

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

Staff Recommendation:

Staff recommends conditional 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
Total Project Costs	\$1,163,586	n/a	\$163,586

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.