Water Supply Reserve Account – Grant and Loan Program Water Activity Summary Sheet March 18-19, 2015 Agenda Item 17(j)

Applicant & Fiscal Agent: Plum Valley Heights Sub-District of the Roxborough Water and

Sanitation District

Water Activity Name: North West Douglas County Rural Water Project

Water Activity Purpose: M&I/Implementation

County: Douglas

River Basin: South Platte

Water Source: City of Aurora, and Roxborough Water and Sanitation District

Amount Requested/Source of Funds: \$50,000 Metro Account Funds

\$950,000 Statewide Account Funds \$1,000,000 Total grant request

Matching Funds: Basin Account Match (\$50,000) = 5% of total grant request

Basin Account & Applicant Match (\$14,010,316) = 1,401% of total grant

request

Basin Account & Applicant Match (\$14,010,316) = 93.6% of total project

costs (\$14,960,316).

(refer to Funding Summary/Matching Funds section)

Staff Recommendation:

Staff recommends **conditional** approval (refer to *Issues/Additional Need section below*) of up to \$50,000 from the Metro Account and \$950,000 from the Statewide account to help fund the project titled: North West Douglas County Rural Water Project.

Water Activity Summary: WSRA funds will be expended to construct 20,000 lf of 6" diameter water transmission line, and a 260,000 gallon water storage tank. Approximately 215 properties currently utilizing Denver Basin Aquifer groundwater resources will be connected and served via the proposed water transmission line, with another 33 future connections expected. The proposed system has been designed to accommodate future development. The Roxborough Water and Sanitation District obtained the rights to acquire an additional 150 AF of renewable water supplies from the City of Aurora. This water will be used to provide a renewable water supply source for several surrounding rural communities that currently rely on individual non-tributary groundwater wells for its water supply. The rural communities to be served include the subdivisions of Plum Valley Heights, Chatfield East, and Chatfield Acres, as well as the Titan Road Industrial Park. This Project will purchase the 150 AF of water from Aurora and will construct the water transmission main, distribution lines, and a storage facility.

Discussion: Non-tributary groundwater in the South Metropolitan Area of Denver has been identified as incapable of providing for long-term demands of the current and future metro area population as is a defined concern in the Metro and South Platte Roundtable Needs Assessment and Implementation Studies. In 2013, the "Douglas County Regional Rural Water Supply and Distribution System Feasibility Study" reviewed the current rural water needs of Douglas County,

under a grant from the WSRA. That study details the plan to make renewable water available to all rural neighborhoods in northern Douglas County and this project would take an initial step in implementing the plan.

Issues/Additional Needs: Additional funding sources include anticipated loans from the Colorado Water Resources and Power Development Authority (CWRPDA), a CWCB Loan, and a Douglas County Loan, therefore staff recommends **conditional** approval based upon applicant successfully securing the aforementioned loans to fully fund this project. Applicant is scheduled to bring a CWCB Loan request for the May 2015 Board Meeting.

Threshold and Evaluation Criteria:

The application meets all four Threshold Criteria

Tier 1-3 Evaluation Criteria:

Staff has reviewed and evaluated the applicant's response to the Statewide Account Evaluation Criteria and has determined that the requirements have been adequately meet. Please refer to WSRA Application for applicant's detailed response.

Funding Summary/Matching Funds:

	<u>Cash</u>	<u>In-kind</u>	Total
WSRA Metro Account	\$50,000	n/a	\$50,000
WSRA Statewide Account	\$950,000	n/a	\$950,000
CWCB Loan (Pending May 2015)	\$2,226,245	n/a	\$2,226,245
CWRPDA Loan (Pending)	\$5,200,000	n/a	\$5,200,000
Douglas County Loan (Pending)	\$2,676,821	n/a	\$2,676,821
Douglas County Grant	\$1,144,000	n/a	\$1,144,000
Roxborough Deferred Fees	\$2,713,250	<u>n/a</u>	\$2,713,250
Total Project Cost	s \$14,960,316	\$0	\$14,960,316

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 20, 2015

Craig Godbout Program Manager Water Supply Planning Section Colorado Water Conservation Board 1313 Sherman St., 7th Floor Denver, CO 80203

Re: Northwest Douglas County Rural Water Project, WSRA Application

Dear Mr. Godbout:

The Metro Roundtable (MRT) has determined that the *Northwest Douglas County Rural Water Project* is an important component of replacing the use of non-tributary ground water in the South Metropolitan Area of Denver, and in solving the water supply gap identified in SWSI through assistance to rural home and business owners whose properties and property values have been threatened due to widespread ground water pumping.

