



COLORADO WATER CONSERVATION BOARD



WATER SUPPLY RESERVE ACCOUNT APPLICATION FORM

Today's Date: 1-6-2016

Young Creek Reservoir No. 1-2 Repair and Rehabilitation

Name of Water Activity/Project

Young Creek Reservoir Company

Name of Applicant

Gunnison Basin
Roundtable

Amount from Statewide Account:

75,000.00

Amount from Basin Account(s):

60,000.00

Total WSRA Funds Requested:

135,000.00

Approving Basin Roundtable(s)

(If multiple basins specify amounts in parentheses.)

FEIN:84-6038768

Application Content

Application Instructions	page 2
Part I – Description of the Applicant	page 3
Part II – Description of the Water Activity	page 5
Part III – Threshold and Evaluation Criteria	page 7
Part IV – Required Supporting Material	
Water Rights, Availability, and Sustainability	page 10
Related Studies	page 10
Signature Page	page 12

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)

Water Supply Reserve Account – Application Form

Revised October 2013

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.

Water Supply Reserve Account – Application Form

Revised October 2013

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

1.	Applicant Name(s):	Young Creek Reservoir Company		
	Mailing address:	19458 Hwy. 65 Cedaredge, CO 81413		
	FEIN #:	84-6038768		
	Primary Contact:	Robert E. Morris	Position/Title:	President
	Email:	rmr@redmountainranches.com		
	Phone Numbers:	Cell: 970-234-3805	Office:	970-856-3803
	Alternate Contact:	Steve Cobb	Position/Title:	Vice President
	Email:			
	Phone Numbers:	Cell: 970-314-5688	Office:	970-856-7086

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.

Water Supply Reserve Account – Application Form

Revised October 2013

3. Provide a brief description of your organization

Young Creek Reservoir company was formed when work commenced, building the dams on September 9, 1894. Incorporation took place in 1897.

It is a stock company with 32 shareholders and 60 shares of stock. Stockholders own varying amounts of stock and varying sized agricultural property. The two reservoirs serve approximately 700 acres in the surface creek valley of Delta County. The company has a Board of 5 Directors, elected annually and comprised of stockholders.

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

***Explanation for #5.

Reference to part 1 item 5

Young Creek Reservoir will need to obtain a loan of \$20,000 to \$40,000 depending on grant approvals. This will have to be accomplished through local resources, because CWCB does not make loans for under \$100,000 and cannot refinance our existing CWCB loan because of policy requirements. If Young Creek does not receive grants, then the company would be looking at a loan of \$160,000 or more. The company has a current loan with CWCB an additional loan would not be serviceable by the company. It would make assessments unaffordable.

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.

Young Creek Reservoir Company is not subject to the limitations of the Tax Payer Bill of Rights.

Water Supply Reserve Account – Application Form

Revised October 2013

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:

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

Non Consumptive:

Environmental---The Reservoir was used for a fish species study when Colorado cutthroat were stocked, around 2003. At present native fish occupy the reservoir. Recreational—Camping and fishing are available.

Agricultural— This project will protect and preserve a vital water storage structure on Grand Mesa. It will also help to insure that acreages irrigated by this source, remain in agriculture, and not dry land or urban sprawl.

Municipal—the town of Cedaredge owns 3% of the stock. It is not classified municipal, but could be used in an emergency drought time.

Other—Young Creek Reservoir and Young Creek drainage serve an area north of Cedaredge. This area can only obtain its irrigation from the Young Creek drainage. The loss of this storage unit would be disastrous for farms in this area.

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:

Lost because of fill restriction which would be removed when project is complete.

Water Supply Reserve Account – Application Form

Revised October 2013

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

Latitude: 39° 02' (09.32)N

Longitude: 107° 54' (45.77)N

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.

Summary of project and use of funds

The proposed project would entail the following:

*Site containment and erosion control– To include erosion bales entrenched around the outlet pipe with a silt fence to serve as a storm water filter.

*Build a temporary soil cofferdam– To keep water out of the project area.

*Stip 6 inches–Existing cover, screen out rock larger than 3 inches, stockpile and grade area smooth.

*Regrade steep area–Excavate and screen material.

*Install anchor trench 2 feet wide and 2 feet deep.

*Install cut off trench 6 feet deep and 3 feet wide.

*Install liner underlayment 49564 sq. feet.

*Install 45 mil EPDM impermeable line 49564 sq feet.

*Install liner overlayment Bentomat 41964 sq feet.

*Screened fill placement 12 inches deep on top of liner.

*Rock placement on top of liner cover material.

The project also includes the required engineering, bid package, contract and additional items shown in exhibit A under engineer's estimate of probable costs.

WSRA funding would be used as 31% of total costs (\$60,000) from the Roundtable Basin account and 39% (\$75,000) of total costs from the statewide account.

Water Supply Reserve Account – Application Form

Revised October 2013

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 repair project will return this storage facility to its full potential, providing stockholders their rightful allotment of water. It will also reduce or eliminate seepage or lost water. It will also help protect pre 1922 decrees.

- 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 project has been classified tier 1 by the Gunnison Round Table.

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.

