

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

Applicant & Fiscal Agent: Fire Mountain Canal and Reservoir Company

Water Activity Name: Fire Mountain Canal Piping Project

Water Activity Purpose: Agricultural & Nonconsumptive

County: Gunnison & Delta

Drainage Basin: Gunnison

Water Source: North Fork of the Gunnison & Leroux Creek

Amount Requested/Source of Funds: \$60,000 Gunnison Basin Account
\$60,000 Statewide Account
\$120,000 Total Grant Request

Matching Funds: Basin Account Match (\$60,000) = 50% of total grant request (meets 5% min);
Applicant Match (\$30,000) = 25% of total grant request (meets 5% min);
Basin & Applicant Match (\$90,000) = 75% of total grant request (meets 25% min);
(refer to *Funding Summary/Matching Funds* section)

Staff Recommendation:

Staff recommends approval of up to \$60,000 from the Gunnison Basin Account; and \$60,000 from the Statewide Account to help fund the project titled: Fire Mountain Canal Piping Project.

Water Activity Summary: The 33 mile long Fire Mountain Canal diverts water from the North Fork of the Gunnison supplied by both early season stream flow and later season releases from Paonia Reservoir, as well as Leroux Creek. Total annual diversions into the Fire Mountain Canal average approximately 37,000 AF. Nearly 60% of this water is delivered to users on the last 3.5 miles of the canal on Rogers Mesa, west of Leroux Creek. This project plans to replace 19,220 linear feet of the existing earthen Fire Mountain Canal with a pipeline from just east of the existing diversion at Leroux Creek to the end of the main canal. The project includes replacing the existing siphon under Leroux Creek, and construction of a screening and inlet structure. If approved, WSRF grant funds will be used exclusively to construct the screening and pipe inlet structure, other funding sources will finance the remainder of this project. The objectives of the project are to reduce seepage losses, reduce maintenance, eliminate salinity and selenium contributions to the Colorado River, potentially extend the irrigation season, and enable improved management of the system. Meeting these objectives will support the continued use of these water rights for agricultural purposes, as well as contribute to improvement of water quality in the North Fork of the Gunnison and Colorado Rivers.

Discussion: This project supports the following goals identified in the Gunnison Basin Implementation Plan:

1. Protects existing water uses in the Gunnison Basin;
2. Discourages conversion of productive agricultural land to other uses;
3. Improves ag water supplies to reduce shortages;
6. Improves water quality;
7. Describe and encourage the beneficial relationship between agricultural, environmental and recreational water uses;
8. Restores, maintains and modernizes critical water infrastructure.

This project is also a portion of the Fire Mountain Canal Delivery and Efficiency Project (Ref. No.5, Table 7- Tier 1 Proposed Basin Projects, Gunnison Basin Implementation Plan). The Gunnison BIP identifies this project as one that does an excellent job of meeting the Basin Goals.

Issues/Additional Needs: No issues or additional needs have been identified.

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 WSRA Application for applicant's detailed response.

Funding Summary/Matching Funds:

<u>Funding Source</u>	<u>Cash</u>	<u>In-kind</u>	<u>Total</u>
Fire Mountain Canal Company	\$30,000	\$0	\$30,000
WSRA Gunnison Basin Account	\$60,000	n/a	\$60,000
WSRA Statewide Account	\$60,000	n/a	\$60,000
Total Project Costs	\$150,000	\$0	\$150,000

CWCB Project Manager: Finance Section

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 WSRA 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.