The Northwest Douglas County Rural Water Project, as submitted by the Plum Valley Heights Sub-District of Roxborough Water and Sanitation, will result in construction of a water transmission main, distribution lines and a storage facility to provide a renewable water supply to homes within rural neighborhoods on the western edge of the Denver Basin including the Plum Valley Heights, Chatfield East and Chatfield Acres subdivisions and the Titan Road Industrial Park. Currently, these areas are served by individual private wells. Over the years, these wells have seen declines, or total loss of production, due to widespread pumping of the Denver Basin Aquifers, albeit all in compliance with ground water pumping regulations. Recognizing the impact of loss of water supply, Douglas County, through their Water Alternatives Program, has enlisted the combined effort of the Roxborough Water and Sanitation District and the City of Aurora to provide service and a permanent renewable water supply to the residents. This plan will implement a portion of the system identified in the "Douglas County Rural Water Supply System Feasibility Study" that was completed as a result of a previous WSRA grant.

The cost of participating in this project is approximately \$60,000 per tap equivalent, an enormous burden to homeowners, yet 92% of homeowners in this area voted to tax themselves to complete the project. This WSRA grant, if awarded, would represent approximately 6.7% of the homeowner cost. This grant, combined with grants from Douglas County, would cover approximately 14% of homeowner costs. The remainder of the funds will be paid by the homeowners through up front capital contributions and through low interest loans.

The Metro Roundtable previously approved \$50,000 of Metro Basin WSRA funds for this project, and at the January 14, 2015 MRT meeting, after a recommendation of approval by the Water Supply Reserve Account Review Committee, a motion was made, seconded and adopted to provide this letter of support from the Metro Basin Roundtable for the applicant's request for \$950,000 from Statewide WSRA funds. There was a quorum present at the January meeting and the vote was unanimous in favor of the funding request.

Sincerely yours,

Mark Koleber

Chair

Metro Roundtable

January 20, 2015

Craig Godbout Program Manager Water Supply Planning Section Colorado Water Conservation Board 1313 Sherman St., 7th Floor Denver, CO 80203

Re: Northwest Douglas County Rural Water Project, WSRA Application

Dear Mr. Godbout:

The Metro Roundtable (MRT) has determined that the *Northwest Douglas County Rural Water Project* is an important component of replacing the use of non-tributary ground water in the South Metropolitan Area of Denver, and in solving the water supply gap identified in SWSI through assistance to rural home and business owners whose properties and property values have been threatened due to widespread ground water pumping.

The Northwest Douglas County Rural Water Project, as submitted by the Plum Valley Heights Sub-District of Roxborough Water and Sanitation, will result in construction of a water transmission main, distribution lines and a storage facility to provide a renewable water supply to homes within rural neighborhoods on the western edge of the Denver Basin including the Plum Valley Heights, Chatfield East and Chatfield Acres subdivisions and the Titan Road Industrial Park. Currently, these areas are served by individual private wells. Over the years, these wells have seen declines, or total loss of production, due to widespread pumping of the Denver Basin Aquifers, albeit all in compliance with ground water pumping regulations. Recognizing the impact of loss of water supply, Douglas County, through their Water Alternatives Program, has enlisted the combined effort of the Roxborough Water and Sanitation District and the City of Aurora to provide service and a permanent renewable water supply to the residents. This plan will implement a portion of the system identified in the "Douglas County Rural Water Supply System Feasibility Study" that was completed as a result of a previous WSRA grant.

The cost of participating in this project is approximately \$60,000 per tap equivalent, an enormous burden to homeowners, yet 92% of homeowners in this area voted to tax themselves to complete the project. This WSRA grant, if awarded, would represent approximately 6.7% of the homeowner cost. This grant, combined with grants from Douglas County, would cover approximately 14% of homeowner costs. The remainder of the funds will be paid by the homeowners through up front capital contributions and through low interest loans.

The Metro Roundtable previously approved \$50,000 of Metro Basin WSRA funds for this project, and at the January 14, 2015 MRT meeting, after a recommendation of approval by the Water Supply Reserve Account Review Committee, a motion was made, seconded and adopted to provide this letter of support from the Metro Basin Roundtable for the applicant's request for \$950,000 from Statewide WSRA funds. There was a quorum present at the January meeting and the vote was unanimous in favor of the funding request.

