



COLORADO WATER CONSERVATION BOARD

WATER SUPPLY RESERVE ACCOUNT
APPLICATION FORM



Today's Date: July 5, 2015

Sullivan Ditch Repair

Name of Water Activity/Project

The Sullivan Ditch Company, A Colorado Non-Profit Corporation

Name of Applicant

Southwest Basin
Roundtable

Amount from Statewide Account:

Amount from Basin Account(s):

\$27,298.00

Approving Basin Roundtable(s)
(If multiple basins specify amounts in parentheses.)

Total WSRA Funds Requested:

\$27,298.00

FEIN:84-1465785

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Required Exhibits

- A. Statement of Work, Budget, and Schedule
- B. Project Map
- C. As Needed (i.e. letters of support, photos, maps, etc.)

Appendices – Reference Material

- 1. Program Information
- 2. Insurance Requirements
- 3. WSRA Standard Contract Information (Required for Projects Over \$100,000)
- 4. W-9 Form (Required for All Projects Prior to Contracting)

Instructions

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

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

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

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

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

Craig Godbout - WSRA Application
Colorado Water Conservation Board
1313 Sherman St., Room 721
Denver, CO 80203
Craig.godbout@state.co.us

If you have questions or need additional assistance, please contact Craig Godbout at: 303-866-3441 x3210 or craig.godbout@state.co.us.

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

1.	Applicant Name(s):	The Sullivan Ditch Company			
	Mailing address:	1200 C.R. 505 Bayfield, CO 81122			
	FEIN #:	84-1465785			
	Primary Contact:	Russell Burwell	Position/Title:	Vice President	
	Email:	russellburwell@gmail.com			
	Phone Numbers:	Cell:	970-903-8668	Office:	
	Alternate Contact:	Caroline Munger	Position/Title:	Secretary/Treasurer	
	Email:	carolinekirkseymunger@gmail.com			
	Phone Numbers:	Cell:	970-764-5627	Office:	

2. Eligible entities for WSRA funds include the following. What type of entity is the Applicant?

- ☐ Public (Government) – municipalities, enterprises, counties, and State of Colorado agencies. Federal agencies are encouraged to work with local entities and the local entity should be the grant recipient. Federal agencies are eligible, but only if they can make a compelling case for why a local partner cannot be the grant recipient.
- ☐ Public (Districts) – authorities, Title 32/special districts, (conservancy, conservation, and irrigation districts), and water activity enterprises.
- ☒ Private Incorporated – mutual ditch companies, homeowners associations, corporations.
- ☐ Private individuals, partnerships, and sole proprietors are eligible for funding from the Basin Accounts but not for funding from the Statewide Account.
- ☐ Non-governmental organizations – broadly defined as any organization that is not part of the government.

3. Provide a brief description of your organization

The Sullivan Ditch Company was organized on January 20, 1912. The ditch begins on the west bank of the Pine River and ends at a pond near County Road 502. The carrying capacity of the ditch is 7.04 cubic feet of water per second. There are 21 members of the ditch. The ditch services 606.85 acres of farmland.

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

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

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

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

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

TABOR does not apply to the Sullivan Ditch Company as it is not a governmental entity and does not have taxing ability.

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.

Funding of this project will primarily sustain agriculture and open space in the Upper Pine Valley region of La Plata County. Additionally, the project secures water serving conservation easements that protects open space and wildlife values. The project may also reduce evaporation and water leakage from the ditch, as well as prevent possible obstruction and ecological damage of the Pine River should the ditch fail and fall or slump into the river.

Without funding from the Roundtable there is uncertainty as to how and when this project could move forward.

3. Is this project primarily a study or implementation of a water activity/project? (Please check only one)

☐	Study	☒	Implementation
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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)
425	Length of Pipe/Canal Built or Improved (linear feet)
	Efficiency Savings (acre-feet/year OR dollars/year – circle one)
	Area of Restored or Preserved Habitat (acres)
	Other Explain:

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

Latitude:	107° 36.401' W	Longitude:	37° 17.210' N
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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.

This project is subject to IPP#4-MB, titled “Ditch Company Improvement and Efficiency Projects.”

In the fall of 2014 after the failure of the ThompsonEpperson ditch in our area, officers of the ditch together with an engineer and a contractor who annually cleans the Sullivan Ditch and repairs the Thompson Epperson ditch inspected parts of the Sullivan Ditch. The Sullivan Ditch runs along the west edge of the Pine River for several miles. Part of the route is along a very seep cliff at times 100’ above the river. The ditch failed at one time, according to the history of the ditch, in the 1930s and was repaired using old car axels and used scraper blades. This repair is clearly visible.

