

Water Supply Reserve Account – Grant and Loan Program
Water Activity Summary Sheet
March 22-23, 2017
Agenda Item 24(k)

Applicant & Grantee: Rio Blanco Water Conservancy District

Water Activity Name: White River Storage Project - Phase 2A Study

Water Activity Purpose: Agricultural/M&I/Environmental & Recreation (Others)

County: Moffat & Rio Blanco

Drainage Basin: Yampa/White/Green

Water Source: White River

Amount Requested/Source of Funds: \$85,000 Yampa/White/Green Basin Account
\$82,888 Statewide Account*
\$167,888 Total Grant Request

* The discrepancy between the Statewide Account request in the Roundtable Chair Recommendation Letter (\$105,000), and that stated herein, can be attributed to the applicant' voluntarily reducing their request to accommodate the Statewide Account shortfall.

Matching Funds: Basin Account Match (\$85,000) = 102% of Statewide Account request (meets 10% min);
Applicant's Match (\$182,112) = 220% of Statewide Account request (meets 10% min);
Total Match (Basin & Applicant Match of \$267,112) = 322% of Statewide Account request (meets 50% min).
(refer to *Funding Summary/Matching Funds* section)

Staff Recommendation:

Staff recommends approval of up to \$85,000 from the Yampa/White/Green Basin Account; and \$82,888 from the Statewide Account to help fund the project titled: White River Storage Project – Phase 2A Study.

Water Activity Summary: If approved, WSRF grant funds will assist the grantee continue an ongoing analysis of potential storage sites in the White River Basin. Phase 1 and 2 evaluated 25 potential sites and concluded that a new reservoir, located near the confluence of the White River and Wolf Creek, would provide an efficient, cost effective, multi-purpose water storage site. The purpose of additional White River water storage is to conserve and put to beneficial use some of the approximately 500,000 acre-feet of unused water that flows out of Colorado from the White River each year. More specifically, Phase 2A of this study will:

- Conduct Stakeholder Outreach and Meetings, Public Meetings, and Project Management and Coordination;

- Refine 2015 feasibility designs and cost opinions of off-channel and on-channel reservoirs to a comparable level of detail and re-evaluate the drain and fill facilities for the off-channel reservoir to determine the most cost effective approach;
- Develop feasibility designs and cost opinions for a maximum size reservoir (off-channel & on-channel)
- Develop preliminary estimates of the rate of sedimentation for both off-channel and on-channel Wolf Creek reservoirs;
- Continue coordination efforts with the White River Modeling and Management Plan;
- Prepare a Phase 2A Report.

Discussion: This project furthers multiple goals and objectives of the Yampa/White/Green Basin Implementation Plan (SPBIP) in accordance with Sections 1.2.4 “Protect and encourage agricultural use of water in the YWG Basin within the context of private property rights”; Section 1.2.5 “Improve agricultural water supplies to increase irrigated land and reduce shortages”; Section 1.2.6 “Identify and address M&I water shortage”; Section 1.2.7 “Quantify and protect non-consumptive water uses; and Section 1.2.9 “Restore, maintain, and modernize water storage and distribution infrastructure”.

With respect to Colorado’s Water Plan, this project supports the Critical Goals and Actions as described in Section 10.3E: Storage, “Promote Additional Storage and Infrastructure”.

The grantee has successfully completed Phase 1 and Phase 2 of this effort with the assistance of two previous WSRF Grants approved by the CWCB in November 2013, and July 2014 for \$135,000 and \$195,000, respectively.

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

Eligibility Requirements:

The application meets requirements of the three subsections of the Eligibility Requirements: General Eligibility, Entity Eligibility, and Water Activity Eligibility.

Eligibility Based on Funding Match Requirements:

The application meets the Statewide Account Matching requirements.

Evaluation Criteria:

This activity has undergone review and evaluation and staff has determined that it satisfies the Evaluation Criteria. Please refer to WSRF Application and Exhibit A (Statement of Work) for applicant’s detailed response.

Funding Summary/Matching Funds:

Funding Source	<u>Cash</u>	<u>In-kind</u>	<u>Total</u>
Rio Blanco Water Conservancy District	\$75,000	\$0	\$75,000
Town of Rangely	\$50,000	\$0	\$50,000
Town of Meeker	\$10,000	\$0	\$10,000
Rio Blanco County	\$47,112	\$0	\$.
Sub-total	\$182,112	\$0	\$182,112
WSRF Yampa/White/Green Basin Account	\$85,000	n/a	\$85,000
WSRF Statewide Account	\$82,888	n/a	\$82,888
Total Project Costs	\$350,000	\$0	\$350,000

CWCB Project Manager: Anna Mauss

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.

