

**Water Supply Reserve Account – Grant and Loan Program**  
**Water Activity Summary Sheet**  
**September 21-22, 2016**  
**Agenda Item 19(d)**

**Applicant & Fiscal Agent:** St. Charles Mesa Water District

**Water Activity Name:** Long-term Potable Water Supply to Zinno Subdivision

**Water Activity Purpose:** Municipal and Industrial

**County:** Pueblo

**Drainage Basin:** Arkansas

**Water Source:** Arkansas River

**Amount Requested/Source of Funds:** \$25,000 Arkansas Basin Account\*  
\$50,000 Statewide Account\*  
\$75,000 Total Grant Request

**Matching Funds:** Basin Account Match (\$25,000) = 33.3% of total grant request (meets 5% min);  
Applicant/3<sup>rd</sup> Party Match (\$1,088,586) = 1,451% of total grant request (meets 5% min);  
Basin Match & Applicant/3<sup>rd</sup> Party Match (\$1,113,586) = 1,485% of total grant request (meets 25% min).  
(refer to *Funding Summary/Matching Funds* section)

<b>Staff Recommendation:</b>
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Staff recommends <b>conditional</b> approval of up to \$25,000 from the Arkansas Basin Account; and \$50,000 from the Statewide Account to help fund the project titled: Long-term Potable Water Supply to Zinno Subdivision (contingent upon the resolution of legal issues associated with the water provider transition).
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**Water Activity Summary:** If approved, WSRF funds will be expended to assist the Zinno Water Users Association (ZWUA) in its transition from an inadequate and dilapidated private water supply (Joseph Water Corporation, or JWC) to an established water provider, St. Charles Mesa Water District (SCMWD). There are currently 97 active water taps in the subdivision served by a 43 foot deep well. Power outages, pump failures, and main breaks in the existing water system have caused numerous interruptions in past years. Water quality has also resulted in health and safety risks. The residents of Zinno Subdivision are actively seeking a remedy through an agreement with the SCMWD to include the Zinno Subdivision in its district boundaries and construct new infrastructure to provide continuous, quality, potable water service and stables water rates. The activities funded by this grant include planning efforts for the official inclusion of Zinno Subdivision into SCMWD and construction activities to connect Zinno Subdivision residents to the SCMWD infrastructure. Legal issues related to transition from JWC to SCMWD are currently being resolved.

**Discussion:** \*The front page of the WSRF application has a discrepancy between the basin and statewide request amounts. Staff has confirmed the proper amounts with the applicant as detailed herein.

This project meets the goals and objectives identified in the Arkansas Basin Implementation Plan, specifically the municipal goal to “Support regional infrastructure development for cost-effective solutions to local water supply gaps.” (Section 1, page 15)

This project also aligns with critical actions identified in Colorado’s Water Plan, such as the support of BRT-identified priority projects. Additionally, this project correlates with action items in Section 6.5 related to the maintenance and updating of aging infrastructure.

**Issues/Additional Needs:** Staff recommends **conditional** approval contingent upon the resolution of legal issues associated with the water provider transition.

**Threshold and Evaluation Criteria:** The application meets all four Threshold Criteria.

**Tier 1-3 Evaluation Criteria:** This activity has undergone review and evaluation and staff has determined that it satisfies the Evaluation Criteria. Please refer to WSRF Application for applicant’s detailed response.

**Funding Summary/Matching Funds:**

<u>Funding Source</u>	<u>Cash</u>	<u>In-kind</u>	<u>Total</u>
Co. Department of Local Affairs Grant	\$569,293	\$0	\$569,293
Co. Water Resources & Power Development Authority Loan	\$269,343	\$0	\$269,343
CWCB Water Efficiency Grant	\$49,950	\$0	\$49,950
Pueblo County	\$200,000	\$0	\$200,000
Subtotal Matching Funds	\$1,088,586	\$0	\$1,088,586
WSRF Arkansas Basin Account	\$25,000	n/a	\$25,000
WSRF Statewide Account	\$50,000	n/a	\$50,000
<b>Total Project Costs</b>	<b>\$1,163,586</b>	<b>n/a</b>	<b>\$163,586</b>

**CWCB Project Manager:** Derek Johnson

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 will help promote the development of a common technical platform. In accordance with the revised WSRF Criteria and Guidelines, staff would like to highlight additional reporting and final deliverable requirements. The specific requirements are provided below.

**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 scope 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.

**Engineering:** All engineering work (as defined in the Engineers Practice Act (§12-25-102(10) C.R.S.)) performed under this grant shall be performed by or under the responsible charge of professional engineer licensed by the State of Colorado to practice Engineering.

# Arkansas Basin Roundtable

July 13, 2016

Via Electronic Mail: [craig.godbout@state.co.us](mailto:craig.godbout@state.co.us)

Mr. Craig Godbout  
Colorado Water Conservation Board  
1313 Sherman Street, Room 721  
Denver, CO 80203

Re: Water Supply Reserve Account Grant Application: Long-Term Potable Water Supply to the Zinno Subdivision

Dear Craig:

At its July 13, 2016 meeting, the Arkansas Roundtable approved the project Long-Term Potable Water Supply to the Zinno Subdivision for \$25,000 in Basin Funds and \$50,000 in Statewide Funds. Following a robust discussion, there was a consensus decision to forward this grant for approval with one roundtable member stating he would provide a dissenting opinion. The grant request approval was predicated on fulfillment of two contingencies:

- 1) That the other sources of funding, particularly a pending grant request to the Southeastern Regional Office of Division of Local Affairs, are approved, and;
- 2) That a legal action commenced by the Zinno Water Users Association is decided favorably for the Association (see excerpt from grant application below)

This project furthers a goal of the Arkansas Basin Implementation Plan to address water quality issues in historic water systems. With respect to the Colorado Water Plan, this project supports Objective A. Supply-Demand Gap: *"Meet Colorado's Water Gaps"* and Objective G. Funding: *Develop near-term funding opportunities whereby the smallest amount of funding possible has the greatest benefit to implementing Colorado's Water Plan.* The multiple sources of funding for this grant include Pueblo County and a Water Efficiency grant.

Should you have any questions or concerns, please feel free to contact me either by telephone, 719-742-6164, or by email, [sandy@white-jankowski.com](mailto:sandy@white-jankowski.com).

With warm regards



Michael D. (Sandy) White  
Chair

Copy via email:

Applicant  
ABRT Executive Committee



# COLORADO WATER CONSERVATION BOARD



## WATER SUPPLY RESERVE ACCOUNT APPLICATION FORM

Today's Date: June 8, 2016

Long-Term Potable Water Supply to the Zinno Subdivision

### Name of Water Activity/Project

St. Charles Mesa Water District

### Name of Applicant

Arkansas Basin - \$25,000  
State Account - \$50,000

Amount from Statewide Account:

\$25,000

Amount from Basin Account(s):

\$50,000

Total WSRA Funds Requested:

\$75,000

### Approving Basin Roundtable(s)

*(If multiple basins specify amounts in parentheses.)*

FEIN: 84-0530580

### Application Content

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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)

## Water Supply Reserve Account – Application Form

Revised October 2013

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### **Instructions**

To receive funding from the Water Supply Reserve Account (WSRA), a proposed water activity must be approved by the local Basin Roundtable **AND** the Colorado Water Conservation Board (CWCB). The process for Basin Roundtable consideration and approval is outlined in materials in Appendix 1.

Once approved by the local Basin Roundtable, the applicant should submit this application **with a detailed statement of work including budget and schedule as Exhibit A** to CWCB staff by the application deadline.

WSRA applications are due with the roundtable letter of support 60 calendar days prior to the bi-monthly Board meeting at which it will be considered. Board meetings are held in January, March, May, July, September, and November. Meeting details, including scheduled dates, agendas, etc. are posted on the CWCB website at: <http://cwcb.state.co.us> Applications to the WSRA Basin Account are considered at every board meeting, while applications to the WSRA Statewide Account are only considered at the March and September board meetings.

When completing this application, the applicant should refer to the WSRA Criteria and Guidelines available at: <http://cwcb.state.co.us/LoansGrants/water-supply-reserve-account-grants/Documents/WSRACriteriaGuidelines.pdf>. In addition, the applicant should also refer to the [Supplemental Scoring Matrix](#) applied to Evaluation Criteria Tiers 1-3 for Statewide Account requests .

The application, statement of work, budget, and schedule **must be submitted in electronic format** (Microsoft Word or text-enabled PDF are preferred) and can be emailed or mailed on a disk to:

Craig Godbout - WSRA Application  
Colorado Water Conservation Board  
1313 Sherman St., Room 721  
Denver, CO 80203  
[Craig.godbout@state.co.us](mailto: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](mailto:craig.godbout@state.co.us).

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

1.	Applicant Name(s):	St. Charles Mesa Water District		
	Mailing address:	1397 Aspen Road Pueblo, CO 81006		
	FEIN #:	84-0530580		
	Primary Contact:	David Simpson	Position/Title:	General Manager
	Email:	<a href="mailto:David.Simpson@scmwd-pueblo.org">David.Simpson@scmwd-pueblo.org</a>		
	Phone Numbers:	Cell: 719-671-6022	Office:	719-542-4380
	Alternate Contact:	John Dorsch	Position/Title:	President
	Email:			
	Phone Numbers:	Cell:	Office:	719-542-4380

### 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 St. Charles Mesa Water District is a quasi-municipal corporation and a political subdivision of the State created pursuant to the Special District Act for the purpose of providing a complete domestic water system for the District and its inhabitants. The District was formed in 1988 pursuant to an order and decree entered by the District Court in and for Pueblo County; prior to the District's formation, St. Charles Mesa Water Association, a non-profit entity, provided water facilities and services to area inhabitants from 1964 to 1987. Organization of the District was preceded by the filing of, and Pueblo County's subsequent approval of, a service plan consisting of a financial plan, including proposed funding therefore, and a preliminary engineering survey detailing the proposed improvements within the District; the filing of a petition for organization and the subsequent hearing thereon and approval of such petition; the adoption by the District of a resolution approving the formation of the District; and, approval of the District's formation by the qualified electors of the proposed District at an election held for that purpose.

The District currently encompasses approximately 64 square miles located in east-central Pueblo County, adjacent to the eastern boundary of the City of Pueblo, and it serves a population of approximately 9,556 people.

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

Not-Applicable

5. Successful applicants will have to execute a contract with the CWCB prior to beginning work on the portion of the project funded by the WSRA grant. In order to expedite the contracting process the CWCB has established a standard contract with provisions the applicant must adhere to. A link to this standard contract is included in Appendix 3. Please review this contract and check the appropriate box.

☒ The Applicant will be able to contract with the CWCB using the Standard Contract

☐ The Applicant has reviewed the standard contract and has some questions/issues/concerns. Please be aware that any deviation from the standard contract could result in a significant delay between grant approval and the funds being available.

6. The Tax Payer Bill of Rights (TABOR) may limit the amount of grant money an entity can receive. Please describe any relevant TABOR issues that may affect the applicant.

If St. Charles Mesa Water District (SCMWD) receives a grant with State Severance funds, it will not exceed the TABOR limit and force a citizen property tax rebate.



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### Part II. - Description of the Water Activity/Project

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

☐ Nonconsumptive (Environmental or Recreational)

☐ Agricultural

☒ Municipal/Industrial

☐ Needs Assessment

☐ Education

☐ Other      Explain:

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

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:



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4. To help us map WSRA projects please include a map (Attachment 1) and provide the general coordinates below:

Latitude:

38 . 2

Longitude:

104 . 5

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 scope of work for this project is to annex the Zinno Subdivision into the St. Charles Mesa Water District (SCMWD) service area and install a new distribution system, service lines, and meters.

The Joseph Water Corporation was created in 1963 to serve the residents of the Zinno Subdivision. The subdivision comprises all of the service area of Joseph Corporation. There are presently 97 active water taps within the subdivision. The sole source of water for the subdivision is a shallow 43 feet deep well. In past years, power outages, pump failures and main breaks have caused numerous interruptions in service. The most serious have caused disruptions in service of up to two weeks. The interruptions in service are mostly due to poorly maintained infrastructure that has been neglected for many years. In addition, the residents have complained about the poor water quality coming from their tap. The water has a foul taste and is considered by most to be undrinkable. Due to the precarious nature of the Joseph Corporation water service, the residents of the Zinno Subdivision are actively seeking a remedy, which would provide them with continuous, quality, potable water service and stable water rates. SCMWD is willing to assist this effort by providing a reliable and potable water supply by including them in their District boundaries and constructing new infrastructure in order to deliver a secure water supply to the water users in the subdivision.

Several health and safety risks associated with the current water system will be eliminated with this project. Residents will receive a long-term, safe, and reliable water supply. New fire hydrants will be installed to reduce the chances of a catastrophic fire event. The new water system infrastructure will reduce the need of tearing up roadways to repair leaks. Old dilapidated roadways will be totally resurfaced. New copper service lines and accurate radio-read meters will be used to correctly measure the amount of water homeowners are using and being charged for. The water that is currently being wasted by leaking water mains and pipes will no longer be wasted due to a new delivery system being constructed.

SCMWD has agreed to pursue grant and loan funding for the construction of the subdivision's new water infrastructure. SCMWD is pursuing funding in the amount of \$569,293 from a Department of Local Affairs grant. Pueblo County has committed to covering the \$200,000 cost of the demolition of existing streets and the reconstruction of those same roadways (Attachment 2). SCMWD has submitted a CWCB Water Efficiency Grant Program application for \$49,950 to assist with defraying the cost of the new radio-read water meters and installation costs. SCMWD will also request a loan from the Colorado Water Resources and Power Development Association in the amount of \$269,343. This document serves as a \$75,000 grant application from the CWCB Water Supply Reserve

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Account. SCMWD is requesting \$25,000 from the Arkansas Basin Roundtable account and \$50,000 from the statewide account. The entire project has a budget of \$1,163,586.

### 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.<sup>1</sup>

This long-term potable water supply project will strive to help ensure that the communities served by the waters of the Arkansas River have adequate and reliable water supplies to meet current needs and the needs of the future.

- b) The water activity is consistent with Section 37-75-102 Colorado Revised Statutes.<sup>2</sup>

This water activity does not repeal or in any manner amend the existing water rights adjudication system. This activity recognizes water rights as a private property right, and 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.

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<sup>1</sup> 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.

<sup>2</sup> 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.

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- c) 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.

The water activity underwent an evaluation and approval process and was approved by the Arkansas Basin Roundtable.

- d) The water activity meets the provisions of Section 37-75-104(2), Colorado Revised Statutes.<sup>3</sup> 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.
- Promotes cooperation between the State of Colorado and the water community located in the Arkansas River basin
  - Addresses identified water needs and gaps in the Arkansas River basin
  - Supports current and future municipal and industrial water use needs
  - Has a matching commitment of over 50%
  - This project is a structural long-term potable water supply project for meeting water supply needs well into the future
- e) 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)

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<sup>3</sup> 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.

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<b>Funder</b>	<b>Amount</b>
Department of Local Affairs Grant	\$569,293
CWRDA Loan	\$269,343
CWCB Water Efficiency Grant	\$49,950
Pueblo County	\$200,000
CWCB WSRA Grant	\$75,000
<b>TOTAL</b>	<b>\$1,163,586</b>

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.**

**Tier 1: Promoting Collaboration/Cooperation and Meeting Water Management Goals and Identified Water Needs**

The Long-Term Potable Water Supply for the Zinno Subdivision project helps implement projects identified as helping meet Colorado's future water needs, and addresses the gap areas between available water supply and future need as identified in SWSI and in the Arkansas Basin Implementation Plan.

**Tier 2: Facilitating Water Activity Implementation**

Funding from the WSRA Grant will reduce the uncertainty that the water activity will be implemented. The residents of the Zinno Subdivision created a local Water Users Association in 2009 and have actively been looking for ways to secure a dependable water supply since that time. They do not have the financial ability to pay for the entire project themselves. In the fall of 2015 representatives of the Association approached the Lower Arkansas Valley Water Conservancy District (LAVWCD) for assistance. The LAVWCD has provided funding to the Water Users Association to cover legal costs, to explore various sources of funding, to open a dialogue with SCMWD, and to manage the project. Without this valuable support the Association would most likely continue to struggle to find a solution, as it has for the past several years. The financial support the Zinno Water Users Association has received from the LAVWCD has moved this project forward.

