing at this time. Installation of electrical utility lines, while being funded as a part of this project, will have its own permitting and NEPA review process that is not considered a connecting action for the purposes of BOR review. For the segments of the project going across non-BOR owned properties, all appropriate reviews and permits are being obtained. In order to provide for future Tribal needs and associated expansion of capacity, provisions are being made for LPWWA, for itself and on behalf of the Tribes, to own easements from the intake structure to the intersection of CR 125 and CR 141. A portion of this easement will also accommodate a treated water line for Lake Durango Water Authority service along CR 141.

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.

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

Signature of Applicant: 

Print Applicant's Name: Roy Horvath

Project Title: La Plata West Water Authority Raw Water Pipeline Upgrade & Operations Funding

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

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