January 12, 2017

Craig Godbout
Colorado Water Conservation Board
Water Supply Planning Section
1313 Sherman Street
 [\(303\) 866-3441, ext 3210](tel:(303)866-3441) (office)
 [\(970\) 218-9407](tel:(970)218-9407) (cell)
craig.godbout@state.co.us

Dear Craig:

I am writing to you on behalf of The Yampa/White/Green Basin Roundtable. To formally inform you that on January 11, 2017 Doug Monger motioned to approve the White River Storage Project-Phase 2 Study, the motion was seconded by Chuck Grobe and unanimously approved by the Roundtable. The objective of this second phase study is to continue work associated with the Phase 1 study to refine the primary alternatives and continue to meet with key stakeholders. This Basin account grant request is for \$85,000. This request includes a Statewide account request of \$105,000 for a total WSRF funds request of \$190,000.

Sincerely,

April McIntyre
YWG Basin Roundtable Recorder



COLORADO WATER CONSERVATION BOARD



WATER SUPPLY RESERVE ACCOUNT APPLICATION FORM

Today's Date: 03/06/17

White River Storage Project – Phase 2A Study

Name of Water Activity/Project

Rio Blanco Water Conservancy District

Name of Applicant

Yampa/White/Green Basin
Roundtable

Amount from Statewide Account:

\$82,888

Amount from Basin Account(s):

\$85,000

Total WSRA Funds Requested:

\$167,888

Approving Basin Roundtable(s)

(If multiple basins specify amounts in parentheses.)

FEIN: 84-1157102

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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

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.

Water Supply Reserve Account – Application Form

Revised October 2013

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

1.	Applicant Name(s):	Rio Blanco Water Conservancy District		
	Mailing address:	2252 East Main Street Rangely, Colorado 81648		
	FEIN #:	84-1157102		
	Primary Contact:	Alden Vanden Brink	Position/Title:	District Manager
	Email:	al@rioblancowcd.org		
	Phone Numbers:	Cell: 970-629-2525	Office:	970-675-5055
	Alternate Contact:	Brad McCloud	Position/Title:	Project Manager
	Email:	bmcccloud@eissolutions.com		
	Phone Numbers:	Cell: 970-250-7988	Office:	970-241-3008

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 Rio Blanco Water Conservancy District was formed in 1992 to facilitate, operate, and maintain Taylor Draw Dam that creates Kenney Reservoir. The Rio Blanco Water Conservancy District constructed the Taylor Draw Hydroelectric Plant in 1993 and has owned, maintained, and operated the hydroelectric facility since its construction. The dam is located on the White River approximately six miles upstream of the Town of Rangely, Colorado in Rio Blanco County. As part of the Rio Blanco Water Conservancy District, a Board of Directors was appointed by the Water Court to represent the District community to supply fresh water and recreational opportunities within the District.

Rio Blanco Water Conservancy District is also a part of the Colorado River District whose mission is to “lead in the protection, conservation, use, and development of the water resources of the Colorado River basin for the welfare of the District, and to safeguard for Colorado all waters of the Colorado River to which the state is entitled.”

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.

No existing Tabor issues are applicable to the Rio Blanco Water Conservancy District.

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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)

<input checked="" type="checkbox"/>	Nonconsumptive (Environmental or Recreational)
<input checked="" type="checkbox"/>	Agricultural
<input checked="" type="checkbox"/>	Municipal/Industrial
<input type="checkbox"/>	Needs Assessment
<input type="checkbox"/>	Education
<input checked="" type="checkbox"/>	Other

Explain:

Potentially SSI, Colorado River Compact Compliance, Hydropower

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

The Phase 1 study indicates that this project will provide water for endangered fish, recreation in the new reservoir, municipal and industrial water supply as well as additional water for agriculture.

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

<input checked="" type="checkbox"/>	Study	<input type="checkbox"/>	Implementation (Initial Stages)
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4. To catalog measurable results achieved with WSRA funds can you provide any of the following numbers?

<input type="text" value="See below"/>	New Storage Created (acre-feet)
<input type="text"/>	New Annual Water Supplies Developed, Consumptive or Nonconsumptive (acre-feet)
<input type="text"/>	Existing Storage Preserved or Enhanced (acre-feet)
<input type="text"/>	Length of Stream Restored or Protected (linear feet)
<input type="text"/>	Length of Pipe/Canal Built or Improved (linear feet)
<input type="text"/>	Efficiency Savings (acre-feet/year OR dollars/year – circle one)
<input type="text"/>	Area of Restored or Preserved Habitat (acres)

<input checked="" type="checkbox"/>	Other -- Explain:	5 20,000 to 90,000 acre-feet of new storage on the White River.
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4. To help us map WSRA projects please include a map (Exhibit B) and provide the general coordinates below:

Latitude: 40.2019

Longitude: -108.478

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.