The inspectors determined that several areas of the ditch along the cliff presented problems because of the soil composition and the proximity of the ditch to the edge of the cliff. If the ditch fails in one of these areas the side of the ditch would fall directly into the river. The river might be blocked and repair would be extremely difficult and expensive if not impossible. The repair would necessitate the base of the ditch to be extended into the river.

Two areas were located that need to be piped. They are indicated as Sullivan Ditch North and South Repair. The engineers report and estimate of costs is attached as Exhibit A. Total cost is estimated as \$81,895 in addition to the cost of the engineering report (\$2,500) that has been paid by the Ditch Company.

One area along the cliff has already been piped about 7 years ago by two members of the ditch so that the ditch could increase its carrying capacity as well as secure the cliff area.

Part III. – Threshold and Evaluation Criteria

1. Describe how the water activity meets these **Threshold Criteria**. (Detailed in Part 3 of the Water Supply Reserve Account Criteria and Guidelines.)

- a) The water activity is consistent with Section 37-75-102 Colorado Revised Statutes.¹

This Project supports the Southwest Basin Roundtable's Implementation Plan (BIP) "Goal B of Meeting Agricultural Needs." The specific goal is to "implement efficiency measures to maximize beneficial use and production". The project is to implement irrigation system improvements to improve water delivery and maximize beneficial uses. Along with being categorized as a goal of the BIP, this project meets goals within the Colorado Water Plan as well. According to Chapter 10's Critical Agricultural Actions table, the project specifically meets item #3 to "provide grants, loans, and technical support to update and improve Colorado's aging agricultural infrastructure, especially where improvements provide multiple benefits." This project is designed to pipe the Sullivan Ditch along two steep cliff sections that overhang the Pine River. Soil composition along the cliff sections, similar to the failure site of the Thompson-Epperson Ditch, could turn to the consistency of a fine powder due to many years of carrying water and repair. Without piping this area along the cliff, failure of the ditch is foreseeable. And, if the ditch should fail along these cliff areas, it would be impracticable to repair the ditch. The Sullivan Ditch serves agricultural benefits as well as open space and wildlife values.

The Sullivan Ditch Company grant for piping of its cliff area will not affect or impair existing water rights.

- b) The water activity underwent an evaluation and approval process and was approved by the Basin Roundtable (BRT) and the application includes a description of the results of the BRT's evaluation and approval of the activity. At a minimum, the description must include the level of agreement reached by the roundtable, including any minority opinion(s) if there was not general agreement for the activity. The description must also include reasons why general agreement was not reached (if it was not), including who opposed the activity and why they opposed it. Note- If this information is included in the letter from the roundtable chair simply reference that letter.

The Southwest Basin Roundtable Chair will submit a letter of approval.

¹ 37-75-102. Water rights - protections. (1) It is the policy of the General Assembly that the current system of allocating water within Colorado shall not be superseded, abrogated, or otherwise impaired by this article. Nothing in this article shall be interpreted to repeal or in any manner amend the existing water rights adjudication system. The General Assembly affirms the state constitution's recognition of water rights as a private usufructuary property right, and this article is not intended to restrict the ability of the holder of a water right to use or to dispose of that water right in any manner permitted under Colorado law. (2) The General Assembly affirms the protections for contractual and property rights recognized by the contract and takings protections under the state constitution and related statutes. This article shall not be implemented in any way that would diminish, impair, or cause injury to any property or contractual right created by intergovernmental

- c) The water activity meets the provisions of Section 37-75-104(2), Colorado Revised Statutes.² The Basin Roundtable Chairs shall include in their approval letters for particular WSRA grant applications a description of how the water activity will assist in meeting the water supply needs identified in the basin roundtable's consumptive and/or non-consumptive needs assessments.
- d) Matching Requirement: For requests from the **Statewide Fund**, the applicants will be required to demonstrate a **25 percent** (or greater) match of the total grant request from the other sources, including by not limited to Basin Funds. A minimum match of 5% of the total grant amount shall be from Basin funds. A minimum match of 5% of the total grant amount must come from the applicant or 3rd party sources. Sources of matching funds include but are not limited to Basin Funds, in-kind services, funding from other sources, and/or direct cash match. Past expenditures directly related to the project may be considered as matching funds if the expenditures occurred within 9 months of the date the contract or purchase order between the applicant and the State of Colorado is executed. Please describe the source(s) of matching funds. (NOTE: These matching funds should also be reflected in your Detailed Budget in **Exhibit A** of this application)

The Members of the Sullivan Ditch authorized the expenditure of prudent engineering fees for the Project Cost Estimate, attached as Exhibit A and voted to assess the membership to pay one third of the amount of the project if the grant could be obtained.