Sincerely yours,

Mark Koleber

Chair

Metro Roundtable

January 20, 2015

Craig Godbout Program Manager Water Supply Planning Section Colorado Water Conservation Board 1313 Sherman St., 7th Floor Denver, CO 80203

Re: Northwest Douglas County Rural Water Project, WSRA Application

Dear Mr. Godbout:

The Metro Roundtable (MRT) has determined that the *Northwest Douglas County Rural Water Project* is an important component of replacing the use of non-tributary ground water in the South Metropolitan Area of Denver, and in solving the water supply gap identified in SWSI through assistance to rural home and business owners whose properties and property values have been threatened due to widespread ground water pumping.

The Northwest Douglas County Rural Water Project, as submitted by the Plum Valley Heights Sub-District of Roxborough Water and Sanitation, will result in construction of a water transmission main, distribution lines and a storage facility to provide a renewable water supply to homes within rural neighborhoods on the western edge of the Denver Basin including the Plum Valley Heights, Chatfield East and Chatfield Acres subdivisions and the Titan Road Industrial Park. Currently, these areas are served by individual private wells. Over the years, these wells have seen declines, or total loss of production, due to widespread pumping of the Denver Basin Aquifers, albeit all in compliance with ground water pumping regulations. Recognizing the impact of loss of water supply, Douglas County, through their Water Alternatives Program, has enlisted the combined effort of the Roxborough Water and Sanitation District and the City of Aurora to provide service and a permanent renewable water supply to the residents. This plan will implement a portion of the system identified in the "Douglas County Rural Water Supply System Feasibility Study" that was completed as a result of a previous WSRA grant.

The cost of participating in this project is approximately \$60,000 per tap equivalent, an enormous burden to homeowners, yet 92% of homeowners in this area voted to tax themselves to complete the project. This WSRA grant, if awarded, would represent approximately 6.7% of the homeowner cost. This grant, combined with grants from Douglas County, would cover approximately 14% of homeowner costs. The remainder of the funds will be paid by the homeowners through up front capital contributions and through low interest loans.

The Metro Roundtable previously approved \$50,000 of Metro Basin WSRA funds for this project, and at the January 14, 2015 MRT meeting, after a recommendation of approval by the Water Supply Reserve Account Review Committee, a motion was made, seconded and adopted to provide this letter of support from the Metro Basin Roundtable for the applicant's request for \$950,000 from Statewide WSRA funds. There was a quorum present at the January meeting and the vote was unanimous in favor of the funding request.

Sincerely yours,

Mark Koleber

Chair

Metro Roundtable

January 6, 2015

Craig Godbout – WSRA Application Colorado Water Conservation Board 1313 Sherman St., Room 721 Denver, CO 80203

Re: Northwest Douglas County Water Project

Dear Mr. Godbout:

As the urban areas of Douglas County have developed over the past 30 years, there have been intensive development of wells in the Denver Basin. As a result, these aquifers have seen a large decline in water levels that impact the ability of rural communities to produce water. A study completed by the South Metro Water Supply Authority in 2003 identified this problem and recommended that urban water providers find alternative renewable water supplies to supplement or replace these groundwater supplies. Over the last ten years, there have been great efforts to reduce the reliance on this finite resource through conservation and cooperation of water providers.

Douglas County recognized the need to help their rural communities who were experiencing the loss of their water supplies and formed the Douglas County Water Alternatives Program which provided communities a way to come together with willing existing water providers. Douglas County wants to set an example and develop a repeatable program for other rural communities. This would be the first program, if successful. Douglas County is vested and has contributed many hours and financial assistance to this program.

The Roxborough Water and Sanitation District ("RWSD"), in December of 2010, secured a water supply and delivery agreement with the City of Aurora that provides for a permanent and renewable water supply for its existing customers. In August of 2014 RWSD was able to add an additional 150 acre feet of water supply with a second agreement with Aurora specifically to serve several surrounding rural communities that are desperately in need of a renewable supply. Specifically, the neighbors in the Northwest portion of Douglas County along State Hwy 85 (Santa Fe). These rural communities include the Plum Valley Heights, Chatfield East and Chatfield Acres Subdivisions and the Titan Road Industrial Park. The additional water that Aurora has made available for these communities is only available for a short 5 year period of time. Which means if we do not pay for and use the water within 5 years beginning August 2014, the water is returned to Aurora.