In March of 2015, the Rio Blanco Water Conservancy District completed an initial feasibility study to identify potential water storage sites in the White River Basin. The study evaluated 25 potential storage sites along the White River and concluded that a new reservoir, located near the confluence of the White River and Wolf Creek, would provide a very efficient, cost effective, multipurpose water project for northwestern Colorado. The purpose of additional White River water storage is to conserve and put to beneficial use some of the approximately 500,000 acre-feet of unused water that flows out of Colorado from the White River each year. The Rio Blanco Water Conservancy District continues to face a serious water crisis because it's Kenney Reservoir, which originally provided 13,800 acre-feet of storage, is silting in at an average rate of more than 300 acre-feet per year. The annual loss of water storage in Kenney Reservoir reduces recreation use in the reservoir each year and significantly increases the risk to the Town of Rangely's water supply in times of droughts. Storing a portion of the water that flows out of Colorado from the White River each year will provide significant benefits to endangered fish; provide additional water for municipal, agricultural, and industrial needs; meet future demands for a variety of recreation activities in northwest Colorado; and potentially provide a source of water for Colorado Compact Compliance. The Phase 1 study also documented that that a new Wolf Creek Reservoir would produce additional tax revenues of nearly \$1.4 million annually to local economies and the State of Colorado.

The Rio Blanco Water Conservancy District has filed water rights for the Wolf Creek Reservoir site, which would be either an off-channel dam located on Wolf Creek immediately upstream of the confluence with the White River or an on-channel dam constructed on the main stem of the White River, immediately downstream of the White River/Wolf Creek confluence. The objective of this second study phase is to continue work to refine the primary alternatives to meet the many important water conservation needs within the Rio Blanco Water Conservancy District so that the project permitting phase may begin in 2018.

A detailed Statement of Work, Schedule, and Budget for the project are provided in Exhibit A.

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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.)

The Phase 2A study will further refine the primary alternatives for a feasible reservoir site in the White River Basin. The applicant, Rio Blanco Water Conservancy District, is an eligible entity.

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

This application is consistent with Section 37-75-102 Colorado Revised Statutes, as it's a research based project and does not "supersede, abrogate, or cause injury to vested water rights or decreed conditional water rights." This project also does not "impair, limit, or otherwise affect the rights of persons or entities to enter into agreement, contracts, or memoranda of understanding with other persons or entities relating to the appropriation, movement, or use of water under other provisions of law."

- 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.

A draft of the WSRA Grant Application was reviewed with the Yampa/White/Green Basin Roundtable on January 11, 2016.

¹ 37-75-102. Water rights - protections. (1) It is the policy of the General Assembly that the current system of allocating water within Colorado shall not be superseded, abrogated, or otherwise impaired by this article. Nothing in this article shall be interpreted to repeal or in any manner amend the existing water rights adjudication system. The General Assembly affirms the state constitution's recognition of water rights as a private usufructuary property right, and this article is not intended to restrict the ability of the holder of a water right to use or to dispose of that water right in any manner permitted under Colorado law. (2) The General Assembly affirms the protections for contractual and property rights recognized by the contract and takings protections under the state constitution and related statutes. This article shall not be implemented in any way that would diminish, impair, or cause injury to any property or contractual right created by intergovernmental agreements, contracts, stipulations among parties to water cases, terms and conditions in water decrees, or any other similar document related to the allocation or use of water. This article shall not be construed to supersede, abrogate, or cause injury to vested water rights or decreed conditional water rights. The General Assembly affirms that this article does not impair, limit, or otherwise affect the rights of persons or entities to enter into agreements, contracts, or memoranda of understanding with other persons or entities relating to the appropriation, movement, or use of water under other provisions of law.

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- 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.

A letter of approval from the Basin Roundtable Chair is provided in Appendix A as part of this application.

- 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 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)

White River Storage Project Partnership Phase 2A Study Funding Summary

Study Partner	Contribution	Contribution Percentage
CWCB WSRA Grant	\$82,888	24%
Yampa/White/Green Roundtable	\$85,000	24%
Rio Blanco Water Conservancy District	\$75,000	21%
Town of Rangely	\$50,000	14%
Town of Meeker	\$10,000	3%
Rio Blanco County	\$47,112	13%
Phase 2A Study Total	\$350,000	

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.**

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.