Water Supply Reserve Account – Application Form

Revised October 2013

- 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.
- 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)

Total costs of project is 193,159.00---100%
Participation by Gunnison Round Table at 60,000.00—31%
Participation by state grant at 75,000.00---39%
Applicant participation at 33,159.00--- 17%
Colorado River District at 25,000.00—13%

This WSRA funding is requested in order to perform the aforementioned activity. Young Creek Reservoir Company is requesting approximately 70% funding of this project from WSRA. The company presently has a loan from CWCB from a prior project with a balance of \$78,573.00 and annual loan payments of \$4,524.00. The loan payment plus usual operating expenses cause our assessments to be \$300.00 per share annually. This cost is at the breaking point for agriculture. The company could handle an additional loan of \$25,000.00. A larger loan will cause the repair to not be done, most likely resulting in greater fill restrictions. It could force some agriculture to cease operations. Funding and performance of the rehabilitation project will increase and preserve storage. It will also enhance appropriation of annual water to stockholders from Reservoir 1-2 by approximately 10% due to lost water from seepage.

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 Charter.

Water Supply Reserve Account – Application Form

Revised October 2013

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).
- 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.

Water Supply Reserve Account – Application Form

Revised October 2013

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.

Evaluation Criteria

Tier 1

- A) The repair project will insure a continuing supply of water for agriculture and municipal (the town of Cedaredge owns 2 shares of the 60 shares total). It will also insure the safety of the dam.
- B) Young Creek Reservoir Company is the applying entity. The Reservoir company is also a member of the Grand Mesa Water Users Association, which administers all storage water on Grand Mesa.
- C) The Water activities help implement a repair project which will insure continued storage and use of Colorado water.

Tier 2

- D) Funding from WSRA will insure that this repair takes place. The reservoir company could obtain another large CWCB loan but it is very doubtful if the stockholders could withstand the higher assessments needed to service an additional large loan.
- E) 17% matching funds show that the reservoir company is committed to the project. The past history of work on this reservoir shows that the reservoir company has always been committed to the upkeep of the facility.

Summary of costs for repair over 57 years:

1958—3,350	1978-- 526
1962-- 523	1979--517
1963—1,058	1980--150
1964-- 602	1983--407
1965-- 699	1986--371
1966-- 925	1988--1544
1967--- 896	1989--492
1968-- 1,390	1992--130
1969-- 913	1993--746
1970—1,363	1994--260
1971-- 821	1998--463
1972-- 461	1999--400
1973-- 467	2000—2,288
1974-- 1,010	2003--392
1975-- 881	2005—108,000
1977-- 882	2010—2,300
	2013—14,000
	2015—13,112

Total of \$162,339 spent in 57 years.

Yearly assessments issued to stockholders:

2001--\$55
2002--90
2003—100
2004—100
2005—225—2005-2008 large project and loan occurrence.
2006—225
2007—200

Water Supply Reserve Account – Application Form

Revised October 2013

2008—175

2009—150

2010—150

2011—150

2012—175—\$14,000 project

2013—275

2014—300---anticipation of upcoming project

2015—300

Tier 3

- F) This activity will preserve agricultural land in the Surface Creek Valley, thus helping to keep open space. There are no environmental concerns if the project is completed. If the project is not done, there would be a loss of fishery, wildlife habitat from the top of the Grand Mesa to the valley floor. Recreational needs would continue to be fulfilled, when the project is completed.
- G) The activity would definitely promote maximum utilization of state water.
- H) Young Creek Reservoir #1-2 has been used in the past, for Colorado Cutthroat species studies. The project would again make the reservoir available for these activities. The reservoir is usually stocked with native fish and used by fisherman and recreation all year.
- I) The level of benefit is perpetual when the funds are used to preserve Colorado water rights.

Water Supply Reserve Account – Application Form

Revised October 2013

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.

Young Creek Reservoir Company is comprised of 2 reservoirs, at the head of the Young Creek drainage on the Grand Mesa. Reservoirs are comprised of Young Creek #1-2 and Young Creek #3. Young Creek Reservoir #1-2 is the site of the repair.

Water Rights:

ID#	Admin #	Adj. Date	Decree Amt.	Decree
3338	20501.16323	1907	40AF	12
3338	25807.21090	1930	37.79AF	G-9
3338	29260.21090	1937	18AF	H-29
3338	29260.21090	1937	40AF	H-29
3338	32672.0000	1954	336.34AF	J-238
3338	32672.0000	1954	99.31AF	J-238
3552	20501.16323	1907	34AF	12
3552	25807.21090	1930	79.97AF	G-9
3552	29260.21090	1937	56.51AF	H-29
3552	29260.21090	1937	40.00AF	H-29

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

The first steps to evaluate the impact of sinkholes was taken in 2001, when piezometers were installed on the #1-2 dam crest and I to the left abutment area. Seepage has been monitored below and adjacent to the dam for many years. These reports are available and being used. A rehabilitation report by Smith-Williams consultants was compiled in 2004. Much of these studies are being used by the current engineering firm, Colorado Rover engineers

There are no permitting issues because the repair work is confined to the footprint of the reservoir,

Water Supply Reserve Account – Application Form

Revised October 2013

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: Robert E. Morris

Print Applicant's Name: Young Creek Reservoir Company

Project Title: Young Creek Reservoir #1-2 Repair and Rehabilitation

Date: 02/25/2015

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