In addition, SCMWD has agreed to pursue grant and loan funding for the construction of the subdivision's new water infrastructure. SCMWD is pursuing funding in the amount of \$569,293 from a Department of Local Affairs grant. Pueblo County has committed to covering the \$200,000 cost of the demolition of existing streets and the reconstruction of those same roadways. SCMWD has submitted a CWCB Water Efficiency Grant Program application for \$49,950 to assist with defraying the cost of the new radio-read water meters and installation costs. SCMWD will also request a loan from the Colorado Water Resources and Power Development Association in the amount of \$269,343. This document serves as a \$75,000 grant application from the CWCB Water Supply Reserve Account, which is critical in keeping the project repayment costs for the residences in the subdivision reasonable and doable.

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

The Long-Term Potable Water Supply for the Zinno Subdivision project provides a high level of benefit to the State in correlation to the amount of WSRA funds being requested. The total project cost is \$1,163,586. SCMWD is requesting a WSRA grant amounting to \$75,000 which is only 6% of the total project cost. This project also is complimentary to or assists in the implementation of other CWCB programs. Several health and safety risks associated with the current water system will be eliminated with this project. Residents will receive a long-term, safe, and reliable water supply. New copper service lines and accurate radio-read meters will be used to correctly measure the amount of water homeowners are using and being charged for. The water that is currently being wasted by leaking water mains and pipes will no longer be wasted due to a new delivery system being constructed.

**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.

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- g. The water activity assists in the administration of compact-entitled waters or addresses problems related to compact entitled waters and compact compliance and the degree to which the activity promotes maximum utilization of state waters.
  - 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.**

### 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 St. Charles Mesa Water District has an annual average of 2,262 acre-feet of raw water, and an annual average retail use of 1,995 acre feet of potable water. Currently, the District has total raw water availability of 7,122 acre-feet, as indicated below.

Water Source	Raw Water Availability acre-feet
Arkansas River & Bessemer Ditch water rights	2,568
Cottonwood Creek water rights	949
Zoeller Creek water rights	620
Velazquez Creek water rights	340
Well #1	215
Well #6	215
Well #8	107.5
Well #10	107.5
Fry-Ark Project Water (Pueblo Reservoir)	2,000
Totals	7,122

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

#### Permitting Issues:

- A. Annexation of the Zinno Subdivison into the St. Charles Mesa Water District (SCMWD) service area – The proposed service area is required to be annexed into the SCMWD in order to receive service. This will be conducted by SCMWD in cooperation with the Zinno Water Users Association and is currently being performed.
- B. Colorado Department of Public Health and Environment (CDPHE) Approval – Submittal to the CDPHE is required, including a Preliminary Engineering Report (Attachment 3), and all

## Water Supply Reserve Account – Application Form

Revised October 2013

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construction documents and specifications. SCMWD will submit the necessary documents to CHPHE for approval.

### 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.

**Please provide a detailed statement of work using the template in Exhibit A.** Additional sections or modifications may be included as necessary. Please define all acronyms and include page numbers. **REPORTING AND FINAL DELIVERABLE**

**Reporting:** The applicant shall provide the CWCB a progress report every 6 months, beginning from the date of the executed contract. The progress report shall describe the completion or partial completion of the tasks identified in the statement of work including a description of any major issues that have occurred and any corrective action taken to address these issues.

**Final Deliverable:** At completion of the project, the applicant shall provide the CWCB a final report that summarizes the project and documents how the project was completed. This report may contain photographs, summaries of meetings and engineering reports/designs.

## PAYMENT

Payment will be made based on actual expenditures and invoicing by the applicant. Invoices from any other entity (i.e. subcontractors) cannot be processed by the State. The request for payment must include a description of the work accomplished by major task, and estimate of the percent completion for individual tasks and the entire water activity in relation to the percentage of budget spent, identification of any major issues and proposed or implemented corrective actions. The last 10 percent of the entire water activity budget will be withheld until final project/water activity documentation is completed. All products, data and information developed as a result of this grant must be provided to the CWCB in hard copy and electronic format as part of the project documentation. This information will in turn be made widely available to Basin Roundtables and the general public and help promote the development of a common technical platform.



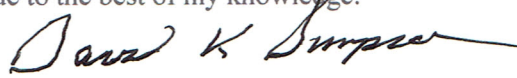
## Water Supply Reserve Account – Application Form

Revised October 2013

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

Signature of Applicant:



Print Applicant's Name: David Simpson

Project Title: Long-Term Potable Water Supply for the Zinno Subdivision

Date: June 8, 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)  
[craig.godbout@state.co.us](mailto:craig.godbout@state.co.us)

## **Exhibit A**

### **Statement of Work**

**WATER ACTIVITY NAME – Long-Term Potable Water Supply for Zinno Subdivision Project**

**GRANT RECIPIENT – St. Charles Mesa Water District**

**FUNDING SOURCE – CWCB WSRA Statewide Account \$50,000 and Basin Account \$25,000**

#### **INTRODUCTION AND BACKGROUND**

The scope of work for this project is to annex the Zinno Subdivision into the St. Charles Mesa Water District (SCMWD) service area and install a new distribution system, service lines and meters. The Zinno Subdivision is located in eastern Pueblo County on the St. Charles Mesa. Attachment 1 contains a map of the subdivision and a map of the SCMWD service area. The Subdivision is bordered by 20<sup>th</sup> Lane on the west, Hillside Road to the north, 21<sup>st</sup> Lane on the east and Iris Road to the south. This project will also partially fund the purchase of a new TR-840 filter which will be installed at the water treatment plant in the near future.

The Joseph Water Corporation was created in 1963 to serve the residents of the Zinno Subdivision. The subdivision comprises all of the service area of Joseph Corporation. There are presently 97 active water taps within the subdivision. The sole source of water for the subdivision is a shallow 43 feet deep well. In past years, power outages, pump failures and main breaks have caused numerous interruptions in service. The most serious have caused disruptions in service of up to two weeks. The interruptions in service are mostly due to poorly maintained infrastructure that has been neglected for many years. In addition, the residents have complained about the poor water quality coming from their tap. The water has a foul taste and is considered by most to be undrinkable. Due to the precarious nature of the Joseph Corporation water service, the residents of the Zinno Subdivision are actively seeking a remedy, which would provide them with continuous, quality, potable water service and stable use rates. SCMWD is willing to assist the subdivision with procuring a reliable and potable water supply by including them in their District boundaries and constructing new infrastructure in order to deliver a secure water supply to the water users in the subdivision.

The consequences of not being able to receive water from SCMWD would be the residents of the Zinno Subdivision would continue to rely on the water service provided by the Joseph Water. The result could entail severe restrictions, variable and frequent increases in water rates due to the need to procure funds for maintenance, and the potential for extended periods of interrupted water service due to infrastructure breakdowns and lack of capital for controlled maintenance activities. In addition, their water supply would continue to be unreliable, of poor quality, and their property values would continue to decline.

By receiving potable water from the SCMWD it would eliminate the health and safety risks associated with the current water system. Residents will receive a long-term, safe, and reliable water supply. New fire hydrants will be installed to reduce the chances of a catastrophic fire event. The new water system infrastructure will reduce the need of tearing up roadways to repair leaks. Old dilapidated roadways will be totally resurfaced. New copper service lines and accurate radio-read meters will be used to correctly measure the amount of water homeowners are using and being charged for. The water that is currently being wasted by leaking water mains and pipes will no longer be wasted due to a new delivery system being constructed.

The residents of the Zinno Subdivision created a local Water Users Association in 2009 and have actively been looking for ways to secure a dependable water supply since that time. They do not have the financial ability to pay for the entire project themselves. In the fall of 2015 representatives of the Association approached the Lower Arkansas Valley Water Conservancy District (LAVWCD) for assistance. The LAVWCD has provided funding to the Water Users Association to cover legal costs, to explore various sources of funding, to open a dialogue with SCMWD, and to manage the project. The LAVWCD has been instrumental in providing necessary resources to the Association to move this project forward. Without this valuable support the Association would most likely continue to struggle to find a solution, as it has for the past several years. The financial support the Zinno Water Users Association has received from the LAVWCD has moved this project forward.

The Association's mission is to provide the subdivision with a reliable potable water supply if it could be accomplished for prices comparable to what they are currently being charged by Joseph Water Corporation. At a Water Users Association meeting held on February 11, 2016 the membership overwhelmingly directed the Board to explore a relationship with SCMWD. This relationship has resulted in SCMWD agreeing to pursue grant and loan funding for the construction of the subdivision's new water infrastructure. On March 15, 2016 the Zinno Water Users Association signed a Memorandum of Understanding (MOU) with St. Charles Mesa Water District. The MOU is included as Attachment 4. The MOU defines the agreement between the two parties with respect to the financing and construction of a new water system infrastructure for the subdivision. SCMWD has studied how the cost of the project could be paid. The Zinno Subdivision customers would be assessed additional charges to cover the costs and to repay a Colorado Water Resource and Power Development Association (CWRPDA) loan. The new rate is estimated to be around \$60 a month. The water users of Joseph Water Corporation are currently paying \$100 a month for water service in addition to fees for the amount of water they use. This assessment will begin when construction is completed and the residents begin receiving SCMWD water. This special assessment will last approximately 10 years, until the loan is paid. At that point the customers in the Zinno Subdivision will be charged accordingly

like other customers of SCMWD. When this project is completed the users water rates will be reduced significantly while enjoying the necessity of having a reliable potable water supply.

The Zinno Water Users Association has agreed to commence a Declaratory Judgment Action seeking a court determination that by providing water to members of the subdivision that desire water service from SCMWD it does not constitute a condemnation of the property of Joseph Water Corporation by SCMWD and does not constitute unlawful interference with any of Joseph Corporation's economic interests by SCMWD. On March 24, 2016, the Zinno Water Association began circulating forms among its membership seeking annexation into the SCMWD service area boundaries, understanding that even if a parcel of property is annexed into SCMWD there is no requirement that the member obtain water from SCMWD and each member is free to obtain potable drinking water from whatever source the member desires. These initial steps are necessary for completing the process of including the Zinno subdivision into the SCMWD service area.

## **OBJECTIVES**

There are two objectives included in the proposed scope of work. The two are:

1. Planning for the integration of the Zinno Subdivision into the St. Charles Mesa Water District.
2. Construction Project to install water infrastructure to enable the Zinno Subdivision to receive potable water from St. Charles Mesa Water District.

## **TASKS**

### **1. Planning for the integration of the Zinno Subdivision into the St. Charles Mesa Water District.**

- A. Annexation of the Zinno Subdivision into the St. Charles Mesa Water District (SCMWD) service area – The proposed service area is required to be annexed into the SCMWD in order to receive service. This will be conducted by SCMWD in cooperation with the Zinno Water Users Association and is currently in process.
- B. Colorado Department of Public Health and Environment (CDPHE) Approval – Submittal to the CDPHE is required, including the Preliminary Engineering Report (Attachment 3), and all construction documents and specifications. SCMWD will submit the necessary documents to CDPHE for approval.
- C. Geotechnical Testing – The final design of the proposed pavement section shall be based on the bearing capacity of the underlying soil, as determined by the geotechnical testing and Pueblo County requirements. SCMWD will be responsible

for contracting for the geotechnical testing and for working with Pueblo County's regulations.

- D. Surveying – A detailed Utility, Right-of-Way and Topographic Survey of the Existing Street shall be required. SCMWD will contract to have the surveys completed.
- E. Construction Plans – Detailed plans shall be required for the construction of the proposed potable water distribution system, and the proposed street reconstruction. SCMWD will be responsible for developing the construction of the new water distribution system. Pueblo County will provide the street construction plans and perform the work of reconstructing the streets.
- F. Contract Documents – Additionally, detailed contract documents and technical specifications shall be required. SCMWD will have the responsibility of securing all detailed contracts and specifications.

**2. Construction Project to install water infrastructure to enable the Zinno Subdivision to receive potable water from St. Charles Mesa Water District.**

- A. SCMWD will contract with reputable and experienced construction surveying and traffic control contractors to successfully complete this task.
- B. Pueblo County Road and Bridges Department will perform the demolition of existing streets. This may include roto-milling of existing roadway material for incorporation as base course for the proposed roadway (Attachment 2).
- C. SCMWD will contract with reliable and skilled contractors for the installation of the proposed potable water system. This includes approximately 600 lineal feet of 12-inch diameter pipe, C900 PVC Water Main, 4,278 lineal feet of 6-inch diameter pipe, C900 PVC Water main, 4 Proposed Fire Hydrant Assemblies and various appurtenant valves and fittings.
- D. SCMWD will contract with reliable and skilled contractors for the installation of proposed individual user taps and water meters. This includes the installation of approximately 2,700 lineal feet of ¾-inch diameter type K Copper pipe, 100 Tap Saddle Assemblies, and 100 Badger BC 25 Radio-Read meters.
- E. Pueblo County Road and Bridges crews will reconstruct the roadways (Attachment 2).
- F. Partially fund the purchase of a new TR-840 filter which will be installed at the water treatment plant in the near future.

## **REPORTING AND FINAL DELIVERABLES**

Reporting: St. Charles Mesa Water District 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, SCMWD shall provide the CWCB a final report that summarizes the project and documents how the project was completed. This report may contain photographs, contracts, and engineering reports/designs.