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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).
- This project addresses the needs of multiple interests including the Town of Rangely for municipal and industrial water supply needs, water for endangered fish on the White River, water for recreation, industrial water supplies, and water for agriculture in the White River Basin. The reservoir could also potentially provide water for Colorado compact compliance.
- 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.
- The list of potential stakeholders identified more than 50 potential stakeholders, including federal agencies, state agencies, local governments, industry, and private citizens. This list itself indicates extensive collaboration.
- 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.
- The project is consistent with the Colorado Water Plan and the Yampa White Green Basin Implementation Plan.

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).

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- Funding for the Phase 2A study will help move the project towards implementation and meet the objective of being ready to initiate the permitting phase of the project in 2018.
- 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.
- As indicated in the funding summary table below, the applicant is providing 21 percent of the study funds and local governments are providing approximately 30 percent of the funding requested.

White River Storage Project Partnership Phase 2A Study Funding Summary

Study Partner	Contribution	Contribution Percentage
CWCB WSRA Grant	\$82,888	24%
Yampa/White/Green Roundtable	\$85,000	24%
Rio Blanco Water Conservancy District	\$75,000	21%
Town of Rangely	\$50,000	14%
Town of Meeker	\$10,000	3%
Rio Blanco County	\$47,112	13%
Phase 2A Study Total	\$350,000	

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.
 - This project helps sustain and promote agriculture, open space, recreational, and environmental needs by better utilizing of water in the White River.
- 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.
 - Part of the Phase 2A study is to determine if the project may have the potential to provide Colorado compact curtailment insurance during periods of drought.
- h. The water activity assists in the recovery of threatened and endangered wildlife species or Colorado State species of concern.
 - The project has tremendous potential to provide supplemental water to enhance endangered fish habitat in the White River. The U.S. Fish & Wildlife Service is currently completing the Programmatic Biologic Opinion to quantify water needs for endangered fish in the White River.
- i. The water activity is complimentary to or assists in the implementation of other CWCB programs.
 - This is the initial stage of project development that could result in future CWCB funding request and enhancement of CWCB minimum stream flow programs.

Part IV. – Required Supporting Material

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Suggested Format for Scope of Work

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 from the White River will be stored and put to beneficial use some of the approximately 500,000 acre-feet of unused water that flows out of Colorado from the White River each year.

The available water rights that could be used for the water project includes the following water rights:

- I. The Rio Blanco Water Conservancy District filed for three conditional water rights associated with the Wolf Creek Reservoir on October 29, 2014. The first right is the Wolf Creek Reservoir Pump and Pipeline, which will be used to fill the Wolf Creek Off-Channel Reservoir. The second right is the Wolf Creek Off-Channel Dam and Reservoir. The third right is for an alternative Wolf Creek Mainstem Dam and Reservoir that would be constructed on the mainstem of the White River. The water right filed is for municipal, industrial, commercial, irrigation, domestic, recreation, piscatorial, augmentation, wildlife habitat, maintenance and recovery of federally listed threatened and endangered species, hydroelectric power generation and all other beneficial uses.
 - II. Conditional water right, Taylor Draw Reservoir, in the amount of 13,800 acre feet with an appropriate date of July 3, 1962 for the conditional uses of manufacturing, irrigation, domestic, municipal, stockwatering, and piscatorial.
 - III. Conditional water right, Taylor Draw Reservoir – Second Filling, in the amount of 13,800 acre feet with an appropriate date of November 20, 1982 for the conditional uses of manufacturing, irrigation, domestic, municipal, stockwatering, and piscatorial.
 - IV. Conditional water right for Strawberry Creek Reservoir in the amount of 79,957 acre feet with an appropriate date of June 16, 1972. This water right is owned the Colorado River Water Conservation District and would need to be transferred to the preferred dam site that would be identified in the Phase 2A feasibility study.
 - V. Conditional water right for Wray Gulch Reservoir in the amount of 29,374 acre feet with an appropriate date of July 19, 1972. This water right is owned the Colorado River Water Conservation District and would need to be transferred to the preferred dam site that would be identified in the Phase 2A feasibility study.
 - VI. Other future water rights filed for the preferred reservoir site or other future water rights transferred to the preferred reservoir site by other project stakeholders.
2. Please provide a brief narrative of any related studies or permitting issues.

This Phase 2A study will include continued dialogue with key permitting agencies such as the BLM and the U.S. Army Corps of Engineers to help identify key permitting issues and expand upon what was developed in the 2015

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Phase 1 Study.