These communities lie on the outer edge of the Denver Basin and rely on wells for water supply. Due to the bowl-shaped formation of the aquifer and the location of these wells, their supply and production capacity is the first to be impacted by the increased pumping due to urban growth. As a matter of fact several of the existing homeowners and businesses are currently hauling water as their wells are not able to produce enough water to sustain their daily needs.

This opportunity does not come without great expense. The costs for infrastructure and storage facilities to serve these properties are substantial. A challenge to providing these services in low density rural areas is making the costs reasonably affordable for home and business owners alike. To help ease the cost, the RWSD has submitted applications to the Colorado Water Conservation Board and the Drinking Water Revolving Fund for low interest, long term loans. An election was held on November 4, 2014 to approve "Inclusion' into the RWSD, participation through a "Sub-District" of the RWSD, and various funding questions, such as; increasing each home's mill levy by 50 mills, paying a monthly debt service surcharge of up to \$75 per month and paying a tap fee and connection cost in the range of \$25,000 per home. The election was overwhelming approved by 94% of the voters which is a testament to how important having a renewable water supply is to these homeowners.

The means to acquire renewable water for these rural homeowners and businesses is available today and may not exist in the future. Being proactive in the effort of making the resource available and affordable now, is vital in Colorado. The Douglas County Water Alternatives Program could serve as an example that could be use on a statewide basis. On first glance, this project appears to be too small for statewide interest but we are convinced it should be of great interest to the State as this problem exist all over Colorado and will only continue to get worse with time. And more importantly it can only be resolved one project at a time and on a case by case basis. It is very important that we have a success that can be built on. Therefore additional funding help to lessen the financial burden on these homeowners and community members is very important to this program and this is an opportunity for the State of Colorado to show its support for communities that take the initiative to help save their communities.

Thank you for your consideration.

Sincerely,

Larry D Moore

Roxborough Water and Sanitation District

General Manager



www.douglas.co.us

January 7, 2015

Craig Godbout – WSRA Application Colorado Water Conservation Board 1313 Sherman St., Room 721 Denver, CO 80203

Re:

Northwest Douglas County Water Project

Dear Mr. Godbout:

As the urban areas of Douglas County have developed over the past 30 years, there have been intensive development of wells in the Denver Basin. As a result, these aquifers have seen a large decline in water levels that impact the ability of rural communities to produce water. A study completed by the South Metro Water Supply Authority in 2003 identified this problem and recommended that urban water providers find alternative renewable water supplies to supplement or replace these groundwater supplies. Over the last ten years, there have been great efforts to reduce the reliance on this finite resource through conservation and cooperation of water providers.

Douglas County recognized the need to help their rural communities who were experiencing the loss of their water supplies and formed the Douglas County Water Alternatives Program which provided communities a way to come together with willing existing water providers. Douglas County wants to set an example and develop a repeatable program for other rural communities. This would be the first program, if successful. Douglas County is vested and has contributed many hours and financial assistance to this program.

The Roxborough Water and Sanitation District ("RWSD"), in December of 2010, secured a water supply and delivery agreement with the City of Aurora that provides for a permanent and renewable water supply for its existing customers. In August of 2014 RWSD was able to add an additional 150 acre feet of water supply with a second agreement with Aurora specifically to serve several surrounding rural communities that are desperately in need of a renewable supply. Specifically, the neighbors in the Northwest portion of Douglas County along State Hwy 85 (Santa Fe). These rural communities include the Plum Valley Heights, Chatfield East and Chatfield Acres Subdivisions and the Titan Road Industrial Park. The additional water that Aurora has made available for these communities is only available for a short 5 year period of time. Which means if we do not pay for and use the water within 5 years beginning August 2014, the water is returned to Aurora.

These communities lie on the outer edge of the Denver Basin and rely on wells for water supply. Due to the bowl-shaped formation of the aquifer and the location of these wells, their supply and production capacity is the first to be impacted by the increased pumping due to urban growth. As a matter of fact several of the existing homeowners and businesses are currently hauling water as their wells are not able to produce enough water to sustain their daily needs.

