



COLORADO WATER CONSERVATION BOARD



WATER SUPPLY RESERVE ACCOUNT APPLICATION FORM

Today's Date: April 21st, 2016

Marcot Dam Outlet Repair

Name of Water Activity/Project

Marcot Park Ditch and Reservoir Co.

Name of Applicant

Gunnison

Amount from Statewide Account:

\$0

Amount from Basin Account(s):

\$49,649

Total WSRA Funds Requested:

\$49,649

Approving Basin Roundtable(s)

(If multiple basins specify amounts in parentheses.)

FEIN: 46-2062341

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):	Marcot Park Ditch and Reservoir Co.		
	Mailing address:	15631 Bull Mesa Rd. Cedaredge, CO 81413		
	FEIN #:	46-2062341		
	Primary Contact:	Milan R. Armstrong	Position/Title:	Pres
	Email:	Milan.armstrong@gmail.com		
	Phone Numbers:	Cell: 970) 234-7683	Office:	
	Alternate Contact:		Position/Title:	
	Email:			
	Phone Numbers:	Cell:	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.

Water Supply Reserve Account – Application Form

Revised October 2013

3. Provide a brief description of your organization. Company was incorporated in 1946 as a non-profit Corporation. There are 21 stockholders using water stored in the reservoir for agricultural purposes on about 250 acres of farmland in Delta County for a wide variety of irrigated crops. In addition, the reservoir stores water for Town of Orchard City's domestic water supply. The Company holds a valid easement from US Forest Service to operate the reservoir and maintain it via a maintenance agreement with US Forest Service dated July, 2009.

4. If the Contracting Entity is different than 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.

TABOR does not apply to private companies.

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.

Recreational: Nearby campsites are convenient for fishing in Marcot, creek, and nearby reservoirs.

Agricultural: Marcot reservoir supplies irrigation water to about 250 acres of farmland in the Surface Creek area.

Domestic: Town of Orchard City has water rights to appropriately 2% of the Marcot reservoir capacity.

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) **WETLANDS**

Other -- Explain:

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:

39.034827

Longitude:

-107.809213

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.

Marcot Ditch and Reservoir Co. ("Company") is upgrading its 60-yr old reservoir, Marcot Reservoir, which, because of its position in the chain of flow and storage on Grand Mesa is an important mid-altitude, high capacity reservoir. Located at 9600-ft. Elevation it is geographically located in a high water yield basin.

The dam's outlet, installed in 1955, is a 20-inch OD steel with 1/4-inch wall thickness, bituminous coating within and on the outer surface. The Company, in cooperation with CO Dam Safety, has monitored the condition of the pipe via photo and video means. Concerns were cited in an inspection report by the CO Dam Safety Engineer dated July 16, 2012 after a video inspection of the outlet. In the summer of 2015 the Company engaged an engineering firm (DOWL, LLC) to examine the the outlet, the historical data, and determine the best course of action for repair.

Findings by DOWL confirm that Marcot outlet is a....."very good candidate for rehabilitation using a CURED-IN-PLACE-PIPE (CIPP) liner". Accordingly, appropriate calculations were made to confirm the efficacy of the method and submitted to Colorado Dam Safety for review and approval. It appears at this point that the CIPP technology would provide an affordable, durable, and modest repair that could extend the life of the dam another 50 years.

The proposed project will be undertaken in the following steps:

- A. USFS approval for move-on by contractor will be obtained (in accordance with Maintenance agreement.)
- B. Site preparations including pipe access and pads for equipment,
- C. Pumps on site to divert water away from working area,
- D. Clean outlet pipe from inlet gate to discharge, remove debris to designated area, hold for disposal,
- E. Inspect pipe to assure proper removal of scale, debris, and unwanted deposits,
- F. Repeat "D and E" above until pipe is properly prepared,
- G. Install CIPP liner, re-inspect, correct any deficiencies,
- H. Inspection by Colorado Dam Safety, sign off approval,
- I. Clean up work site area and restore any disturbed surfaces.

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

If this repair is not completed in a timely manner, it may be necessary to breach the reservoir dam to install a new outlet pipe at considerable expense. A no-fill order would deprive the drainage of almost 500 a/f of needed water storage.

- 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.

Pending Roundtable review

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.

This project will protect water stored in Marcot Reservoir for the Town of Orchard City. The Town fully endorses this project.

- 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 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)

Applicant spent \$20,000 in the fall of 2014 to reduce seepage in the SW area of the reservoir, and is prepared to budget expenditures to carry out this part of the overall rehabilitation. However, the outlet repair dictates a shift in priorities since the failure of the outlet would undoubtedly necessitate that the dam be breached. The Company intends to continue its financial commitment for the rehabilitation of the reservoir.

SEE EXHIBIT A

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.

Water Supply Reserve Account – Application Form

Revised October 2013

- 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.

This project has been designated by the WSRA committee as a Tier 1 Project.

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.

Adjudicated Date	Appropriation Date	Amount, AF	
1937-05-28	1895-08---01	132	H-5
1937-05-28	1902-07—15	354	H-15

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

No permits are required. However, the maintenance agreement with the US Forest Service requires notification when and for what use intended equipment is transported to the dam. The Company will observe all components of the agreement and will assure that proper clean-up and remediation (if necessary) is completed.

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 funds are disbursed on a reimbursement basis after review invoices and appropriate backup material.

Water Supply Reserve Account – Application Form
Revised October 2013

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.

STATEMENT OF WORK 04-21-2016 BY MARCOT PARK DITCH AND RESERVOIR CO.

Background:

In cooperation with Colorado Dam Safety, the condition of the outlet pipe has been monitored via photographs and video cameras. After the July 16, 2012 Dam Safety inspection, the engineer cited concerns about the overall condition of the outlet piping. The pipe is 20" OD steel, 1/4" wall thickness with bituminous coating inside and outside. The inner lining has deteriorated, leaving the steel exposed. Indications are that corrosion, scaling, and rusting is taking place which could lead to failure. Cured-in-place-pipe (CIPP) has been selected by the Company's engineer as the best course of action for repair. Accordingly the necessary calculations and data have been submitted to Colorado Dam Safety for review and approval.

Objective:

CIPP has been shown to be advantageous in that it complements the host pipe strength even if the host pipe is weakened. The objective is to obtain the maximum effect of both strength and long life with the installation of CIPP.

Benefits:

The Company has taken a proactive position with respect to repairs of the Marcot Reservoir, ie, installation of rip-rap, identifying and repairing seepage, and this project has pulled ahead in priority since failure of the outlet could result in the loss of the reservoir (and all the recent repairs) entirely. Therefore, the benefit to the community to have the Marcot as viable water storage is a considerable asset.

SCHEDULE OF WORK/COSTS

(SEE EXHIBIT A)

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: Milan R. Armstrong, President Marcot Park Ditch and Reservoir Co

Project Title: Marcot Dam Outlet Repair

Date: September 29, 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