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

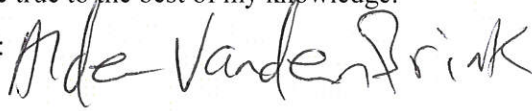
Payment will be made based on actual expenditures and invoicing by the applicant. Invoices from any other entity (i.e. subcontractors) cannot be processed by the State. The request for payment must include a description of the work accomplished by major task, and estimate of the percent completion for 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:



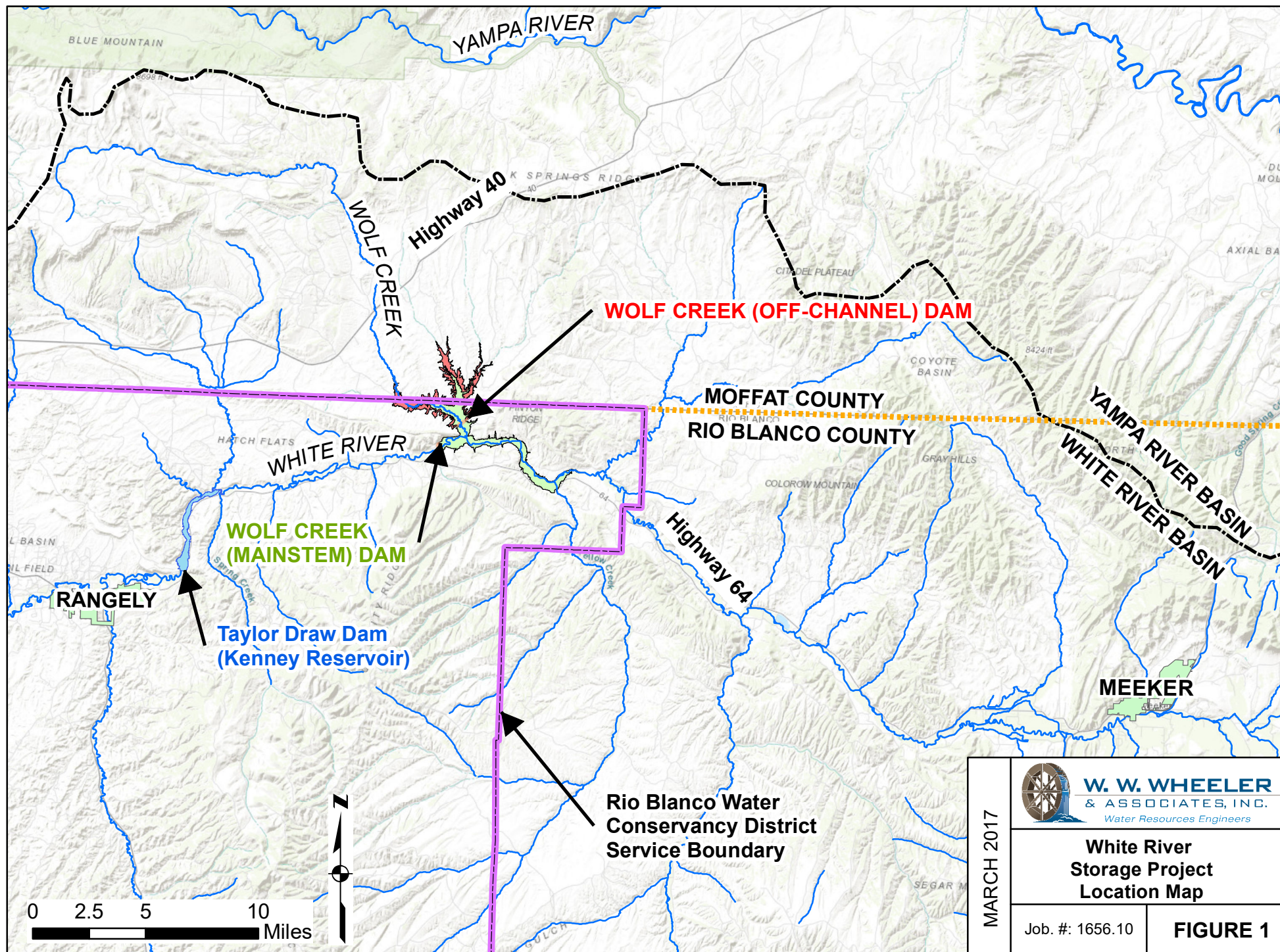
Print Applicant's Name: Alden Vanden Brink, for the Rio Blanco Water Conservancy District