## DETAILED BUDGET

CWCBS WRA GRANT DETAILED PROJECT BUDGET											
SOW TASKS	SCOPE OF WORK TASK EXPLANATIONS	QTY	UNIT	MATERIAL / LABOR COST	COSTS	Funder	DOLA Grant	CWRDA Loan	CWCBS WSRA Grant	CWCBS WE Grant	Pueblo County
TASK 1	Planning for the integration of the Zinno Subdivision into the SCMWD				\$ 53,500						
A	Annexation the Zinno Subdivision into the SCMWD service area			\$ -	\$ -						
B	CDPHE Approval			\$ 7,000	\$ 7,000	WSRA			\$ 7,000		
C	Geotechnical Testing			\$ 6,000	\$ 6,000	WSRA			\$ 6,000		
D	Surveying			\$ 8,500	\$ 8,500	WSRA			\$ 8,500		
E	Construction Plans			\$ 25,000	\$ 25,000	WSRA			\$ 25,000		
F	Contract Documents			\$ 7,000	\$ 7,000	WSRA			\$ 7,000		
TASK 2	Construction Project to install water infrastructure to enable the Zinno Subdivision to receive potable water from SCMWD				\$ 1,110,087						
A	Construction surveying and traffic control				\$ 25,000						
	Traffic Control			\$ 20,000	\$ 20,000	WSRA/Pueblo Cty			\$ 12,631		\$ 7,370
	Construction Surveying			\$ 5,000	\$ 5,000	WSRA			\$ 5,000		
B	Demolition of existing streets				\$ 43,980						
	Cut existing asphalt	10,100	L.F.	\$ 3	\$ 25,250	Pueblo Cty					\$ 25,250
	Asphalt & base course removal (Zinno Blvd.)	852	S.Y.	\$ 10	\$ 8,520	Pueblo Cty					\$ 8,520
	Asphalt & base course removal (Carmela Rd.)	653	S.Y.	\$ 10	\$ 6,530	Pueblo Cty					\$ 6,530
	Asphalt & base course removal (20 1/4 Lane)	368	S.Y.	\$ 10	\$ 3,680	Pueblo Cty					\$ 3,680
C	Installation of the proposed potable water system				\$ 321,345						
	Mobilization			\$ 10,000	\$ 10,000	DOLA/WSRA	\$ 6,131		\$ 3,869		
	Rock Excavation	100	C.Y.	\$ 90	\$ 9,000	DOLA	\$ 9,000				
	3/4" Washed Rock Bedding (10% of Trench)	150	Tons	\$ 30	\$ 4,500	DOLA	\$ 4,500				
	Select Imported Backfill (50% of Trench)	750	Tons	\$ 32	\$ 24,000	DOLA	\$ 24,000				
	6" Dia. C900 Water Main (Zinno Blvd.)	1,936	L.F.	\$ 28	\$ 53,240	DOLA	\$ 53,240				
	6" Dia. C900 Water Main (Carmela Rd.)	1,490	L.F.	\$ 28	\$ 40,975	DOLA	\$ 40,975				
	6" Dia. C900 Water Main (20 1/4 Lane)	852	L.F.	\$ 28	\$ 23,430	DOLA	\$ 23,430				
	12" Dia. C900 Water Main (21st Lane)	600	L.F.	\$ 38	\$ 22,800	DOLA	\$ 22,800				
	Tracer Wire	5,500	L.F.	\$ 0	\$ 1,100	DOLA	\$ 1,100				
	6" MJ Gate Valve & Box (Zinno Blvd.)	3	EA.	\$ 2,800	\$ 8,400	DOLA	\$ 8,400				
	6" MJ Gate Valve & Box (Carmela Rd.)	2	EA.	\$ 2,800	\$ 5,600	DOLA	\$ 5,600				
	6" MJ Gate Valve & Box (20 1/4 Lane)	2	EA.	\$ 2,800	\$ 5,600	DOLA	\$ 5,600				
	12" MJ Gate Valve & Box (21st Lane)	2	EA.	\$ 2,800	\$ 5,600	DOLA	\$ 5,600				
	8" x 6" MJ Tee	5	EA.	\$ 1,000	\$ 5,000	DOLA	\$ 5,000				
	8" Solid Sleeve	5	EA.	\$ 1,000	\$ 5,000	DOLA	\$ 5,000				
	12" 45Deg. MJ Bend	1	EA.	\$ 1,500	\$ 1,500	DOLA	\$ 1,500				
	Fire Hydrant Assembly	4	EA.	\$ 3,200	\$ 12,800	DOLA	\$ 12,800				
	Tie-In with Existing 8" Dia. A.C. Water Main	2	EA.	\$ 1,400	\$ 2,800	DOLA	\$ 2,800				
	Tie-In with Existing 8" Dia. C900. Water Main	3	EA.	\$ 1,400	\$ 4,200	DOLA	\$ 4,200				
	Tie-In with Existing 12" Dia. A.C. Water Main	2	EA.	\$ 1,400	\$ 2,800	DOLA	\$ 2,800				
	Locate & repair existing water supply during construction			\$ 73,000	\$ 73,000	DOLA	\$ 73,000				
D	Installation of proposed individual user taps and water meters				\$ 203,500						
	3/4" Type K Copper Pipe	2,700	L.F.	\$ 5	\$ 13,500	DOLA	\$ 13,500				
	6" Tap Saddle Assemblies	100	EA.	\$ 700	\$ 70,000	DOLA	\$ 70,000				
	Meter Assemblies	100	EA.	\$ 1,200	\$ 120,000	CWCBS WE/DOLA	\$ 70,050			\$ 49,950	
E	Reconstruct the roadways				\$ 148,651						
	Asphalt & base course repair (Zinno Blvd)	852	S.Y.	\$ 19	\$ 15,762	Pueblo Cty					\$ 15,762
	Asphalt & base course repair (Carmela Rd.)	623	S.Y.	\$ 19	\$ 12,081	Pueblo Cty					\$ 12,081
	Asphalt & base course repair (20 1/4 Lane)	368	S.Y.	\$ 19	\$ 6,808	Pueblo Cty					\$ 6,808
	Milling at curb	8,000	L.F.	\$ 6	\$ 48,000	Pueblo Cty					\$ 48,000
	1/2 Street 1" overlayment	880	Ton	\$ 75	\$ 66,000	Pueblo Cty					\$ 66,000
F	TR-840 filter for WTP			\$ 234,165	\$ 234,165	CWRPDA		\$ 234,165			
	Construction Contingency (11%)				\$ 133,446	DOLA/CWRPDA	\$ 98,267	\$ 35,178			
TOTAL FOR TASKS 1 AND 2					\$ 1,163,587		\$ 569,293	\$ 269,343	\$ 75,000	\$ 49,950	\$ 200,000
FUNDING BY SOURCE							\$ 569,293	\$ 269,343	\$ 75,000	\$ 49,950	\$ 200,000
FUNDING PERCENTAGES							49%	23%	6%	4%	17%



# PROJECT SCHEDULE

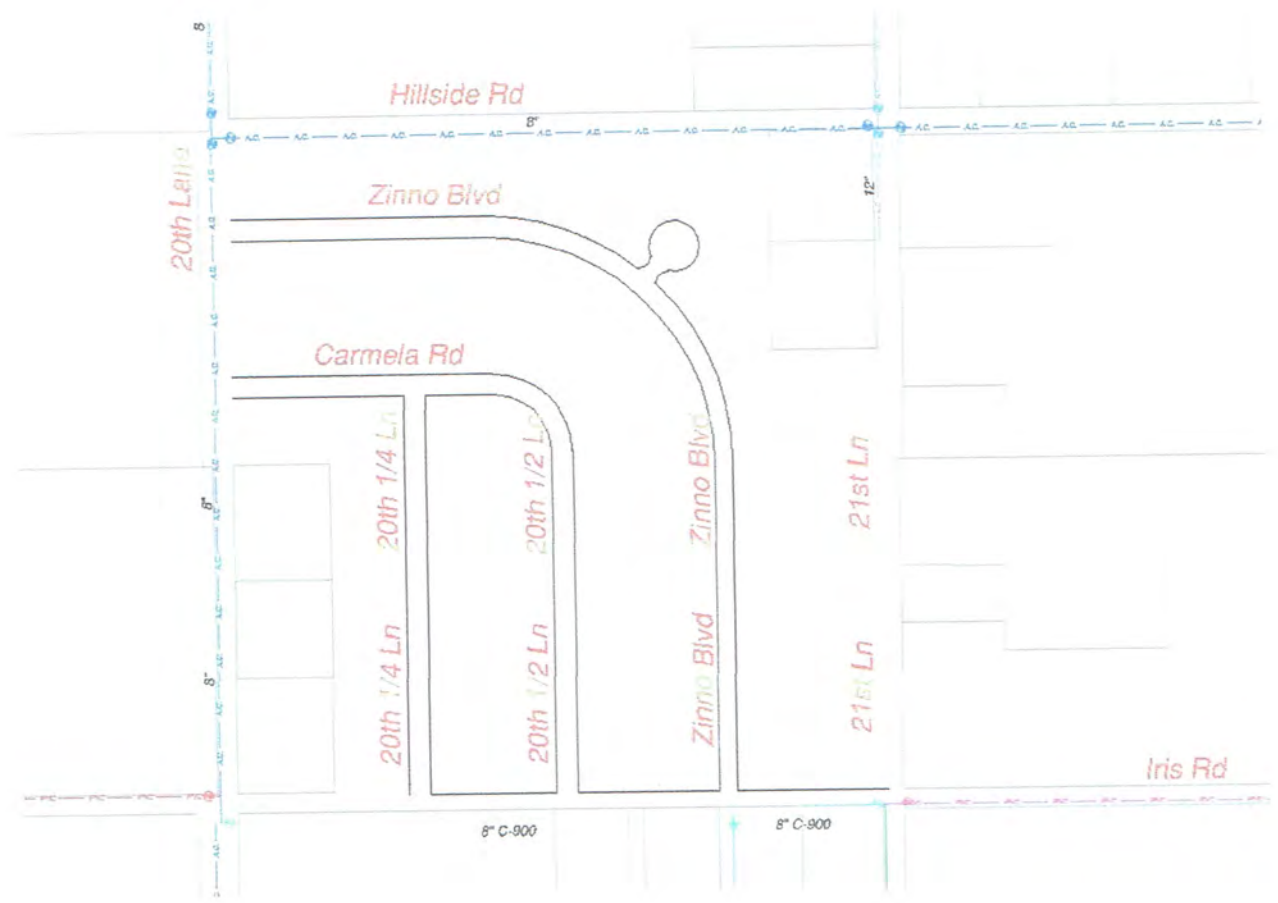
PROJECT SCHEDULE		
Task	Start Date	Finish Date
1B CDPHE Approval	Upon NTP	NTP + 90 days
1C Geotechnical Testing	Upon NTP	NTP + 180 days
1D Surveying	Upon NTP	NTP + 180 days
1E Construction Plans	Upon NTP	NTP + 180 days
1F Contract Documents	Upon NTP	NTP + 180 days
2A Traffic Control	NTP + 60 days	12/31/2018
2B Construction Surveying	NTP + 60 days	12/31/2018
2C Mobilization	NTP + 60 days	12/31/2018

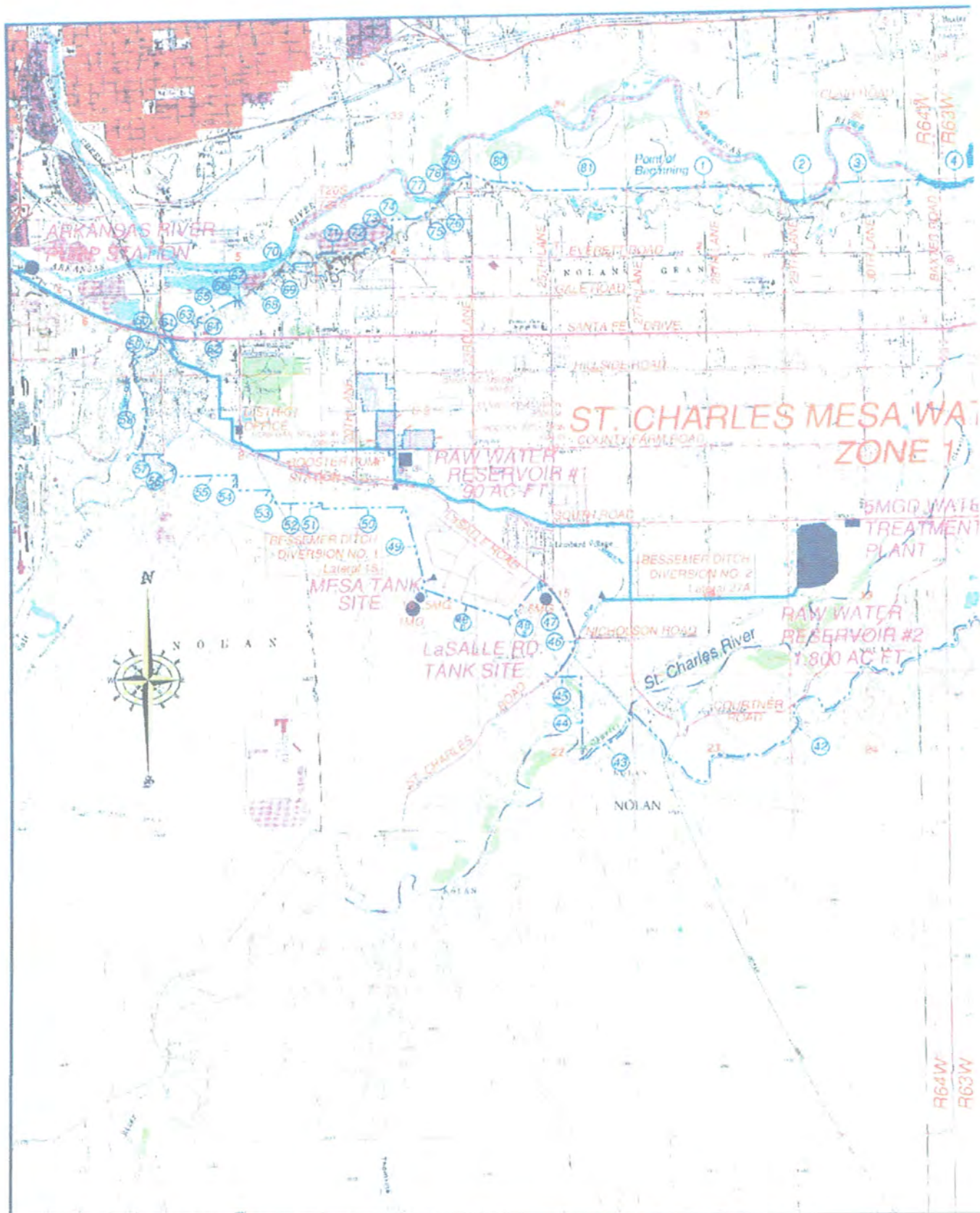
# ATTACHMENT 1

Map of Zinno Subdivision

Map of  
St. Charles Mesa Water District  
Service Area

# Map of Zinno Subdivision





Computer File Information			
Creation Date:	12/23/2009	Initials:	KAT
Last Modification Date:	5/27/2010	Initials:	KAT
Full Path:	C:\Work\GIS\General DB Map 5272010	Plot:	
Drawing File Name:		Plot:	
Acad Version:	2004	Scale:	1"=2000' Units:

**Young Technology Group**

Civil Engineering  
Planning & Development  
Construction Management  
Product Development



## ATTACHMENT 2

### Pueblo County Letter of Commitment



LIANE "BUFFIE" MCFADYEN  
CHAIR  
DISTRICT 2

SAL PACE  
STYDUHAR  
CHAIR PRO TEM  
DISTRICT 3



TERRY A. HART  
COMMISSIONER  
DISTRICT 1

GREGORY J.  
COUNTY ATTORNEY

## BOARD OF PUEBLO COUNTY COMMISSIONERS

Commissioner Terry Hart  
Pueblo County  
215 W. 10th Street  
Pueblo, Colorado 81003

May 4, 2016

General Manager David Simpson and President John Dorsch  
St. Charles Mesa Water District  
1397 Aspen Road  
Pueblo, CO 81006

Reference: Long-Term Potable Water Supply to the Zinno Subdivision

Dear Mr. Simpson and Mr. Dorsch,

As you know, there are approximately 97 residences in Zinno Subdivision who, for a number of years, have been receiving water from a small, private water provider, Joseph Corporation. These residents have reported experiencing power outages, pump failures and main breaks that have caused numerous interruptions in their water service provided by Joseph Corporation. The residents report that the interruptions in service are mostly due to aging infrastructure that has been neglected for many years. In addition, the residents have complained about poor water quality. They state that the water has a foul taste and is considered by most to be undrinkable. Due to the precarious nature of this water service, the residents of the Zinno Subdivision are actively seeking a remedy, which would provide them with continuous, quality, potable water service and stable use rates.

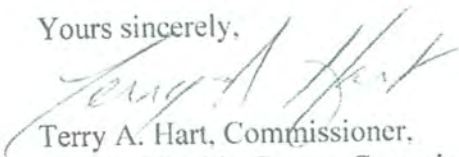
For years the Pueblo County Commissioners have been working with the residents of the Zinno Subdivision to explore solutions to the problems they have experienced with their water supply. Pueblo County supports efforts by the Zinno Water Users Association which is asking St. Charles Mesa Water District to include them in their District boundaries and provide service to residents who desire to purchase water service from the District. Making water available from St. Charles Mesa Water District for those members who desire to purchase water from the District appears to be the most sustainable solution for the residents of the Zinno Subdivision to secure a safe potable water supply a reasonable price.

PUEBLO COUNTY COURTHOUSE  
215 W. 10TH ST., PUEBLO, CO 81003-2992  
(719) 583-6000  
FAX: (719) 583-6549  
[www.county.pueblo.org](http://www.county.pueblo.org)

It is my understanding that grants and loans will have to be obtained to develop infrastructure and a water supply to serve the members of Zinno Water Users Association. Ballot Issue 1b "Excise Tax on Unprocessed Marijuana" has provided Pueblo County with a funding source to support this project. The ballot measure listed projects it would fund and included the following: *Study the Zinno subdivision's water supply needs and pursue possible related improvements*. Pueblo County is committed to covering the cost of patching what is left of the asphalt after the water line contractor has completed all their work and properly back filled the trenches, and then mill and overlay the full width of the streets in the Zinno subdivision that will be disturbed during the installation of new mains and service lines. The value of this commitment is approximately \$200,000.

This project is a priority for Pueblo County because we understand the need and the value it will have to the residents in the Zinno Subdivision when the project is constructed and will reduce the health and safety concerns caused by a tenuous water supply. This project will provide the residents of the subdivision a safe and reliable water supply. This water supply will be dependable for many years to come and will not be subject to excessive water rate increases. Having a secure and safe water supply in the subdivision will also increase the property values of the individual homes and in the area.

Yours sincerely,

A handwritten signature in dark ink, appearing to read "Terry A. Hart", is written over the typed name.

Terry A. Hart, Commissioner,  
Board of Pueblo County Commissioners



# ATTACHMENT 3

## Preliminary Engineering Report

### Long-Term Water Supply to the Zinno Subdivision Project

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St. Charles Mesa Water District 2013 Water Rates.....	2 Pages
St. Charles Mesa Water District 2012 Water Tap Fees.....	1 Page



## **EXECUTIVE SUMMARY**

The Joseph Water Corporation was created in 1963, in order to serve the residents of the Zinno Subdivision, which was first platted in January, 1964. The existing subdivision is comprised of 106 lots, each containing approximately 0.25 acres, more or less, and is bounded by 20<sup>th</sup> Lane on the west, 21<sup>st</sup> Lane on the east, Iris Road on the south and Hillside road on the north. The subdivision comprises all of the service area of Joseph Corporation. There are presently 97 active water taps within the subdivision.