² 37-75-104 (2)(c). Using data and information from the Statewide Water Supply Initiative and other appropriate sources and in cooperation with the on-going Statewide Water Supply Initiative, develop a basin-wide consumptive and nonconsumptive water supply needs assessment, conduct an analysis of available unappropriated waters within the basin, and propose projects or methods, both structural and nonstructural, for meeting those needs and utilizing those unappropriated waters where appropriate. Basin Roundtables shall actively seek the input and advice of affected local governments, water providers, and other interested stakeholders and persons in establishing its needs assessment, and shall propose projects or methods for meeting those needs. Recommendations from this assessment shall be forwarded to the Interbasin Compact Committee and other basin roundtables for analysis and consideration after the General Assembly has approved the Interbasin Compact Charter.

Water Supply Reserve Account – Application Form

Revised October 2013

2. For Applications that include a request for funds from the **Statewide Account**, describe how the water activity/project meets all applicable **Evaluation Criteria**. (Detailed in Part 3 of the Water Supply Reserve Account Criteria and Guidelines and repeated below.) Projects will be assessed on how well they meet the Evaluation Criteria. **Please attach additional pages as necessary.**

Evaluation Criteria – the following criteria will be utilized to further evaluate the merits of the water activity proposed for funding from the Statewide Account. In evaluation of proposed water activities, preference will be given to projects that meet one or more criteria from each of the three “tiers” or categories. Each “tier” is grouped in level of importance. For instance, projects that meet Tier 1 criteria will outweigh projects that only meet Tier 3 criteria. The applicant should also refer to the Supplemental Scoring Matrix applied to Evaluation Criteria Tiers 1-3 for Statewide Account requests. WSRA grant requests for projects that may qualify for loans through the CWCB loan program will receive preference in the Statewide Evaluation Criteria if the grant request is part of a CWCB loan/WSRA grant package. For these CWCB loan/WSRA grant packages, the applicant must have a CWCB loan/WSRA grant ratio of 1:1 or higher. Preference will be given to those with a higher loan/grant ratio.

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

- a. The water activity addresses multiple needs or issues, including consumptive and/or non-consumptive needs, or the needs and issues of multiple interests or multiple basins. This can be demonstrated by obtaining letters of support from other basin roundtables (in addition to an approval letter from the sponsoring basin).
- b. The number and types of entities represented in the application and the degree to which the activity will promote cooperation and collaboration among traditional consumptive water interests and/or non-consumptive interests, and if applicable, the degree to which the water activity is effective in addressing intrabasin or interbasin needs or issues.
- c. The water activity helps implement projects and processes identified as helping meet Colorado’s future water needs, and/or addresses the gap areas between available water supply and future need as identified in SWSI or a roundtable’s basin-wide water needs assessment.

Tier 2: Facilitating Water Activity Implementation

- d. Funding from this Account will reduce the uncertainty that the water activity will be implemented. For this criterion the applicant should discuss how receiving funding from the Account will make a significant difference in the implementation of the water activity (i.e., how will receiving funding enable the water activity to move forward or the inability obtaining funding elsewhere).
- e. The amount of matching funds provided by the applicant via direct contributions, demonstrable in-kind contributions, and/or other sources demonstrates a significant & appropriate commitment to the project.

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

- f. The water activity helps sustain agriculture & open space, or meets environmental or recreational needs.
- g. The water activity assists in the administration of compact-entitled waters or addresses problems related to compact entitled waters and compact compliance and the degree to which the activity promotes maximum utilization of state waters.
- h. The water activity assists in the recovery of threatened and endangered wildlife species or Colorado State species of concern.

- 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.

Water rights are from the Pine River. Sullivan Ditch Company's original water Priority P-36. Court case No. 1248 (District Court, Water Division 7), adjudicated on June 12, 1934 for 7.08 cfs with an appropriation date of April 1, 1910.

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

See, attached Engineering Report.

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

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

Signature of Applicant:

Russell Burwell / cwn

Print Applicant's Name:

Russell Burwell, Vice President Sullivan Ditch Company

Project Title: Sullivan Ditch Repair

Date: July *5*, 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