Project Title: White River Storage Project – Phase 2 Study

Date: December 20, 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




MARCH 2017	 W. W. WHEELER & ASSOCIATES, INC. Water Resources Engineers	
	White River Storage Project Location Map	
	Job. #: 1656.10	FIGURE 1

EXHIBIT A – White River Storage Project – Phase 2A Study Statement of Work

STUDY OBJECTIVE

In March of 2015, the Rio Blanco Water Conservancy District completed an initial feasibility study to identify potential water storage sites in the White River Basin. The study evaluated 25 potential storage sites along the White River and concluded that a new reservoir, located near the confluence of the White River and Wolf Creek, would provide a very efficient, cost effective, multipurpose water project for northwestern Colorado. The purpose of additional White River water storage is to conserve and put to beneficial use some of the approximately 500,000 acre-feet of unused water that flows out of Colorado from the White River each year. The Rio Blanco Water Conservancy District continues to face a serious water crisis because it's Kenney Reservoir, which originally provided 13,800 acre-feet of storage, is silting in at an average rate of more than 300 acre-feet per year. The annual loss of water storage in Kenney Reservoir reduces recreation use in the reservoir each year and significantly increases the risk to the Town of Rangely's water supply in times of droughts. Storing a portion of the water that flows out of Colorado from the White River each year will provide significant benefits to endangered fish; provide additional water for municipal, agricultural, and industrial; provide water quality benefits; and meet future demands for a variety of recreation activities in northwest Colorado. The Phase 1 study also documented that that a new Wolf Creek Reservoir would produce additional annual tax revenues of nearly \$1.4 million to local economies and the State of Colorado.

The Rio Blanco Water Conservancy District has filed water rights for the Wolf Creek Reservoir site, which would be either an off-channel dam located on Wolf Creek immediately upstream of the confluence with the White River or an on-channel dam constructed on the main stem of the White River, immediately downstream of the White River/Wolf Creek confluence. See Figure 1 for the location of the dam sites. The objective of this second study phase is to continue work to refine the primary alternatives to meet the many important water conservation needs within the Rio Blanco Water Conservancy District so that the project permitting phase may begin in 2018.

PROJECT ROLES

The Rio Blanco Water Conservancy District would continue to engage EIS Solutions and W. W. Wheeler and Associates, Inc. (Wheeler) to complete the second phase of the study. EIS Solutions will be responsible for managing the project, facilitating project communications, and conducting stakeholder meetings and Wheeler would perform technical evaluations and prepare a Phase 2A Study Report.

BUDGET and SCHEDULE

The study would be completed concurrently with the White River Modeling and Management Plan during 2017 and 2018. A description of the key study tasks are provided on the next page. Key Milestone schedules and budgets for the study are summarized in Table 1 on the next page. A summary of key project study partner funding is provided in Table 2.

Table 1 – Summary of Key Phase 2A Study Task Budgets and Schedules

Task No.	Task	Tentative Task Start Date	Tentative Task End Date	Task Budget
1	Project Management, Outreach and Public Meetings	6-21-17	9-30-18	\$175,000
2	Primary Alternatives Refinement	6-21-17	9-30-18	\$55,000
2a	Maximum Reservoir Evaluation	6-21-17	9-30-18	\$25,000
3	Preliminary Reservoir Sedimentation Studies	6-21-17	9-30-18	\$20,000
4	Modeling Coordination	6-21-17	9-30-18	\$30,000
5	Phase 2A Report	6-21-17	9-30-18	\$45,000
Phase 2A Subtotal				\$350,000

Table 2 – White River Storage Project Partnership Funding Summary

Study Partner	Contribution	Contribution Percentage
CWCB WSRA Grant	\$82,888	24%
Yampa/White/Green Roundtable	\$85,000	24%
Rio Blanco Water Conservancy District	\$75,000	21%
Town of Rangely	\$50,000	14%
Town of Meeker	\$10,000	3%
Rio Blanco County	\$47,112	13%
Phase 2A Study Total	\$350,000	

STUDY TASK DESCRIPTIONS:

Task 1 – Project Management, Outreach and Public Meetings: This task includes the following:

- Task 1a – Project Management and Coordination
- Task 1b – Continued Stakeholder Outreach
- Task 1c – Public Meetings

The subtasks are described below.

Task 1a – Project Management and Coordination: Includes project management, coordination of key study criteria, methods, results and meeting coordination.

Deliverables: Brief progress reports will be prepared for each Yampa/White/Green Roundtable meeting.