The Residents of Zinno Subdivision (Zinno Water User's Association, ZWUA) intend to, collectively, Annex all properties contained in the Zinno Subdivision, into the St. Charles Mesa Water District (SCMWD), for the purpose of securing reliable potable water service. They are presently served by the Joseph Corporation.

Recently, several service disruptions have caused concerns related to the viability of the current potable water provider. There are several concerns regarding to the existing system, related to age of infrastructure, raw water supply, managerial and financial planning. This is exacerbated by the fact that the existing system cannot sell any additional taps. Tap Fees have traditionally been a major source of infrastructure improvement funding. Therefore, all improvement costs are funded through increased water rates.

ZWUA is surrounded on all sides, by the St. Charles Mesa Water District, which presently provides potable water service to approximately 11,000 residents, and over 4,000 existing taps. Consolidation with SCMWD is the most feasible, long-term solution for the residents of the Zinno Subdivision. Primarily due to the fact the St. Charles Mesa Water District has the financial and managerial capacity to expand their existing distribution system and treatment facilities to service the Zinno Subdivision Residents, as well as projected growth throughout the system. In addition, the finished water from the existing Potable Water Treatment Plant(s) provide a higher level of treatment, via filtration and post-hypo chlorination, than the existing system, which is not filtered.

The condition of the existing, chip-sealed, access roads which serve the Zinno Subdivision, will need to be replaced, as a result of the disruptive nature of the proposed water main constructions. This is due to the age and condition of the existing roads, and the potential damage from heavy equipment and extensive utility trenching.

The proposed financing shall come from several sources, including:

Colorado Water Conservation Board (CWCB)  
Department of Local Affairs (DOLA)  
Pueblo County  
St. Charles Mesa Water District

## **2.0 Planning Conditions**

2.1 Planning Area – Exhibit A provides a geographical view of the sites proximity to the City of Pueblo, Colorado.

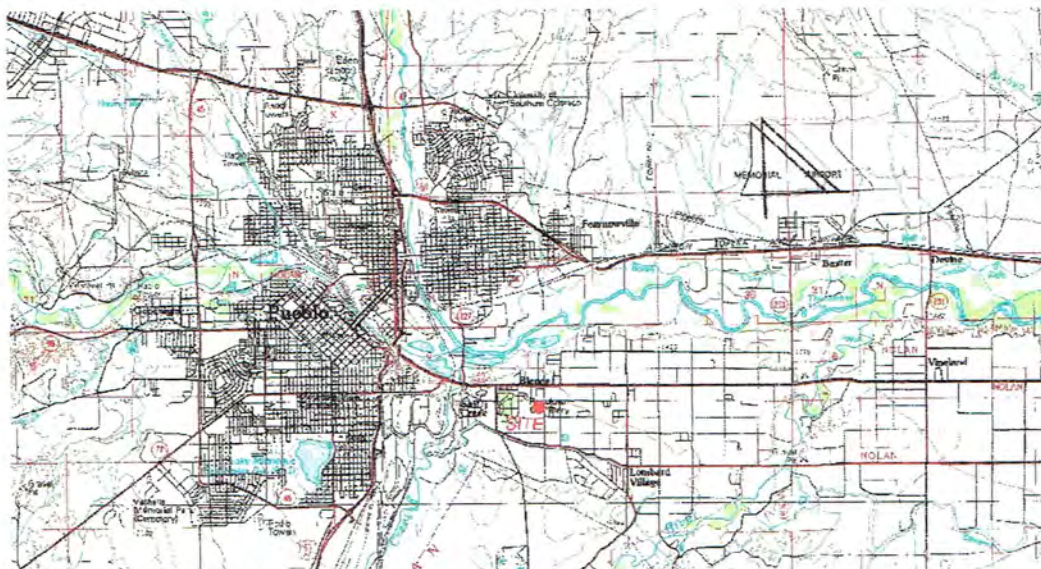


Exhibit A – Overall Vicinity Map



Exhibit B shows the aerial view of the Zinno Subdivision



Exhibit B – Aerial Plan View

2.2 Local and Regional Government Coordination – The Joseph Corporation, and The SCMWD are subject to the Colorado Department of Public Health and Environment (CDPHE), Water Quality Control Commission, Regulation No. 11, Colorado Primary Drinking Water Regulations, (5 CCR 1002-11).

In addition, the proposed excavation and roadway standards are subject to Pueblo County Public Works Department Standards and Design requirements.

2.3 Growth Areas and Population Trends – Pueblo County, Colorado contains approximately 2,386 square miles in land area. The 2015 population was 163,591, which represents a 2.8% increase from the 2010 population, according to the United States Census Bureau. This represents a population density of approximately 67 persons per square mile. The Median Household income is \$42,000 per year.

The Zinno Subdivision is located to the east of the City of Pueblo, in an area known as the St. Charles Mesa. The area is less densely populated than the City of Pueblo, but has a higher density than the surrounding rural areas to the eastern portion of the County.

Taps sales for the SCMWD are presently averaging approximately 1% annually.

2.4 Drinking Water Supply - The sole source of water for the subdivision is a shallow well, which was constructed in 1963, under permit Number 13416-F, Receipt 9095236, and is owned by The Joseph Corporation, Vanessa J. Zinno, President. According to the Division of Water Resources records, the well is 43 feet deep, with a yield of 375 gallons per minute. A copy of the original application and well permit is contained in the appendix.



3.0 Description of Existing Facilities - The existing well is located approximately 17 feet north of County Farm Road approximately half way between 20<sup>th</sup> and 21<sup>st</sup> Lane. The raw water from the well is chlorinated at the well site, and piped to the north, to one of two existing 7,500 gallon storage tanks, where a booster station pumps the potable water into the existing water distribution system and to the customers.

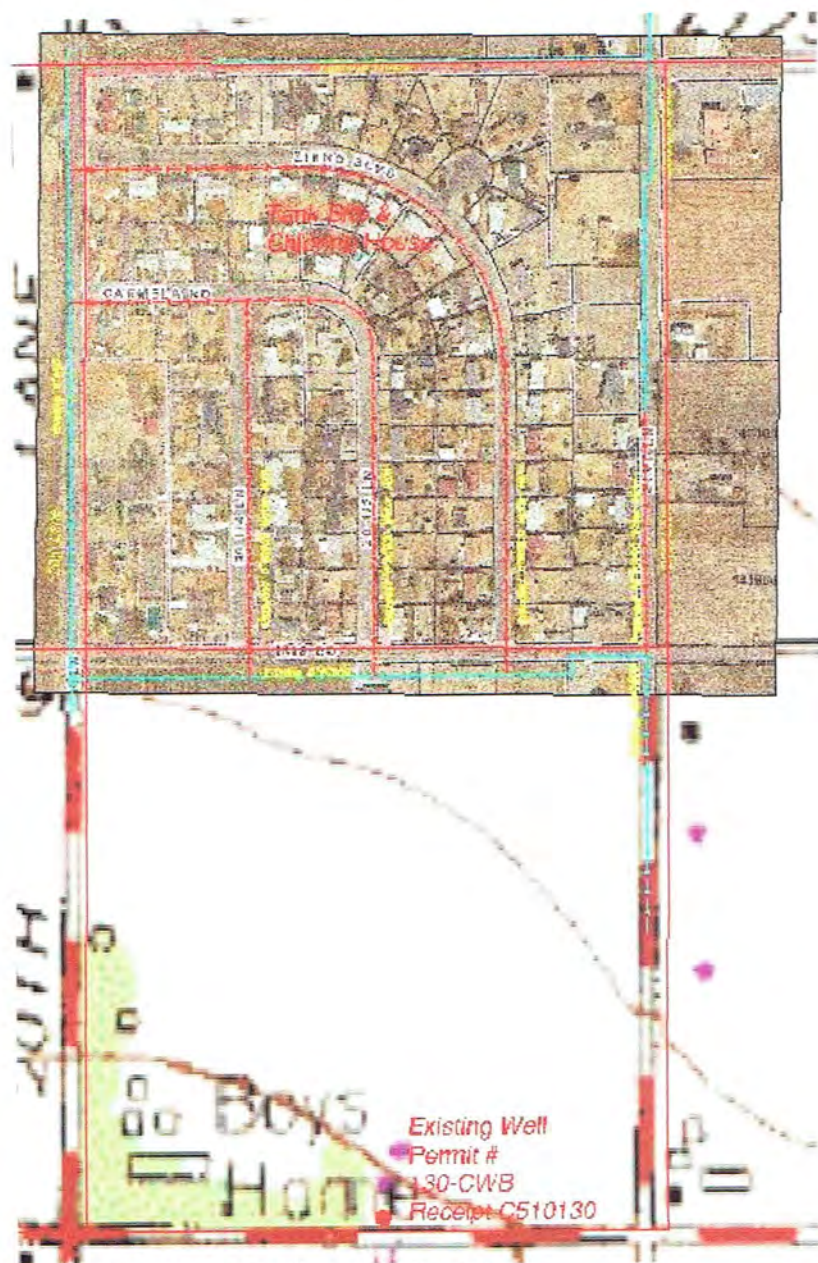


Exhibit C – Existing Facilities Location Map





Exhibit D – Existing Well House on County Farm Road

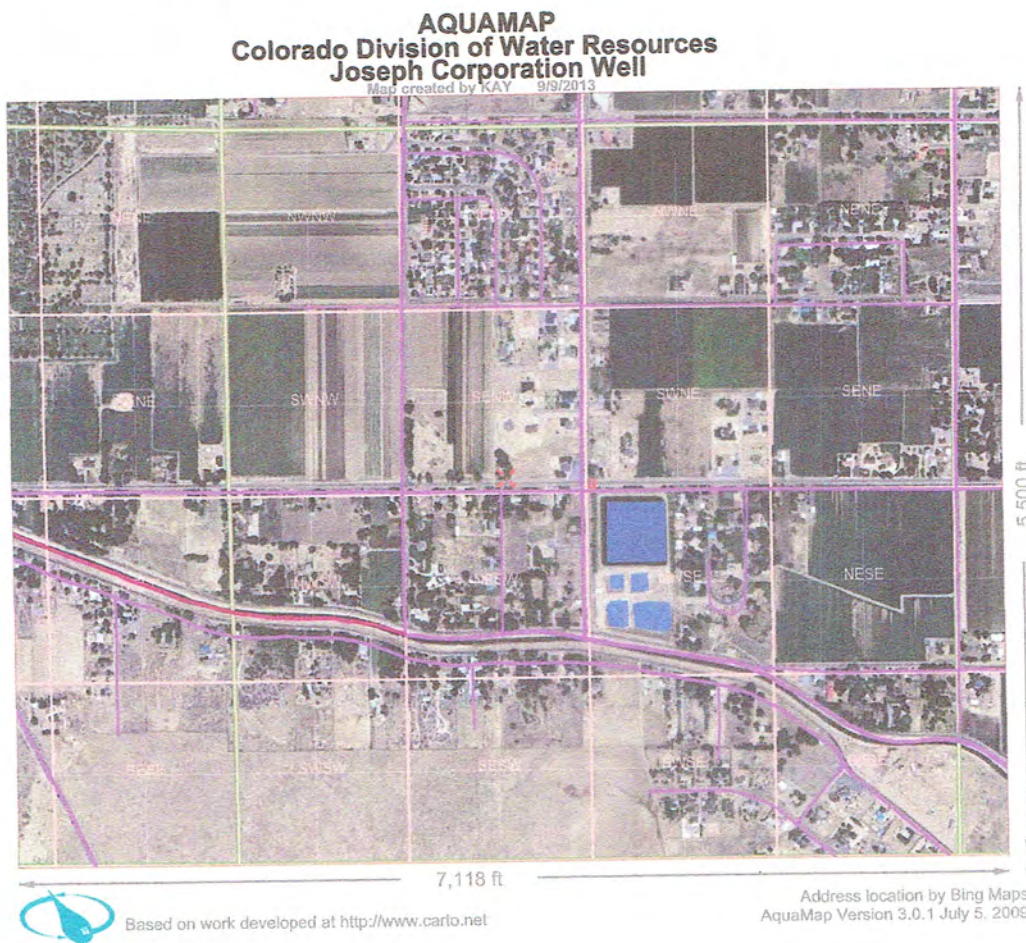


Exhibit E– Vicinity Map of well location





Exhibit F – Existing Water Storage Tanks and Booster Station on Carmela Road

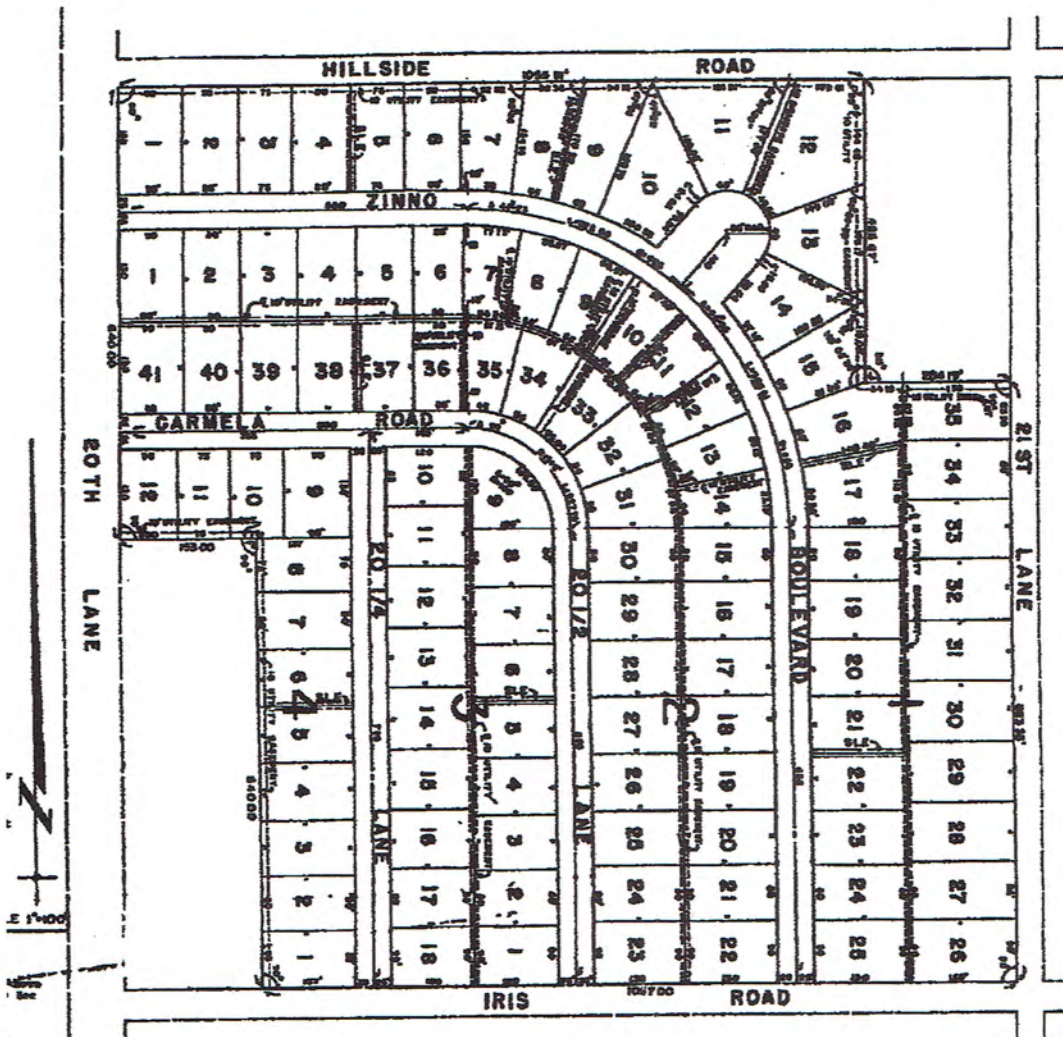


Exhibit G – Copy of Plat for Zinno's Subdivision, First Filing



3.1 Service Area Features - In past years, power outages, pump failures and main breaks have caused interruptions in service. The most serious have caused disruptions in service of up to two weeks.

