



COLORADO WATER CONSERVATION BOARD



WATER SUPPLY RESERVE ACCOUNT APPLICATION FORM

Today's Date: 03/31/2016

Eggleston Dam Outlet Repair Project

Name of Water Activity/Project

Surface Creek Ditch and Reservoir Company

Name of Applicant

Gunnison Basin
Roundtable

Amount from Statewide Account:

Amount from Basin Account(s):

Total WSRA Funds Requested:

46,911.00

46,911.00

Approving Basin Roundtable(s)

(If multiple basins specify amounts in parentheses.)

FEIN:84-0458460

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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)

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.

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

1.	Applicant Name(s):	Surface Creek Ditch & Reservoir Company		
	Mailing address:	19709 2325 Road Cedaredge, CO 81413		
	FEIN #:	84-0458460		
	Primary Contact:	Keith Waibel	Position/Title:	President
	Email:			
	Phone Numbers:	Cell: 970-201-6481	Office:	
	Alternate Contact:	Loree Gutierrez	Position/Title:	Secretary
	Email:	gutierrez646@hotmail.com		
	Phone Numbers:	Cell: 970-234-3804	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.

3. Provide a brief description of your organization

Surface Creek Ditch & Reservoir Company is a non-profit company that was formed in 1886 and incorporation took place on 10/23/1886. It is a stock company with 283 shareholders and 810 shares of stock. It services 16 reservoirs with a total of 10,0635 acre feet serving the Surface Creek Valley in Delta County. The company has a board of 7 directors, elected every two years comprised of shareholders.

Eggleston Reservoir is a portion of the Surface Creek Ditch and Reservoir Company. Eggleston holds 2,555 acre feet of water. The dam was first constructed in 1886. The existing outlet pipe was installed in 1949.

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 Surface Creek has the fund to perform a portion of the project. The company would prefer not to have to obtain another CWCB loan as the company already has one in place on another reservoir.

☐

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.

Tabor does not affect mutual ditch companies.

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 Use

Environmental: At present trout occupy the reservoir.

Recreational: Camping and fishing are available.

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

Municipal: the town of Cedaredge owns approximately 2% of stock and the town of Orchard City owns approximately 2% of stock. It has not been classified as municipal, but could be used in a time of emergency.

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)

2,555AF Existing Storage Preserved or Enhanced (acre-feet)

Length of Stream Restored or Protected (linear feet)

164 ft. 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:

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

Latitude:

39.044436

Longitude:

107.94066

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 purposed project would entail the following:

--The site will be cleaned so that all points of access are open and accessible.

---All internal debris will be removed.

---An area for all debris will be designated.

---A temporary cofferdam or upstream diversion including any pumps for diverting the flow of water around the designated pipe will be made.

---An inspection of the pipe will be performed after it is cleaned to detect any impediments that may prevent proper installation of the CIPP.

---The contractor shall install a hydrophilic type water stop or equivalent at each end of the existing conduit prior to installation to deter water infiltration and deterioration at the ends of the CIPP liner.

---If there are any obstructions they will be removed.

---The CIPP will be installed.

---The area around the pipe will be restored after the project is completed.

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 would prevent any restrictions from being applied to this reservoir.

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 in the Tier 1 category by the Gunnison Round Table protecting senior water.

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.

- 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)

Surface Creek Ditch and Reservoir-----	31,947.00	40%
WSRA Basin Acct-----	46,911.00	60%
	<u>78,858.00</u>	100%

The WSRA funding is requested in order to perform the aforementioned project. Surface Creek Ditch and Reservoir Company (SCDR) is requesting approximately 69 % funding of this project from WSRA. The company currently has a loan with the CWCB from a prior project with a balance of and \$192,070.70 annual loan payments of \$13,172.93. Another loan could be obtained through the CWCB, but with another increase in assessments along with the usual operating expenses would be a hardship on the shareholders. The company did increase their assessments this year to handle covering a portion of the total cost of the project. For the company to come up with 100% of the cost of the project would make the assessments unreasonable for the shareholders. Another large loan will

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.

cause this project to not be done, most likely resulting in restrictions placed on the reservoir. Funding and performance of this project will increase and preserve storage.

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.
- 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 continued supply of water for agriculture in the Surface Creek Valley.
- B) Surface Creek Ditch & Reservoir is the applying entity. The company is also a member of the Grand Mesa Water Users Association, which administers all storage water on Grand Mesa.
- C) The water activities will help implement a repair project which will insure the 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 loan from CWCB but it is very doubtful that the stockholders could handle the higher assessments needed to service an additional large loan.
- E) Past history shows that the company is committed to the upkeep of the reservoirs. The increase in assessments this year to help build the funds to pay 30% has already been done. The company has their percentage of the funds needed to put toward this project.

Tier 3

- F) This activity will preserve agricultural land in the Surface Creek Valley, thus helping to keep open space.
- G) This activity would promote the maximum utilization of state water.
- H) 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.

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.

#2	1272AF	9-6-1886
#23	768AF	1-1-1900
#H-29	515AF	9-29-1937

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

An inspection of the interior of the outlet pipe conducted by a private contractor in September of 2014 and a video inspection of the pipe’s interior was done and an inspection report made by the State Dam Safety Engineer in July of 2015. The video shows the pipe is rusted at the welded joints and several joints are corroded and coated with calcium deposits most likely from water infiltration. The joint at approximately 90 feet from the downstream end was observed leaking clear water. The pipe does not show signs of structural weakness, distortion or collapse based on the video inspection.

3. **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

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.

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

Signature of Applicant: Keith Waibel

Print Applicant's Name: Surface Creek Ditch & Reservoir Company

Project Title: Eggleston Dam Outlet Repair Project

Date: 03/31/2016

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)
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