Task 1b - Continued Key Stakeholder Outreach and Meetings: EIS will continue to meet with key potential stakeholders, interested community groups and Yampa/White/Green Basin Roundtable members to further refine the primary alternatives for the project. The continued outreach and stakeholder meetings are included as part of the Phase 2A Scope of Work to further refine the Project so that the National Environmental Policy Act (NEPA) documentation and project permitting can begin following the conclusion of the Phase 2A study. Some of the key stakeholder update meetings that are anticipated include meetings with the following organizations:

- The BLM
- White River Electric Association
- The Colorado River District
- The U.S. Fish & Wildlife Service
- Colorado Parks and Wildlife
- The Yampa/White/Green Basin Roundtable
- Colorado Water Conservation Board
- Moon Lake Electric Association
- Rio Blanco County
- Moffat County
- Town of Rangely
- Town of Meeker
- City of Craig
- Upper Colorado River Endangered Fish Recovery Program (Implementation Committee)
- Yellow Jack Water Conservancy District
- Bureau of Reclamation
- Western Area Power Administration
- State legislators
- Colorado Department of Natural Resources and the Governor's office
- Congressional delegation
- Colorado Water Congress members
- Colorado River Water Users Association members
- Club 20
- AGNC (Associated Governments of Northern Colorado)
- Mesa and Garfield Counties
- Media and Editorial boards (Daily Sentinel, Denver Post)
- NW Colorado newspaper and radio reporters
- Area Chambers of Commerce and Economic Development organizations
- Various environmental organizations
- Other identified stakeholders
- Additional civic groups
- Additional energy development partners

Deliverables: Meeting summaries of key stakeholder meetings.

Task 1c – Public Meetings: This task includes holding up to a minimum of three public meetings throughout the study. The public meetings are anticipated as follows:

- An initial meeting at the beginning of the Study to explain the Phase 2A Study Scope and solicit additional public input;

- A progress meeting to provide an update during the Study;
- A draft report meeting to review the results of the draft report and solicit public comments before the Phase 2A report is finalized.

Each of the public meetings are tentatively scheduled to be held in Rangely, Colorado. Each meeting will include both an open house and public presentation format that that will occur over several hours to maximize the exchange of information with interested stakeholders. The meetings may also be scheduled to coincide with other key water related meetings in the basin. We have also included up to three meetings with the Yampa/White/Green Roundtable and one meeting with the Rio Blanco Water Conservation District Board to update these key stakeholders on the progress of key work tasks.

Deliverables: A summary of each public meeting including a listing of meeting attendees will be prepared and included in an appendix of the Phase 2A report.

Task 2 - Primary Alternatives Refinement: After the initial meetings in 2017 with some of the key stakeholders, Wheeler will refine the 2015 feasibility designs and cost opinions so that the off-channel and on-channel reservoirs and associated drain and fill facilities are developed to a comparable level of detail. The feasibility designs for the on-channel reservoir were not fully developed during the 2015 feasibility study. The feasibility designs will include the development of preliminary drawings, construction quantities, and cost opinions for the on-channel dam, spillway, and outlet works. Wheeler will also re-evaluate the drain and fill facilities for the off-channel reservoir to determine if the off-channel reservoir could be filled by less expensive gravity flow ditches or a combination of gravity flow ditches and smaller booster stations from diversion points located higher in the basin such as Wray Gulch and Strawberry Creek. The feasibility of using other more senior water rights from other potential partners such, as the Colorado River District, will be evaluated as part of this task.

Task 2a - Maximum Reservoir Evaluation: Based on recent comments from some stakeholders, it may be beneficial to build the largest possible reservoir at Wolf Creek. As part of this task, Wheeler will develop feasibility designs and cost opinions for the maximum size reservoir that could be constructed at both the off-channel or on-channel reservoir near the confluence of the White River and Wolf Creek. No additional water modeling will be performed for these larger reservoirs. If larger reservoirs are considered to be viable, additional information such as reservoir yield and key resource impacts would need to be developed by others as part of future development or permitting work. The objective of this maximum reservoir work would be to develop an approximate cost for a much larger reservoir that could have additional benefits to the State of Colorado.

Deliverables: The Phase 2A report will document the following Task 2 work:

- Update feasibility drawings, construction quantities and cost opinions for the off-channel and on-channel reservoirs;
- Updated feasibility designs for off-channel drain and fill facilities;
- Updated comparison of key adverse impacts expected from both the reservoirs to key resources such as wetlands, wildlife, private properties, and sensitive BLM lands; and
- Include information from the Maximum Reservoir Evaluation.