In April, 2013, the customers in Zinno Subdivision were notified that they were all to be restricted to 62 gallons of water per day, and that their rates were going to be raised, and penalties would be levied for those who exceeded 62 gallons per day. This was later revised to restrict outdoor irrigation, with no restrictions on indoor use.

Due to the somewhat precarious nature of the water service provided, the residents of the Zinno Subdivision are actively seeking a remedy, which would provide them with continuous potable water service and stable use rates.

### 3.2 Existing Facilities Layout and Description

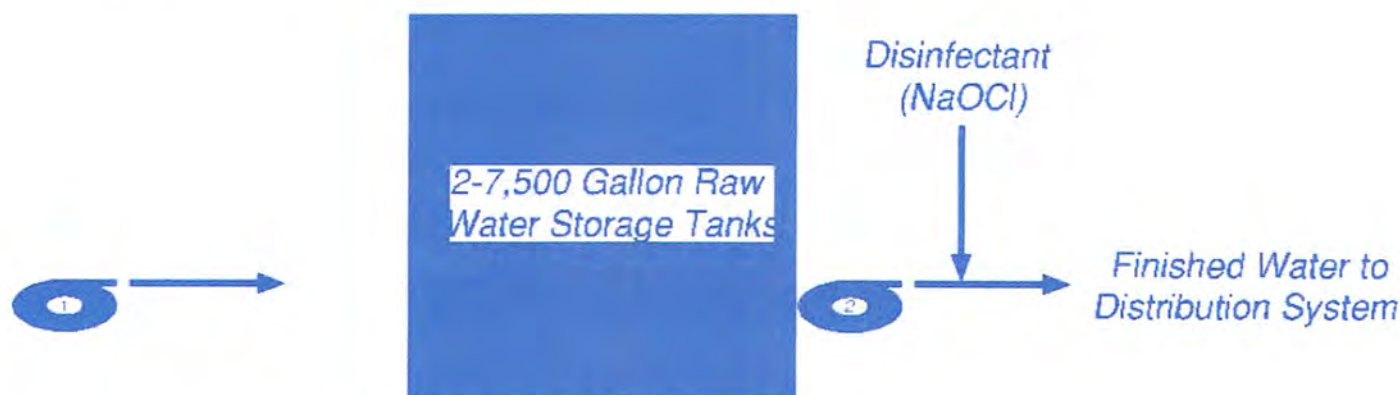


Exhibit H – Schematic Diagram of existing potable water facilities for Zinno Subdivision

3.3 Financial Status and User's – Presently, a minimum monthly charge of \$150.00/month is in place for the customers of the Joseph Corporation. This is required to fund past and future infrastructure maintenance, as well as managerial costs. The following is an estimate of the Annual Operating costs of the existing system, exclusive of maintenance:

<u>Description</u>	<u>Annual Cost</u>
Electrical Costs to Operate Pumps	\$5,000.00
Cost of Sodium Hypochlorite	\$3,000.00
1 System Operator	\$15,000.00
Testing	\$5,000.00
<b>Total</b>	<b>\$28,000.00</b>

Table 1 – Estimated Annual Operating Costs

### 3.4 Technical, Managerial and Financial Capacity (TMF)

The minimum annual income, based on a \$150.00/month rate, and 97 customers is **\$174,600**. The system is currently operated by a third party, treatment and distribution system operator.

4.1 Health and Compliance – At present, there have been no known Minimum Contaminant Level (MCL) violations.

4.2 Security – The Joseph Corporation has not performed a vulnerability assessment. The existing well pump house has a locking door, as well as the existing chlorination house. Both sites are served by the City of Pueblo Police Department and the Pueblo County Sheriff.

4.3 Operation and Maintenance – As stated previously, the system is currently operated by a third party, treatment and distribution system operator. Currently, there is no Controlled Maintenance Program in place. Emergency repairs are performed on an as-needed basis, usually resulting in service disruptions for the Zinno Subdivision residents.

4.4 Growth – There are 3 potential taps remaining to be sold in the Zinno Subdivision. There is no other potential for expansion of the existing system.

5.0 Assessment of Alternatives - The following are a series of options which shall be considered:

### Option 1: Take No Action

This option requires the water user's to do nothing, and continue to rely on the water service provided by the Joseph Corporation. The result of which may entail severe restrictions, variable water rates due to the need to procure funds for controlled maintenance, and the potential for extended periods of interrupted water service due to infrastructure breakdowns and lack of capital for controlled maintenance activities.

### Option 2: Connect the existing water distribution system to the St. Charles Mesa Water District distribution system

This option would require the St. Charles Mesa Water District (District) to provide a connection from their existing water distribution system, via an existing 8-inch diameter main in 20<sup>th</sup> Lane, or the existing 8-inch diameter main in Iris Road.

This option would provide the customer's in the Zinno Subdivision with a reliable source of potable water, with little or no chance of disruption. This option would require the installation of a master meter, which would keep account of the amount of water delivered to the meter, and the customers would reimburse the District at the tiered rate, depending on the size of the master meter. The billing rates for various size meters are contained in the appendix. In addition to the tap fee and use rates, the Water Bank fee will be required. For a 4" meter the tap fee would be \$120,357.00, and the water bank fee would amount to \$201,120.00, for a total of \$321,477.00

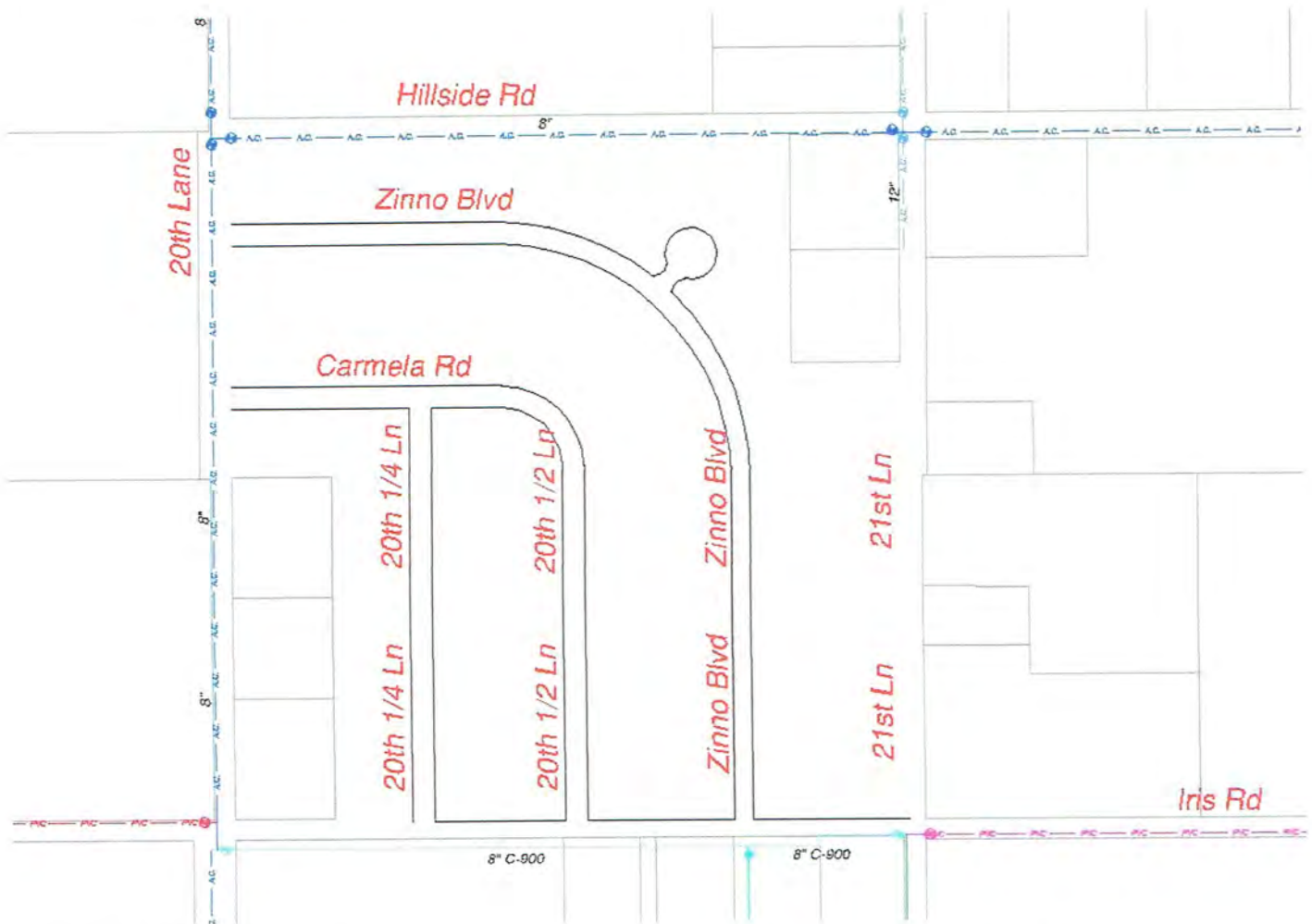


Exhibit I— Existing St. Charles Mesa Water District distribution system in the vicinity of Zinno Subdivision

Unfortunately, the existing water distribution system in the Zinno subdivision may not be capable of withstanding the increased pressure from the District. This option would serve to address the supply problem, but the distribution system would not be reliable, as it is approaching its reasonably expected service life, since some, if not most, or all of



the existing distribution system in the subdivision is approaching 50 years in service. Also, it is not clear if the existing storage tanks could be incorporated into the system, without the addition of a control valve and telemetry. If this option is selected, a detailed hydraulic model would be performed, in order to determine the impact on both existing distribution systems.

**Option 3: Annex the subdivision into the District and install a new distribution system, service lines and meters**

This option would satisfy the requirements of providing a reliable source of water, as well as the means to reliably deliver the water to the customers in the subdivision. However, this would require 100% agreement amongst the residents, to annex into the District, and to pay the association tap and water bank fees.

The District would utilize the tap fees to construct the proposed distribution system, and all of the residents of the Zinno subdivision would become District customers.

The following is a summary of the installation costs associated with this option:

Table 2 Engineer's Cost Estimate

<b>Engineer's Cost Estimate for Replacement of the Joseph Corporation Distribution System</b>					
<b>Prepared By: Young Technology Group, February 25, 2016</b>					
<b>Full Street Replacement</b>					
<b>Item</b>	<b>Quantity</b>	<b>Unit</b>	<b>Description</b>	<b>Unit Cost</b>	<b>Total Cost</b>
	1	LS	Mobilization	\$10,000.00	\$10,000.00
	1	LS	Construction Zone Traffic Control	\$20,000.00	\$20,000.00
	100	C.Y.	Rock Excavation	\$90.00	\$9,000.00
	150	Tons	3/4" Washed Rock Bedding (10% of Trench)	\$30.00	\$4,500.00
	750	Tons	Select Imported Backfill (50% of Trench)	\$32.00	\$24,000.00
	1,936	L.F.	6" Dia. C900 Water Main (Zinno Blvd.)	\$27.50	\$53,240.00
	1,490	L.F.	6" Dia. C900 Water Main (Carmela Rd.)	\$27.50	\$40,975.00
	852	L.F.	6" Dia. C900 Water Main (20 1/4 Lane)	\$27.50	\$23,430.00
	600	L.F.	12" Dia. C900 Water Main (21st Lane)	\$38.00	\$22,800.00
	5,500	L.F.	Tracer Wire	\$0.20	\$1,100.00
	2,700	L.F.	3/4" Type K Copper Pipe	\$5.00	\$13,500.00
	100	EA.	6" Tap Saddle Assemblies	\$700.00	\$70,000.00
	100	EA.	Meter Assemblies	\$1,200.00	\$120,000.00
	3	EA.	6" MJ Gate Valve & Box (Zinno Blvd.)	\$2,800.00	\$8,400.00
	2	EA.	6" MJ Gate Valve & Box (Carmela Rd.)	\$2,800.00	\$5,600.00
	2	EA.	6" MJ Gate Valve & Box (20 1/4 Lane)	\$2,800.00	\$5,600.00
	2	EA.	12" MJ Gate Valve & Box (21st Lane)	\$2,800.00	\$5,600.00
	5	EA.	8"x6" MJ Tee	\$1,000.00	\$5,000.00
	5	EA.	8" Solid Sleeve	\$1,000.00	\$5,000.00
	1	EA.	12" 45Deg. MJ Bend	\$1,500.00	\$1,500.00
	4	EA.	Fire Hydrant Assembly	\$3,200.00	\$12,800.00
	2	EA.	Tie-In with Existing 8" Dia. A.C. Water Main	\$1,400.00	\$2,800.00
	3	EA.	Tie-In with Existing 8" Dia. C900. Water Main	\$1,400.00	\$4,200.00
	2	EA.	Tie-In with Existing 12" Dia. Water Main	\$1,400.00	\$2,800.00
	10,100	L.F.	Cut Existing Asphalt	\$2.50	\$25,250.00
	852	S.Y.	Asphalt & Base Course Removal (Zinno Blvd.)	\$10.00	\$8,520.00
	653	S.Y.	Asphalt & Base Course Removal (Carmela Rd.)	\$10.00	\$6,530.00
	368	S.Y.	Asphalt & Base Course Removal (20 1/4 Lane)	\$10.00	\$3,680.00
	852	S.Y.	Asphalt & Base Course Repair (Zinno Blvd.)	\$18.50	\$15,762.00
	653	S.Y.	Asphalt & Base Course Repair (Carmela Rd.)	\$18.50	\$12,080.50
	368	S.Y.	Asphalt & Base Course Repair (20 1/4 Lane)	\$18.50	\$6,808.00
	8,000	L.F.	Milling at Curb	\$6.00	\$48,000.00



<u>Item</u>	<u>Quantity</u>	<u>Unit</u>	<u>Description</u>	<u>Unit Cost</u>	<u>Total Cost</u>
	880	Ton	1/2 Street 1" Overlay	\$75.00	\$66,000.00
	1	LS	Geotechnical Engineering	\$6,000.00	\$6,000.00
	1	LS	Surveying (Planning)	\$8,500.00	\$8,500.00
	1	LS	Construction Surveying	\$5,000.00	\$5,000.00
			Sub-Total		\$683,975.50
	1	LS	Project Engineering	\$17,000.00	\$17,000.00
			Contingency (15%)		\$105,146.33
			<b>GRAND TOTAL</b>		<b>\$806,121.83</b>

Table 2 – Engineer's Cost Estimate

The tap fee for each new customer would be \$6,710.00. The Water Bank Share Cost (for those who cannot provide a share of Bessemer Ditch water) is \$5,028.00. The total cost for each customer would be \$11,738.00.

If all of the existing taps were to participate, the total available for construction from the tap fees would be  $97 \times \$6,710.00 = \$650,870.00$ . Therefore the tap fees would not be sufficient to pay for the entire construction of the proposed distribution system.

The remaining sum of  $97 \times \$5,028.00 = \$487,716.00$  would be used to pay back the water bank.

This option is the most sustainable for the customers in the Zinno subdivision, as it would provide a new distribution system with an expected service life of between 50 to 70 years. It is also the most costly option, and would require a capital investment of \$1,138,586.00. In addition, since most, if not all of the existing customers would probably not be able to convey any Bessemer Ditch shares to the District for use as raw water; it would be a drain on the District's existing water bank, which currently contains approximately 469 Bessemer Ditch shares. Also, the addition of 97 new customers would increase the District customer base by 2.4%, and may require the District to install another filter at their main treatment facility in order to efficiently meet the increased demand.

## SUMMARY

In light of the recent, and reoccurring water service disruptions, and concerns over the long-term viability of the existing water supply and distribution network of the Joseph Corporation, it has become necessary for the residents of the Zinno Subdivision to seek alternatives with respect to potable water supply.

Option 1 is not a viable alternative because the existing water system is approaching its expected service life and will probably continue to require constant repair. Accordingly, the customers will likely experience additional service disruptions and increased water rates as time progresses.

Option 2 addresses the need for a reliable water supply, but the issue of the existing aging infrastructure will continue to plague the customers, until a new system can be financed and constructed. In addition, the connection to the District could exacerbate existing infrastructure problems, and may not be a viable solution for the District.

Option 3 is the best long-term solution due to the expected life of the new infrastructure. This option would eliminate speculation as to the water supply availability, and eliminate service disruptions. It would also clarify the rate structure. A copy of the rates is contained in the appendix.

