

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

Applicant & Grantee: Town of Norwood
Water Activity Name: Town of Norwood Raw Water System
Water Activity Purpose: Municipal Implementation
County: San Miguel
Drainage Basin: Southwest
Water Source: Gurley Reservoir
Amount Requested/Source of Funds: \$50,000 Southwest Basin Account
Matching Funds: Applicant Match (cash & in-kind) = \$1,331,535

- 2663% of Basin Account request (meets 25% min)
- 96.4% of total project cost of \$1,381,535

Staff Recommendation:

Staff recommends approval of up to \$50,000 from the Southwest Basin Account to help fund the project titled: Town of Norwood Raw Water System.

Water Activity Summary: WSRF grant funds, if approved, will assist in completing Phase 1 of the Town of Norwood’s Raw Water System (RWS). This project has multiple benefits. The Raw Water System will: (1) provide untreated, chloramine-free water from currently owned agricultural water shares to Norwood residents for lawn and garden irrigation; (2) relieve pressure on the Norwood water treatment plant, deferring the need for plant expansion while freeing up municipal water for future growth and development; (3) increase Norwood’s overall water security during draught; and (4) have a positive impact on the quality of life of the Town by benefitting Norwood’s food producers, increasing property values, and addressing security within the San Miguel Watershed. Phase 1 consists of the full build-out within town boundaries; Phases 2 and 3 include the expansion of the RWS beyond Norwood Town boundaries in 2022 and 2032 respectively. The state of the project for which funding is requested supports construction of a water shack that will supply untreated water to tap holders who are waiting for the installation of delivery lines.

Discussion: As described in the Southwest Basin Roundtable Chair’s Recommendation Letter, this project supports the Southwest Basin Implementation Plan (SWBIP) Multi-Basin IPP #23-SM: “Norwood Lawn and Garden.” This project also assists in satisfying Colorado’s Water Plan Critical Goals and Actions as identified in *Chapter 10.3.A: Supply-Demand Gap* through an infrastructure project that relieves partial dependency on treated water for outdoor use.

Issues/Additional Needs: Staff will work cooperatively with the grantee to obtain all necessary letters of commitment from secured and pending funders.

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: This application meets the Basin 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 Basin Roundtable Chair's Recommendation Letter and the WSRF Grant Application for applicant's detailed response.

Funding Summary / Matching Funds:

<u>Funding Source</u>	<u>Cash</u>	<u>In-Kind</u>	<u>Total</u>	<u>Status</u>
Colorado Department of Local Affairs'				
Energy/Mineral Impact Assistance Fund	\$690,767.50	\$0	\$690,767.50	<i>Pending</i>
CWCB Loan	\$200,000	\$0	\$200,000	<i>Pending</i>
Town of Norwood	\$25,000	\$0	\$25,000	Secured
San Miguel County	\$25,000	\$0	\$25,000	Secured
Norwood Water Commission	\$2,500	\$0	\$2,500	Secured
Hermitage Trust	\$5,000	\$0	\$5,000	Secured
Southwestern Water Conservation District	\$175,000	\$0	\$175,000	Secured
76 raw water taps sold as of 3/1/2017	\$190,000	\$0	\$190,000	Secured
5 additional taps from interested parties	\$13,267.50	\$0	\$13,267.50	<i>Pending</i>
San Miguel Water Conservancy District	\$5,000	\$0	\$5,000	Secured
Subtotal Matching Funds	\$1,331,535.00	\$0	\$1,331,535.00	
WSRA Southwest Basin Account	\$50,000	\$0	\$50,000	
Total Project Costs	\$1,381,535.00	\$0	\$1,381,535.00	

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 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, meeting summaries, 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 a professional engineer licensed by the State of Colorado to practice engineering.