Task 3 – Preliminary Reservoir Sedimentation Studies: Wheeler will use available soils data from the Natural Resources Conservation Service (NRCS) and BLM to develop preliminary estimates of the rate of sedimentation for both the off-channel and on-channel Wolf Creek

reservoirs. These estimates will be used to refine the extent of the sediment pools in each alternative reservoir site. This task will also document some of the sedimentation pond construction work that has already been cooperatively completed by the BLM and the Rio Blanco Water Conservatively District in the last twenty years and the effectiveness of these facilities to minimize sediment runoff into the proposed reservoirs.

Deliverables: The Phase 2A report will document the watershed sedimentation data collected as well as the key sedimentation assumptions, methods, and results of the sedimentation estimates and potential sedimentation mitigation measures for both the off-channel or on-channel Wolf Creek reservoirs.

Task 4 – Modeling Coordination: This task would include continued Wheeler involvement in coordination meetings associated with the White River Modeling and Management Plan, which is scheduled to be completed concurrently with the proposed Phase 2A study.

Deliverables: The Phase 2A report will include a chapter on yields expected for both the off-channel and on-channel Wolf Creek Reservoirs based on the modeling that is scheduled to be completed concurrently with the Phase 2A study.

Task 5 - Phase 2A Report: Wheeler will prepare a draft report that summarizes the Phase 2A work. The draft report is tentatively scheduled to be available for public review by June 1, 2018. After a public review period and the draft report meeting, a final report will be issued that addresses public comments received.

Deliverables: A draft and final report will be prepared and provided to interested stakeholders.



February 22, 2017

Brad McCloud – Principal
EIS Solutions, Inc.
1055 Main Street
Grand Junction, CO 81501

RE: Support Letter for the Rio Blanco Water Conservancy District (RBWCD) Wolf Creek Reservoir Project

The Town of Rangely Board of Trustees enthusiastically supports the Wolf Creek Reservoir Project and funding for Phase II project planning. In an effort to show our support for the project, the Town of Rangely has by unanimous vote determined they will donate a match contribution of \$50,000 to help offset the cost of Phase II and support the grant application developed by RBWCD. We and other governmental agencies in our region also understand the need to protect the habitat viability for many species in our area as well as the sustainability of our potable water source.

Having lived in the Rangely area for many years, it is understood that from an economic development standpoint the Wolf Creek Water Storage project would begin to provide real diversification for our local economy. The Wolf Creek project will also have a positive regional impact on the economies of several counties and communities. The additional storage could also potentially be used in support of our compact obligations should the need arise.

Once the grant award for Phase II has been finalized, the Rangely Town Council will take up a resolution to formalize our disbursement of the funds in support of the grant project. It is our intent to show unified support for this vital White River Storage Project.

Should you have questions regarding the information and intent of this support letter, please feel free to contact the Town of Rangely at (970) 675-8476.

Sincerely,

Peter Brixius – Town Manager
Rangely, Colorado 81648



Finance & Budget Dept.
Janae P. Stanworth, Interim Director
PO Box 1047
Meeker, CO 81641
970 878-9446
Janae.stanworth@rbc.us

February 22, 2017

Rio Blanco Water Conservancy District
Alden Vanderbrink
2252 E. Main Street
Rangely, CO 81648

Dear Alden,

This is to confirm that a Use Tax Grant in the amount of \$22,112.00 has been approved for the 2018 budget cycle to assist in the next phase of the Wolf Creek Dam project.

As discussed in the County Commissioner's board meeting on February 21, 2017, the county is pleased to assist in this important project. It is our sincere hope that you will be successful in finding the additional funding required.

After January 1, 2018, please send your request for payment to the Finance Department, P.O. Box 1047, Meeker, CO 81641 or electronically to kris.hicken@rbc.us.

Sincerely,

A handwritten signature in blue ink, which appears to read "Janae Stanworth".

Janae P. Stanworth
Interim Finance/Budget Director

JPS/kmh



Finance & Budget Dept.
Chris C. Singleton, Director
PO Box 1047
Meeker, CO 81641
970 878-9446
chris.singleton@rbc.us

October 24, 2016

Rio Blanco Water Conservancy District
Alden Vanderbrink
2252 E. Main Street
Rangely, CO 81648

Dear Alden,

This is to inform you that a Use Tax Grant in the amount of \$25,000 was approved for the year 2017 as contribution to the next phase of the Wolf Creek Dam project.

Please send your request for payment to the Finance Department, P.O. Box 1047, Meeker, CO 81641 or electronically to kris.hicken@rbc.us when the money is needed.

Sincerely,

A handwritten signature in blue ink that reads "Chris C. Singleton". The signature is fluid and cursive.

Chris C. Singleton
Finance/Budget Director

CCS/kmh