Colorado Department of Natural Resources

Colorado.gov | Contact Us

## Colorado Division of Water Resources

### Colorado's Well Permit Search

#### Well Constructed

[Help](#)

Last Refresh: 9/9/2013 12:00:35 AM

Receipt: 9095236 Division: 2  
Permit #: 13416-F- Water District: 14  
Well Name / #: County: PUEBLO  
Designated Basin: Management District:  
Case Number:  
WDID: 1405799 - ZINNO WELL NO 3

#### [-] Applicant/Owners History

Date Range	Applicant/Owner Name	Address	City/State/Zip
Unknown - Present	JOSEPH CORPORATION	C/O VANESSA J ZINNO 3820 HILL CIR	COLORADO SPRINGS, CO 80904-

#### [-] Location Information

##### Approved Well Location:

Q40	Q160	Section	Township	Range	PM	Footage from Section Lines
SE	NW	9	21.0S	64.0W	Sixth	2516 N 1996 W

Northing (UTM y): 4231947.5 Easting (UTM x): 538206.9  
Location Accuracy: Spotted from section lines

##### Physical Address

##### Subdivision Name

##### City/State/Zip

##### Filing Block Lot

##### Parcel ID:

##### Acres in Tract:

#### [-] Permit Details

Date Issued: 11/21/1968

Date Expires:

Use(s): COMMERCIAL

Aquifer(s): ALL UNNAMED AQUIFERS

Special Use:

Area which may be irrigated:

Maximum annual volume of appropriation:

Statute:

Permit Requirements:

Totalizing Flow Meter  
NoGeophysical Log  
NoAbandonment Report  
No

Cross Reference Permit Number

Receipt

Description

Permit(s):

Comments:

#### [-] Construction/Usage Details

Well Construction Date:

Pump Installation Date:

Well Plugged:

1st Beneficial Use: 03/26/1963

Elevation	Depth	Perforated Casing (Top)	Perforated Casing (Bottom)	Static Water Level	Pump Rate
43				28	375

#### [-] Application/Permit History

Ownership Change	08/12/2009
Permit Issued	11/21/1968
Application Received	11/14/1967
First Beneficial Use	03/26/1963

#### [-] Imaged Documents

Document Name	Date Imaged	Annotated
<a href="#">Change in Owner Name/Address</a>	08/21/2009	No
<a href="#">Change in Owner Name/Address</a>	07/02/2009	No
<a href="#">Original File</a>	12/08/2007	No
<a href="#">Correspondence, Memos, Findings &amp; Hearings</a>	11/30/2007	No

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FORM NO.  
GWS-11  
07/93

STATE OF COLORADO  
OFFICE OF THE STATE ENGINEER  
818 Centennial Bldg., 1313 Sherman St., Denver, Colorado 80203  
(303) 866-3581

For Office Use only

RECEIVED

OCT 12 '95

WATER RESOURCES  
STATE ENGINEER  
COLORADO

PRIOR TO COMPLETING FORM, SEE INSTRUCTIONS ON REVERSE SIDE

### CHANGE IN OWNERSHIP/ADDRESS / LOCATION

WELL PERMIT, LIVESTOCK TANK OR EROSION CONTROL DAM

1. NEW OWNER

NAME(S) Joseph Water Corp  
Mailing Address 2107 County Farm Rd  
City, St. Zip Pueblo, CO 81006  
Phone (719) 543-6932

2. THIS CHANGE IS FOR ONE OF THE FOLLOWING:

- ☒ WELL PERMIT NUMBER 013416F  
☐ LIVESTOCK WATER TANK NUMBER \_\_\_\_\_  
☐ EROSION CONTROL DAM NUMBER \_\_\_\_\_

3. WELL LOCATION: COUNTY Pueblo OWNER'S WELL DESIGNATION Well # 3  
2107 County Farm Rd Pueblo, CO 81006  
(Address) (City) (State) (Zip)  
SE 1/4 of the NW 1/4, Sec. 9 Twp. 21 ☐ N. or ☒ S., Range 64 ☐ E. or ☒ W. 6th P.M.  
Distances from Section Lines 2516 Ft. from ☒ N. or ☐ S. Line, 1996 Ft. from ☐ E. or ☒ W. Line.  
Subdivision \_\_\_\_\_ Lot \_\_\_\_\_ Block \_\_\_\_\_ Filing (Unit) \_\_\_\_\_

4. LIVESTOCK TANK OR EROSION CONTROL DAM LOCATION: COUNTY \_\_\_\_\_  
\_\_\_\_\_, 1/4, Sec. \_\_\_\_\_ Twp. \_\_\_\_\_ ☐ N. or ☐ S., Range \_\_\_\_\_ ☐ E. or ☐ W. \_\_\_\_\_ P.M.

5. The above listed owner(s) say(s) that he (they) own the structure described herein.

The existing record is being amended for the following reason(s):

- ☒ Change in name of owner. ☐ Change in mailing address. ☐ Correction of location.

6. I (we) have read the statements made herein, know the contents thereof, and state that they are true to my (our) knowledge.  
[Pursuant to Section 24-4-104 (13)(a) C.R.S., the making of false statements herein constitutes perjury in the second degree and is punishable as a class 1 misdemeanor.]

Name/Title (Please type or print)

Zinno Produce Inc  
Dominic Zinno Secretary

Signature

Dominic Zinno

Date

10-10-95

FOR OFFICE USE ONLY

ACCEPTED AS A CHANGE IN OWNERSHIP  
AND/OR MAILING ADDRESS.

Hal D. Simon

State Engineer

She Davis

By

FEB 13 1996

Date

Court Case No. \_\_\_\_\_

Div. 2

Co. 51

WD 14

Basin \_\_\_\_\_

MD \_\_\_\_\_

Use \_\_\_\_\_



DEC 12 1966

WRL-25-66  
#20 34-45

Index No. 1338  
 IDWD 2-74  
 Use 2  
 Registered 5-57

STATE OF COLORADO  
 DIVISION OF WATER RESOURCES  
 OFFICE OF THE STATE ENGINEER

MAP AND STATEMENT FOR WATER WELL

PERMIT NUMBER

013416-F

RECEIVED  
 NOV 14 1967  
 COLORADO  
 STATE ENGINEER

FEB 20 1968  
 COLORADO  
 STATE ENGINEER

Know, all men by these presents: That the undersigned Zinno Produce of Pueblo, Inc., claimant(s), whose address is Lane 21 and County Road, City Pueblo, Colorado - 81004, states: Claimant(s) are the owner(s) of well No. 4 located as shown on the map below; the total number of acres of land owned by him (them) to be irrigated from this well is \*\*\*\*\*; work was commenced on this well by actual construction 26 day of March, 1963; the tested capacity of said well is 375 (gpm) (cfs); for which claim is hereby made for DOMESTIC purposes; that the average annual amount of water to be diverted is 108 acre-ft.; and that the aforementioned statements are made and this map and statement are filed in compliance with the law.

State of Colorado ss  
 County of Pueblo

Zinno Produce of Pueblo, Inc.  
Tony Zinno President  
 Claimant(s)

Subscribed and sworn before me this 15 day of August, 1967.

My Commission expires October 23, 1969

Edmond F. Gobetti  
 Notary Public

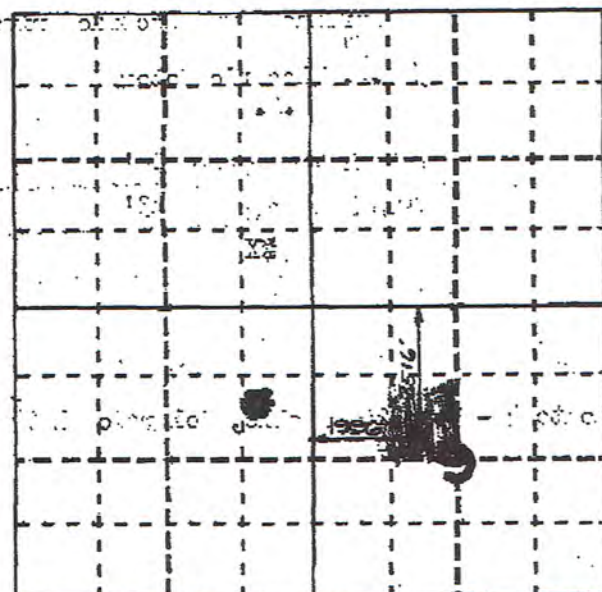
## MAP

THE WELL SHALL BE LOCATED WITH REFERENCE TO GOVERNMENT SURVEY CORNERS OR MONUMENTS, OR SECTION LINES BY DISTANCE AND BEARING.

2516 feet from North (North or South) section line  
1956 feet from West (East or West) section line

IF WELL IS FOR IRRIGATION, THE AREA TO BE IRRIGATED MUST BE SHADED OR CROSS-HATCHED.

The square below will be used to indicate the location of the well and the irrigated land.



## WELL LOCATION

Pueblo 51 County

SE 1/4 NW 1/4, sec. 9

T. 21 S, R. 64 W, 6 P.M.

Ground Water Basin District 14

Water Management

District None

Domestic wells may be located by the following: LOT       , BLOCK       

       SUBDIVISION

ACCEPTED FOR FILING IN THE OFFICE OF THE STATE ENGINEER OF COLORADO ON THIS 21 DAY OF Nov., 1967.

G.W. 1746

Ralph C. Quinn  
 State Engineer



## LOG AND HISTORY

## WELL LOG

## WELL DATA

Ground Elevation 4600Date Started March 26 - 1963Type Drilling Earth Auger and Dragline with BailerDate Completed March 31 - 1963

From	To	Type of Material	Water Loc.	Perf.
0	27	Top Sandy Soil		
27	46	Clean coarse water bearing gravel and some boulders		
46	47	Shale		
47	48	Shale		
48	49	Shale		
49	50	Shale		
50	51	Shale		
51	52	Shale		
52	53	Shale		
53	54	Shale		
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56	57	Shale		
57	58	Shale		
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74	75	Shale		
75	76	Shale		
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81	82	Shale		
82	83	Shale		
83	84	Shale		
84	85	Shale		
85	86	Shale		
86	87	Shale		
87	88	Shale		
88	89	Shale		
89	90	Shale		
90	91	Shale		
91	92	Shale		
92	93	Shale		
93	94	Shale		
94	95	Shale		
95	96	Shale		
96	97	Shale		
97	98	Shale		
98	99	Shale		
99	100	Shale		

## Hole Diameter:

30" in. from 0 ft. to 27 ft.  
 18" in. from 27 ft. to 47 ft.  
 18" in. from 47 ft. to 47 ft.

## CASING RECORD

Cemented from

Plain Casing

Size 18", kind Steel from 0 ft. to 27 ft.

Size 18", kind Steel from 27 ft. to 47 ft.

Size 18", kind Steel from 47 ft. to 47 ft.

Perforated Casing

Size 18", kind Steel from 27 ft. to 47 ft.

Size 18", kind Steel from 47 ft. to 47 ft.

Size 18", kind Steel from 47 ft. to 47 ft.

## TEST DATA

Date Tested April 4 - 9 - 1963Type of Pump Turbine Belted TypeLength of Test Five daysConstant Yield 375 G. P. M.Drawdown 43 feet from top of ground

## PUMP DATA (To be filled in)

Type of Pump Turbine Pump Electric DrivenOutlet Size 5"Driven by 5 H.P. Electric MotorHorsepower 5 H.P.

Use additional paper if necessary to complete log and attach.

DEPTH TO WATER 28'WELL DRILLERS STATEMENT TOTAL DEPTH 43'State of Colorado Pueblo ss

R. K. Ritchey,

being duly sworn, deposes and

says: he is the driller of the above described well; he has read the above map and statement, knows the content thereof, and the same is true of his own knowledge.

Route 4 - Box 326, Pueblo, Colorado 81004

License No. 129

Subscribed and sworn to before me this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_.

My Commission expires \_\_\_\_\_, 19\_\_\_\_.

Notary Public

## FORM TO BE MADE OUT IN QUADRUPPLICATE:

Original WHITE (both sides) & Triplicate GREEN Copy must be filed with the State Engineer within 30-days after well is completed. Duplicate PINK copy is for the Owner & YELLOW copy for the Driller. WHITE FORM MUST BE AN ORIGINAL COPY ON BOTH SIDES AND SIGNED.



APPLICATION FOR: ☐ A PERMIT TO USE GROUND WATER  
☐ A PERMIT TO CONSTRUCT A WELL  
☐ REPLACEMENT FOR NO. \_\_\_\_\_  
 (Reason)  
☐ OTHER

## PRINT OR TYPE

## LOCATION OF WELL

APPLICANT ZINNO PRODUCE OF PUEBLO, INC. COUNTY PUEBLO

Street Address LAKE 21 & CO. -

SE  $\frac{1}{4}$ , NW  $\frac{1}{4}$ , sec. 9

City & State NOTICE!

T. 21 S., R. 64 W., 6th P.M.

Use of ground water COMMERCIAL

Street or

Owner of land on which well

Lot & Block LOT 8 BLOCK 12

is located AS ABOVE

City or

Number of acres

Subdivision ST. CHARLES MESA

to be irrigated 40 AC.

Ground Water Basin DIST. 14

Legal description of

Water Management

irrigated land SE  $\frac{1}{4}$  NW  $\frac{1}{4}$  - 9 - 21 - 64

District Non

Other water rights on

## LOCATE WELL ON THE BACK OF THIS SHEET

this land

Owner of irrigated

Driller R. K. RITCHIE No. 129

land

Driller's

Aquifer(s) ground water is to be obtained

Address ROUTE 4 - BOX 326 - PUEBLO CO.

from ALLUVIAN

ZINNO PRODUCE OF PUEBLO, INC.

## ESTIMATED WELL DATA

TONY ZINNO PRESIDENT

Est. quantity of ground water to be claimed:

Signature of Applicant

Est. Max. Yield 375 GPM or CFS

## CONDITIONS OF APPROVAL

Est. average annual amount to be

used in acre-feet 108

Storage capacity \_\_\_\_\_ AF

Anticipated start of drilling MARCH 1963

## Hole Diameter:

30 in. from 0 ft. to 27 ft.

18 in. from 27 ft. to 47 ft.

## Casing:

Plain 18 in. from 0 ft. to 27 ft.

\_\_\_\_\_ in. from \_\_\_\_\_ ft. to \_\_\_\_\_ ft.

Perf. 18 in. from 27 ft. to 47 ft.

\_\_\_\_\_ in. from \_\_\_\_\_ ft. to \_\_\_\_\_ ft.

## PUMP DATA:

Type TURBINE HP 5 Outlet Size 5"

FOR STATE ENGINEER OR COMMISSION USE

## APPLICATION APPROVED:

VALID FOR ONE (1) YEAR AFTER DATE ISSUED  
 UNLESS EXTENDED FOR GOOD CAUSE SHOWN TO  
 THE ISSUING AGENCY

PERMIT NO. \_\_\_\_\_ CONDITIONAL ☒

DATE ISSUED \_\_\_\_\_

STATE ENGINEER or CHAIRMAN GROUND

WATER COMMISSION

By \_\_\_\_\_

APPLICATION MUST BE COMPLETED SATISFACTORILY BEFORE ACCEPTANCE

(OVER)

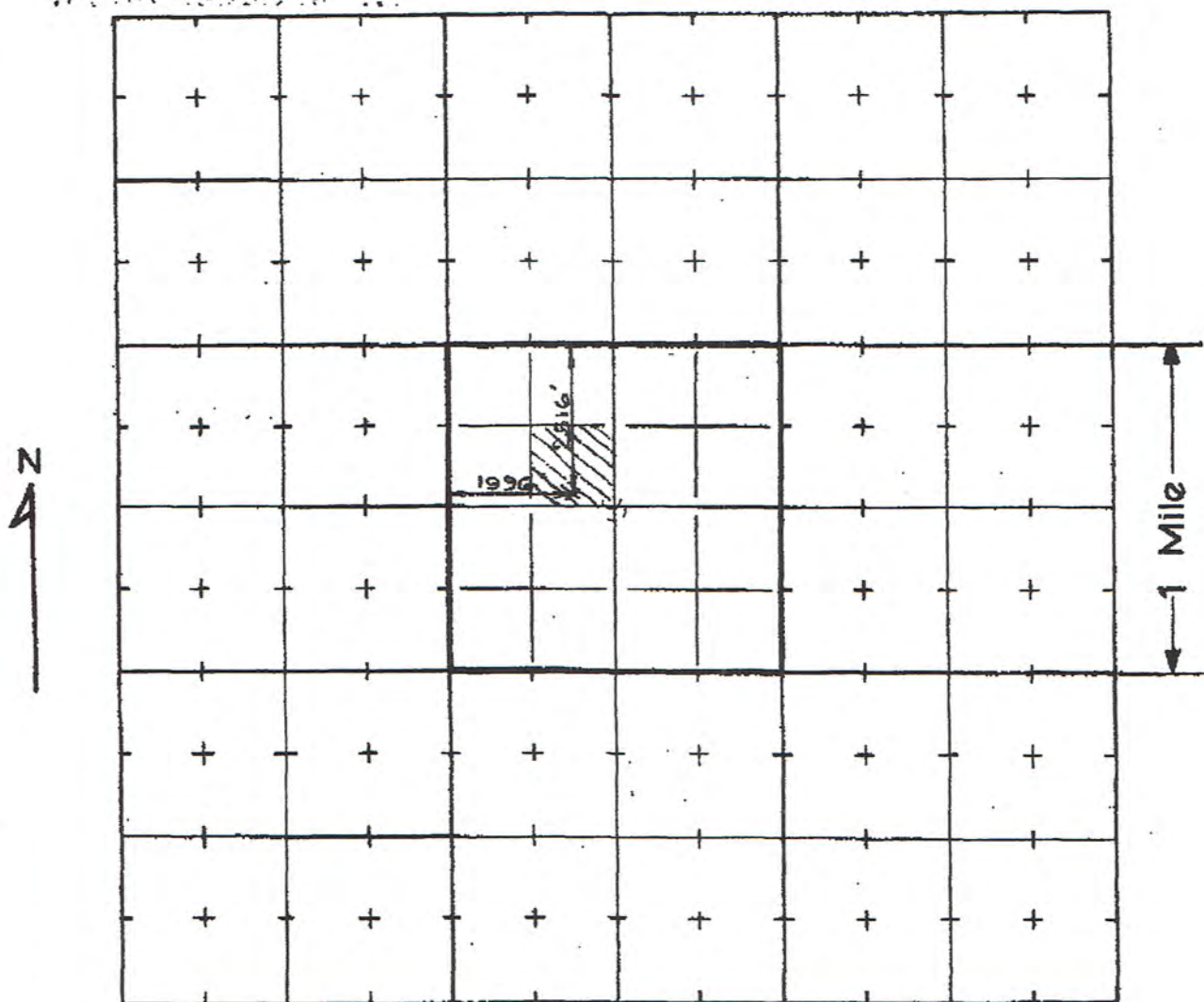
THE LOCATION OF THE PROPOSED WELL SHALL BE SHOWN ON THE DIAGRAM BELOW WITH REFERENCE TO SECTION LINES OR GOVERNMENT SURVEY CORNERS OR MONUMENTS.

2516 feet from North (North or South) section line

1996 feet from West (East or West) section line

IF WELL IS FOR IRRIGATION, THE AREA TO BE IRRIGATED MUST BE SHADED OR CROSS-HATCHED.

This diagram represents nine (9) sections. Use the CENTER SQUARE (one section) to indicate the location of the well.



THE SCALE OF THE DIAGRAM IS TWO INCHES EQUALS ONE-MILE



SE1/4 NW1/4  
SEC. 9, T. 21 S., R. 64 W.

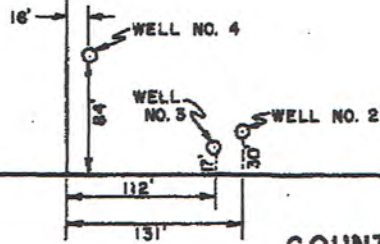
SW1/4 NE1/4  
SEC. 9, T. 21 S.,

SCALE 1" = 100'

LOT 7  
BLK. 12

LOT 8 BLOCK 12  
ST. CHARLES MESA

LOT 3  
BLK. 19



21st LANE

COUNTY FARM ROAD

80'

1300'

MARCH 20, 1968

RECEIVED

JUN 16 2009

STATE OF COLORADO  
OFFICE OF THE STATE ENGINEER  
818 Centennial Bldg., 1313 Sherman St., Denver CO 80203  
(303) 866-3581 Fax (303) 866-3589

DIVISION ENGINEER  
PUEBLO, COLORADO

For Office Use Only

Farm Unit: 181ST ID: 1405799

RECEIVED

JUN 24 2009

WATER RESOURCES  
STATE ENGINEER  
COLORADO

JUN 08 2009

### CHANGE IN OWNERSHIP/ADDRESS CORRECTION OF THE WELL LOCATION

Insert the Well Permit Number 13416-F

Name, address and phone of the person claiming ownership of the well:

NAME(S): Vanessa J ZinneMailing Address 3920 Hill CircleCity, State, Zip Colo Springs, Co 80904Phone ( 719 ) 633 53 74

This form is filed by the named individual/entity claiming that they are the owner of the well permitted as referenced above. This filing is made pursuant to CRS 37-90-143.

WELL LOCATION County Pueblo Owner's Well Designation \_\_\_\_\_

Carmella Ave Pueblo Col. 81006  
(Address) (City) (State) (Zip)

SE 1/4 of the NW 1/4, Sec. 9 Twp. 21 N. or (S), Range 64 E. or (W) 6 PM

Distance from Section Lines: \_\_\_\_\_ FT from N. or S. \_\_\_\_\_ FT from E. or W. Line

Subdivision Name: \_\_\_\_\_ Lot \_\_\_\_\_ Block \_\_\_\_\_ Filing/Unit \_\_\_\_\_

The above listed owner(s) say(s) that he, she (they) own the well described herein. The existing record is being amended for the following reasons: \_\_\_\_\_ Change in name of owner and/or \_\_\_\_\_ Change in mailing address and/or \_\_\_\_\_ Correction of location for exempt wells permitted prior to May 8, 1972 and non-exempt wells permitted after May 17, 1965.

I (we) claim and say that I (we) (are) the owner(s) of the well described above and that the commencement of extraction of ground water from this well, lawfully made under the well permit, occurred on the date indicated, and that the statements made herein are true to my (our) knowledge.

Please print the Seller's Name &amp; Title

Signature of the new owner

Date

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_Vanessa J Zinne6-4-09

It is the responsibility of the new owner of this well to complete and sign the form. Signatures of agents are acceptable if an original letter of agency signed by the owner is attached to the form upon its receipt.

For Office Use Only

ACCEPTED AS A CHANGE OF OWNERSHIP  
AND/OR MAILING ADDRESS6-25-09Dick Wolfe  
State Engineer

By

Date



Form No. GWS-11 1/2009	<b>STATE OF COLORADO</b> <b>OFFICE OF THE STATE ENGINEER</b> 818 Centennial Bldg., 1313 Sherman St., Denver, CO 80203 Phone - Info: (303) 866-3587 Main: (303) 866-3581 Fax: (303) 866-3589 http://www.water.state.co.us	For Office Use Only  <div style="border: 1px solid black; padding: 5px; transform: rotate(-5deg); display: inline-block;"> <b>RECEIVED</b>  <b>AUG 11 2009</b>  <small>WATER RESOURCES STATE ENGINEER COLO</small> </div>
<b>CHANGE IN OWNER NAME/ADDRESS</b> <b>CORRECTION OF THE WELL LOCATION</b>		
Review instructions on the reverse side prior to completing the form.		
Name, address and phone of person claiming ownership of the well permit:		
NAME(S): <u>Joseph Corporation</u> Mailing Address: <u>3820 Hill Circle</u> City, St. Zip: <u>Colorado Springs, Co.</u> Phone: <u>719 633-5374</u> E-mail (optional): <u>vjzinn@q.com</u>		
This form is filed by the named individual/entity claiming that they are the owner of the well permit as referenced below. This filing is made pursuant to C.R.S. 37-90-143.		
WELL LOCATION: Well Permit Number: <u>13416 F</u> Receipt Number: <u>9095236</u> Case Number: _____ County: <u>Pueblo</u> Well Name or # (optional): <u>Well #3</u>		
<div style="display: flex; justify-content: space-between;"> <span>(Address)</span> <span>(City)</span> <span>(State)</span> <span>(Zip)</span> </div> <u>SE</u> 1/4 of the <u>NW</u> 1/4, Sec. <u>9</u> , Twp. <u>21</u> <input type="checkbox"/> N. or <input checked="" type="checkbox"/> S., Range <u>64</u> <input type="checkbox"/> E. or <input checked="" type="checkbox"/> W., <u>SIXTH</u> P.M. Distance from Section Lines: <u>2516</u> Ft. From <input checked="" type="checkbox"/> N. or <input type="checkbox"/> S., <u>1996</u> Ft. From <input type="checkbox"/> E. or <input checked="" type="checkbox"/> W. Line. Subdivision Name <u>N/A</u> Lot _____, Block _____, Filing/Unit _____		
The above listed owner(s) say(s) that he, she (they) own the well permit described herein. The existing record is being amended for the following reasons: <input type="checkbox"/> Change in name of owner <input checked="" type="checkbox"/> Change in mailing address <input type="checkbox"/> Correction of location for exempt wells permitted prior to May 8, 1972 and non-exempt wells permitted before May 17, 1965. Please see the reverse side for further information regarding correction of the well location.		
I (we) claim and say that I (we) (are) the owner(s) of the well permit described above, know the contents of the statements made herein, and state that they are true to my (our) knowledge.		
Signature(s) of the new owner <u>Vanessa J. Zinno</u>	Please print the Signer's Name & Title <u>Vanessa J. Zinno Pres.</u>	Date <u>8-8-2009</u>
It is the responsibility of the new owner of this well permit to complete and sign this form. Signatures of agents are acceptable if an original letter of agency signed by the owner is attached to the form upon its receipt.		
For Office Use Only		
<div style="display: flex; justify-content: space-between; align-items: flex-end;"> <div style="width: 30%;">            State Engineer         </div> <div style="width: 30%;">            By         </div> <div style="width: 30%; text-align: right;"> <div style="border: 1px solid black; padding: 2px; transform: rotate(-5deg); display: inline-block;"> <b>ACCEPTED AS A CHANGE OF OWNERSHIP AND/OR MAILING ADDRESS</b> </div>  <u>8-12-09</u>            Date         </div> </div>		



Appendix A  
**St. Charles Mesa Water District**  
**2013 WATER RATES**

Rate Code 1	Meter 5/8 X 3/4				Cumulative	Minimum	Cost Per 1,000 Gal.
First	0	Gallons			<b>\$20.00</b>		20.00
Next	5,000	Gallons	\$1.11	5,000	\$25.55		5.1100
Next	30,000	Gallons	\$1.88	35,000	\$81.95		2.3414
next	0	Gallons	\$0.00	35,000	\$81.95		2.3414
All Over	35,000	Gallons	\$2.65	70,000	\$174.70		2.4957

Rate Code 2	ZONE 2 5/8X3/4" Meter				Cumulative	Minimum	Cost Per 1,000 Gal.
First	0	Gallons			<b>\$20.00</b>		20.00
Next	5,000	Gallons	\$1.29	5,000	\$26.45		5.2900
Next	25,000	Gallons	\$2.22	30,000	\$81.95		2.7317
next	0	Gallons	\$0.00	30,000	\$81.95		2.7317
All Over	30,000	Gallons	\$3.20	60,000	\$177.95		2.9658

Rate Code 3	ZONE 2 5/8X3/4" Meter				Cumulative	Minimum	Cost Per 1,000 Gal.
First	0	Gallons			<b>\$34.00</b>		34.00
Next	5,000	Gallons	\$1.29	5,000	\$40.45		8.0900
Next	25,000	Gallons	\$2.22	30,000	\$95.95		3.1983
next	0	Gallons	\$0.00	30,000	\$95.95		3.1983
All Over	30,000	Gallons	\$3.20	60,000	\$191.95		3.1992

Rate Code 4	5/8 X 3/4 COMMERCIAL				Cumulative	Minimum	Cost Per 1,000 Gal.
First	0	Gallons			<b>\$20.00</b>		20.00
Next	12,000	Gallons	\$1.52	12,000	\$38.24		3.1867
Next	70,000	Gallons	\$2.21	82,000	\$192.94		2.3529
next	0	Gallons	\$0.00	82,000	\$192.94		2.3529
All Over	82,000	Gallons	\$4.27	164,000	\$543.08		3.3115

Rate Code 5	1" Meter				Cumulative	Minimum	Cost Per 1,000 Gal.
First	0	Gallons			<b>\$34.00</b>		34.00
Next	5,000	Gallons	\$1.12	5,000	\$39.60		7.9200
Next	30,000	Gallons	\$1.90	35,000	\$96.60		2.7600
next	0	Gallons	\$0.00	35,000	\$96.60		2.7600
All Over	35,000	Gallons	\$2.67	70,000	\$190.05		2.7150

Rate Code 6	1" Meter COMMERCIAL				Cumulative	Minimum	Cost Per 1,000 Gal.
First		Gallons			<b>\$34.00</b>		34.00
Next	20,000	Gallons	\$1.55	20,000	\$65.00		3.2500
Next	260,000	Gallons	\$2.23	280,000	\$644.80		2.3029
next	0	Gallons	\$0.00	280,000	\$644.80		2.3029
All Over	280,000	Gallons	\$4.12	560,000	\$1,798.40		3.2114

						Cost Per
						1,000 Gal.
<b>Rate Code 7</b>	<b>1 1/2" Meter COMMERCIAL</b>			<b>Cumulative</b>		
First	0 Gallons			<b>\$66.00</b>	Minimum	66.00
Next	40,000 Gallons	\$1.60	40,000	\$130.00		3.2500
Next	560,000 Gallons	\$2.24	600,000	\$1,384.40		2.3073
next	0 Gallons	\$0.00	600,000	\$1,384.40		2.3073
All Over	600,000 Gallons	\$4.12	1,200,000	\$3,856.40		3.2137

						Cost Per
						1,000 Gal.
<b>Rate Code 8</b>	<b>1 1/2" LANDFILL</b>			<b>Cumulative</b>		
First	0 Gallons			<b>\$66.00</b>	Minimum	66.000
Next	75,000 Gallons	\$2.45	75,000	\$249.75		3.3300
Next	300,000 Gallons	\$3.91	375,000	\$1,422.75		3.7940
next	0 Gallons	\$0.00	375,000	\$1,422.75		3.7940
All Over	375,000 Gallons	\$5.70	750,000	\$3,560.25		4.7470

						Cost Per
						1,000 Gal.
<b>Rate Code 9</b>	<b>2" Meter COMMERCIAL</b>			<b>Cumulative</b>		
First	0 Gallons			<b>\$106.00</b>	Minimum	106.00
Next	64,000 Gallons	\$1.58	64,000	\$207.12		3.2363
Next	800,000 Gallons	\$2.27	864,000	\$2,023.12		2.3416
next	0 Gallons	\$0.00	864,000	\$2,023.12		2.3416
All Over	864,000 Gallons	\$4.17	1,728,000	\$5,626.00		3.2558

						Cost Per
						1,000 Gal.
<b>Rate Code 10</b>	<b>3" METER COMMERCIAL</b>			<b>Cumulative</b>		
First	0 Gallons			<b>\$214.00</b>	Minimum	214.00
Next	128,000 Gallons	\$1.54	128,000	\$411.12		3.2119
Next	1,200,000 Gallons	\$2.21	1,328,000	\$3,063.12		2.3066
next	0 Gallons	\$0.00	1,328,000	\$3,063.12		2.3066
All Over	1,328,000 Gallons	\$4.17	2,656,000	\$8,600.88		3.2383

						Cost Per
						1,000 Gal.
<b>Rate Code 11</b>	<b>4" METER COMMERCIAL</b>			<b>Cumulative</b>		
First	0 Gallons			<b>\$334.00</b>	Minimum	334.00
Next	200,000 Gallons	\$1.54	200,000	\$642.00		3.2100
Next	2,000,000 Gallons	\$2.21	2,200,000	\$5,062.00		2.3009
next	0 Gallons	\$0.00	2,200,000	\$5,062.00		2.3009
All Over	2,200,000 Gallons	\$4.17	4,400,000	\$14,236.00		3.2355



# ST. CHARLES MESA WATER DISTRICT

2012 WATER TAP FEES / MAY 11, 2006 / REVISION OF ARTICLE XI, SECTION 19.01

BASED ON INTEGRATED UTILITIES PLANT INVESTMENT FEE STUDY AND FINANCIAL PLAN PREPARED FOR ST. CHARLES MESA WATER DISTRICT AND ADOPTED BY THE BOARD OF DIRECTORS DECEMBER 13, 2006.

BESSEMER IRRIGATION DITCH COMPANY SHARES MUST BE PROVIDED BY APPLICANT AT NO CHARGE TO THE DISTRICT OR PURCHASED FROM THE WATER BANK PRIOR TO RECORDATION OF FINAL PLAT OF SUBDIVISION OR PRIOR TO REQUEST FOR CONNECTION TO DISTRICT'S WATER SYSTEM, WHICHEVER OCCURS FIRST.

ARTICLE XI, SECTION - REVISED AND ADOPTED MAY 10, 2006

## WEST OF ST. CHARLES RIVER

SIZE OF WATER SERVICE	WATER METER MAX. FLOW CAPABILITIES	BESSEMER DITCH SHARES REQUIRED PER TAP	METER EQUIVALENCY RATIO	REIMBURSEMENT FEE	IMPROVEMENT FEE	INSTALLATION COSTS	WATER TAP TOTAL COST	WATER TAP COSTS FOR PROPERTY THAT HAVE NO BESSEMER DITCH SHARES	
								WATER BANK SHARE COST	WATER TAP COST WITH WATER BANK SHARE
5/8" X 3/4"	20	1	1	\$2,075.00	\$3,635.00	\$1,000.00	\$6,710.00	\$5,028.00	\$11,738.00
1"	50	2	1.7	\$3,527.50	\$6,179.50	\$1,500.00	\$11,207.00	\$10,098.00	\$21,263.00
1 1/2"	120	7	3.3	\$6,847.50	\$11,995.50	\$3,000.00	\$21,843.00	\$35,186.00	\$57,839.00

NO WATER TAP LARGER THAN 1 1/2 INCH CAN BE INSTALLED WEST OF THE ST. CHARLES RIVER

WITHOUT BEING EVALUATED BY THE DISTRICT'S HYDRAULIC MODEL AND APPROVED BY THE BOARD OF DIRECTORS

2"	160	10	5.3	\$10,997.50	\$19,265.50	\$5,000.00	\$35,263.00		
3"	320	25	10.7	\$22,202.50	\$38,894.50	\$10,000.00	\$71,097.00		
4"	500	40	16.7	\$34,652.50	\$60,704.50	\$25,000.00	\$120,357.00		

## EAST OF ST. CHARLES RIVER

SIZE OF WATER SERVICE	WATER METER MAX. FLOW CAPABILITIES	BESSEMER DITCH SHARES REQUIRED PER TAP	METER EQUIVALENCY RATIO	REIMBURSEMENT FEE	IMPROVEMENT FEE	INSTALLATION COSTS	WATER TAP TOTAL COST	WATER BANK SHARE COST	WATER TAP COST WITH WATER BANK SHARE
5/8" X 3/4"	20	1	1	\$2,075.00	\$9,946.00	\$1,000.00	\$13,021.00	\$5,028.00	\$18,049.00
1"	50	2	1.7	\$3,527.50	\$16,908.20	\$1,500.00	\$21,935.70	\$10,098.00	\$31,991.70

NO WATER TAP LARGER THAN 1 INCH CAN BE INSTALLED EAST OF THE ST. CHARLES RIVER

WITHOUT BEING EVALUATED BY THE DISTRICT'S HYDRAULIC MODEL AND APPROVED BY THE BOARD OF DIRECTORS

1 1/2"	120	7	3.3	\$6,847.50	\$32,821.80	\$3,000.00	\$42,669.30		
2"	160	10	5.3	\$10,997.50	\$52,713.80	\$5,000.00	\$68,711.30		
3"	320	25	10.7	\$22,202.50	\$106,422.20	\$10,000.00	\$138,624.70		
4"	500	40	16.7	\$34,652.50	\$166,098.20	\$25,000.00	\$225,750.70		

## WATER TAP FEES FOR SUBDIVISIONS APPLICATIONS APPROVED BY THE BOARD OF DIRECTORS ON OR BEFORE MAY 10, 2006

WATER SERVICE TO SUBDIVISIONS FOR WHICH COMMITMENT LETTERS ("WILL SERVE" LETTERS) WERE PROVIDED BY THE DISTRICT ON OR BEFORE MAY 10, 2006 (DATE OF ADOPTION OF REVISED RULES INCLUDING WATER BANK) WILL REMAIN SUBJECT TO THE CONDITIONS SET FORTH IN THE RESPECTIVE COMMITMENT LETTERS ISSUED BY THE DISTRICT FOLLOWING THE DISTRICT'S AGREEMENT TO PROVIDE THE REQUESTED WATER SERVICE

SIZE OF WATER SERVICE	WATER METER MAX. FLOW CAPABILITIES	BESSEMER DITCH SHARES REQUIRED PER TAP	WATER RIGHTS CURRENT MARKET COST PER SHARE	REIMBURSEMENT FEE	IMPROVEMENT FEE	INSTALLATION COSTS	WATER ACQUISITION LEGAL AND TRANSFER COST	WATER TAP TOTAL COST
5/8" X 3/4"	20	1	\$3,000.00	\$2,075.00	\$3,635.00	\$1,000.00	\$0.00	\$9,710.00

## WEST OF ST. CHARLES RIVER

5/8" X 3/4"	20	1	\$3,000.00	\$2,075.00	\$3,635.00	\$1,000.00	\$0.00	\$9,710.00
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## EAST OF ST. CHARLES RIVER

5/8" X 3/4"	20	1	\$3,000.00	\$2,075.00	\$9,946.00	\$1,000.00	\$0.00	\$16,021.00
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ZONE II  
WATER TAP FEES  
NO TAPS AVAILABLE



## ATTACHMENT 4

# Memorandum of Understanding St. Charles Mesa Water District And Zinno Water Users Association

**MEMORANDUM OF UNDERSTANDING  
BETWEEN  
ZINNO WATER USERS' ASSOCIATION  
AND  
ST. CHARLES MESA WATER DISTRICT**

This agreement is entered into on the 15<sup>th</sup> day of March, 2016 between Zinno Water Users' Association (ZWUA) and St. Charles Mesa Water District (SCMWD), hereinafter the Parties. It is entered into for the purpose of setting forth the agreement of the Parties with respect to the financing and construction of infrastructure and the provision of potable water to the members of ZWUA who desire such water from SCMWD.

**WHEREAS**, ZWUA was organized as a Colorado non-profit corporation on September 28, 2009 for the purpose of obtaining an acceptable source of potable water for its members and providing a safe and reliable distribution system to the homes of its members; and,

**WHEREAS**, the members of ZWUA are owners of property located in Zinno's Subdivision, First Filing, County of Pueblo, State of Colorado; and,

**WHEREAS**, members of ZWUA have been purchasing water from Joseph Corporation, a private water provider which has had difficulty providing high quality water on a consistent basis; and,

**WHEREAS**, Joseph Corporation has not been able to upgrade its water treatment and delivery system and has announced large price increases for members of ZWUA over the next two years; and,

**WHEREAS**, at a membership meeting of ZWUA held on February 11, 2016 the membership of ZWUA overwhelmingly directed the Board of Directors to explore a relationship whereby SCMWD would provide water to members of ZWUA who desired to purchase water from SCMWD and the membership overwhelmingly expressed a desire to purchase water from SCMWD if the same could be accomplished for prices comparable to what is currently being charged to members of ZWUA; and,

**WHEREAS**, SCMWD is willing to provide water to ZWUA pursuant to the rules and regulations of SCMWD which includes, but is not limited to the payment of a water supply fee and a water tap fee; and,

**WHEREAS**, the individual members of ZWUA do not have the resources to pay SCMWD a water supply fee and a tap fee but have retained the services of consultants to explore sources of funding including grants and loans that may be available to fund the water supply fee and the tap fee to cover infrastructure construction costs; and,

**WHEREAS**, ZWUA has prepared or will prepare applications for grants and loans to fund the water supply fee and the tap fees of SCMWD; and,

**WHEREAS**, the parties desire to set forth the terms and conditions under which SCMWD will agree to become the recipient of grants and loans for the benefit of ZWUA.

**NOW THEREFORE, IN CONSIDERATION OF THE PROMISES AND COVENANTS CONTAINED HEREIN THE PARTIES AGREE AS FOLLOWS:**

- I. ZWUA will prepare, and SCMWD will sign applications for grants and loans to various funding sources, including, but not limited to Pueblo County, Colorado Department of Local Affairs, Colorado Water Conservation Board, Colorado Water and Power Authority and the Colorado Department of Public Health and Environment. The funds secured from such grants and loans shall be used for the benefit of ZWUA including the payment of fees to SCMWD and treatment plant improvements necessitated by the additional customers represented by ZWUA.
- II. ZWUA will, not later than 30 days after the approval of this agreement by SCMWD commence a Declaratory Judgment Action pursuant to the provisions of C.R.C.P. 57 and C.R.S. §13-51-101, *et. seq.* seeking a determination that providing water to members of ZWUA who desire water service by SCMWD does not constitute a condemnation of the property of Joseph Corporation by SCMWD and does not constitute unlawful interference with any of Joseph Corporation's economic interests by SCMWD.



- III. The parties agree that any loans received by SCMWD for the benefit of ZWUA members will be repaid over time by adding surcharges to the water bill of ZWUA members and that SCMWD will collect those amounts and make the payments on the loans for the benefit of ZWUA members.
- IV. The parties agree that ZWUA will, not later than 30 days after the approval of this agreement by SCMWD begin the process of annexing the property of its members into SCMWD. It will begin circulating forms among its members seeking annexation. It is understood that even if a parcel of property is annexed into SCMWD there is no requirement that that member obtain water from SCMWD and each member is free to obtain potable drinking water from whatever source the member desires.
- V. SCMWD will determine the design of the system for delivery of water to ZWUA members who wish to obtain water from SCMWD. The plans and the request for proposal for construction of such a system currently require approval by CDPHE, if funds are supplied from the Colorado Department of Local Affairs, prior to the request for proposal being issued. Upon such approval being received SCMWD will issue the request for proposal and provided the bids received are within the funds available, as herein provided, proceed with the construction of the delivery system, subject to the other terms of this Agreement. The parties agree that SCMWD will provide new infrastructure from the main to the meter. If the existing service line from the meter to the house is not serviceable, it will be the responsibility of the ZWUA member to arrange for a new line from the meter to the house at the members expense.
- VI. The parties agree that this agreement may be terminated if :
- A. Grants and loans are not obtained in sufficient amounts to pay the requisite fees to SCMWD and the fees cannot be financed in some other fashion.
  - B. The members of ZWUA determine that the repayment cost of the fees, when added to their bills, is not economically feasible.

C. ZWUA is unable to obtain a final decision in the Declaratory Judgment Action that is acceptable to SCMWD.

## **VII. Miscellaneous Provisions.**

1.0 ADDITIONAL DOCUMENTS OR ACTION. The Parties agree to execute such additional documents or take additional actions as may be reasonably required to carry out this Agreement.

2.0 INTEGRATION AND AMENDMENT. This Agreement represents the entire agreement between the Parties with respect to the subject matter and there are no oral or collateral agreements or understandings with respect to the subject matter. This Agreement may be amended only by an instrument in writing signed by the Parties. If any provision of this Agreement is held invalid or unenforceable, no other provision hereof shall be affected by such holding, and all of the remaining provisions of this Agreement shall continue in full force and effect.

3.0 WAIVER OF BREACH. A waiver by any Party to this Agreement of the breach of any term or provision of this Agreement shall not operate or be construed as a waiver of any subsequent breach by any Party.

4.0 GOVERNING LAW; VENUE. This Agreement shall be governed by the laws of the State of Colorado, and venue shall be in the District Court in Pueblo County, Colorado.

5.0 BINDING EFFECT. This Agreement shall inure to the benefit of and be binding upon the Parties and their respective legal representatives, successors, heirs, and assigns, provided that nothing in this paragraph shall be construed to permit the assignment of this Agreement except as otherwise expressly authorized herein.

6.0 EXECUTION IN COUNTERPARTS. This Agreement may be executed in several counterparts, each of which shall be deemed an original and all of which shall constitute but one and the same instrument.



7.0 NO THIRD-PARTY BENEFICIARIES. This Agreement is intended to describe the rights and responsibilities only as to the Parties hereto. This Agreement is not intended and shall not be deemed to confer any rights on any person or entity not named as a Party hereto.

8.0 NO PRESUMPTION. The Parties to this Agreement and their attorneys have had a full opportunity to review and participate in the drafting of the final form of this Agreement. Accordingly, this Agreement shall be construed without regard to any presumption or other rule of construction against the Party causing the Agreement to be drafted.

9.0 EXECUTION REQUIRED. This Agreement shall not be binding upon any Party hereto unless and until the Parties have each executed and delivered to the other this Agreement.

10.0 DAYS. If the day for any performance or event provided for herein is a Saturday, a Sunday, a day on which national banks are not open for the regular transactions of business, or a legal holiday pursuant to Section C.R.S. § 24-11-101(1), such day shall be extended until the next day on which such banks and state offices are open for the transaction of business.

11.0 GOOD FAITH OF PARTIES. In the performance of this Agreement or in considering any requested approval, acceptance, or extension of time, the Parties agree that each will act in good faith and will not act unreasonably, arbitrarily, capriciously, or unreasonably withhold, condition, or delay any approval, acceptance, or extension of time required or requested pursuant to this Agreement.

12.0 PARTIES NOT PARTNERS. Notwithstanding any language in this Agreement or any other agreement, representation, or warranty to the contrary, the Parties shall not be deemed to be partners or joint venturers, and no Party shall be deemed to be partners or joint venturers, and no Party shall be responsible for any debt or liability of the other Party.

IN WITNESS WHEREOF, the parties hereto have entered into this

Agreement the day and year first written above.

ATTEST:

**ST. CHARLES MESA WATER  
DISTRICT**

By: Clay Johnson  
Secretary

By: John W. Wersch  
President  
Date: 03/15/2016

ATTEST:

**ZINNO WATER USERS'  
ASSOCIATION**

By: [Signature]  
Secretary

By: Daniel A. Modell  
President  
Date: 3/14/16

## ATTACHMENT 5

### Zinno Water Users Association Letter of Support



## Zinno Water Users Association

June 8, 2014

Craig Godbout - WSRA Application  
Colorado Water Conservation Board  
1313 Sherman St., Room 721  
Denver, CO 80203

Dear Mr. Godbout,

On behalf of the Zinno Water Users Association I am writing in support of St. Charles Mesa Water District CWCB Water Supply Reserve Account (WSRA) grant application.

There are approximately 97 residences in Zinno Subdivision who, for a number of years, have been receiving water from a small, private water provider, Joseph Corporation. These residents have experienced power outages, pump failures and main breaks that have caused numerous interruptions in their water service provided by Joseph Corporation. The interruptions in service are mostly due to aging infrastructure that has been neglected for many years. In addition, the residents have complained about poor water quality. The water has a foul taste and is considered by most to be undrinkable. Due to the precarious nature of this water service, the residents of the Zinno Subdivision are actively seeking a remedy, which would provide them with continuous, quality, potable water service and stable rates.

For years the Zinno Water Users Association have been exploring solutions to the problems experienced by the residents of the Subdivision with their water supply. Zinno Water Users Association supports efforts by the St. Charles Mesa Water District to include them in their District boundaries and to provide service to residents who desire to purchase water service from the District. Making water available from St. Charles Mesa Water District appears to be the most sustainable solution for the residents of the Zinno Subdivision to secure a safe potable water supply at a reasonable price.

It is our understanding that St. Charles Mesa Water District will have to secure grants and loans to develop infrastructure and a water supply to serve the members of Zinno Water Users Association. This project is a priority for our Water Users Association because we understand the need and the value it will have to the residents in the Zinno Subdivision when the project is constructed. This project will reduce the health and safety concerns caused by a tenuous water supply and will provide the residents of the subdivision a safe and reliable water supply. This water supply will be dependable for many years to come and will not be subject to excessive water rate increases. We urge the CWCB board of directors and staff to strongly consider funding this valuable project.

Yours sincerely,



Daniel Molello  
President, Zinno Water Users Association