Craig Godbout – WSRA Application Colorado Water Conservation Board January 7, 2015 Page 2

This opportunity does not come without great expense. The costs for infrastructure and storage facilities to serve these properties are substantial. A challenge to providing these services in low density rural areas is making the costs reasonably affordable for home and business owners alike. To help ease the cost, the RWSD has submitted applications to the Colorado Water Conservation Board and the Drinking Water Revolving Fund for low interest, long term loans. An election was held on November 4, 2014 to approve "Inclusion" into the RWSD, participation through a "Sub-District" of the RWSD, and various funding questions, such as; increasing each home's mill levy by 50 mills, paying a monthly debt service surcharge of up to \$75 per month and paying a tap fee and connection cost in the range of \$25,000 per home. The election was overwhelming approved by 94% of the voters which is a testament to how important having a renewable water supply is to these homeowners.

The means to acquire renewable water for these rural homeowners and businesses is available today and may not exist in the future. Being proactive in the effort of making the resource available and affordable now, is vital in Colorado. The Douglas County Water Alternatives Program could serve as an example that could be use on a statewide basis. On first glance, this project appears to be too small for statewide interest but we are convinced it should be of great interest to the State as this problem exist all over Colorado and will only continue to get worse with time. And more importantly it can only be resolved one project at a time and on a case by case basis. It is very important that we have a success that can be built on. Therefore additional funding help to lessen the financial burden on these homeowners and community members is very important to this program and this is an opportunity for the State of Colorado to show its support for communities that take the initiative to help save their communities.

Thank you for your consideration.

Sincerely,

BOARD OF DOUGLAS COUNTY COMMISSIONERS

David A. Weaver

Roger A. Partridge



Water Department Administration Phone: 303-739-7370 Fax: 303-739-7491





January 9, 2015

Mr. Craig Godbout – WSRA Application Colorado Water Conservation Board 1313 Sherman Street, Room 721 Denver, CO 80203

Dear Craig,

Aurora Water is writing this letter in support of the grant application made by the Plum Valley Heights Sub-District of the Roxborough Water and Sanitation District (Roxborough) for the Northwest Douglas County Water Project. Aurora Water has worked successfully with Roxborough for many years, and together, established a permanent supply agreement for renewable water for the Roxborough service area in 2010. Following on that 2010 agreement, Aurora and Roxborough further identified areas of critical need within Douglas County, and worked to expand that available water supply by 150 acre-feet to Roxborough in order that they may serve these areas that are on diminishing nonrenewable groundwater supplies. That agreement was completed in late 2014.

This grant application, if approved, will assist in the development of the necessary infrastructure and systems that need to be put into place to serve these Douglas County residents, including Plum Valley Heights, Chatfield East and Chatfield Acres subdivisions, along with the Titan Road Industrial Park. Over 228 properties are impacted if a renewable water supply and transmission system cannot be put in place. The project, as proposed, will allow for the construction of transmission and distribution lines, pumping and storage facilities, and provide the water supply to these rural areas in need.

Aurora Water has worked with the Colorado Water Conservation Board (CWCB) through participation in the Interbasin Compact Committee and Roundtable processes, and feels that this grant application's purpose is appropriate for the Water Supply Reserve Account (WSRA) funds sought through the Metro Roundtable. This proposed water activity project will result in tangible results benefitting a number of rural Front Range communities faced with failing water supply systems and few feasible alternatives.

Aurora Water is pleased to support our partner, Roxborough, in this grant application, and we are certainly available to discuss the underlying agreements further if it would assist in your decision-making process.

Regards

Marshall P. Brown, Director



Chatfield Watershed Authority

January 29, 2015

Mr. Craig Godbout Water Supply Planning Section Colorado Water Conservation Board 1313 Sherman St., 7th Floor Denver, CO 80203

Subject: Chatfield Watershed Authority Letter of Support for Funding Northwest Douglas

County Rural Water Project

Dear Mr. Godbout:

The Chatfield Watershed Authority (Authority) is pleased to support Roxborough Water and Sanitation District and Douglas County in its Water Supply Reserve Account (WSRA) and Metro Roundtable grant pursuits for providing a renewable water supply to the rural water communities of Plum Valley Heights, Chatfield East, Chatfield Acres Subdivisions and the Titan Road Industrial Park, located in the Chatfield Watershed, south of Chatfield Reservoir. The Authority is comprised of a basin-wide group of counties, municipalities, special districts, private, and other entities, formulated through intergovernmental agreement to promote water quality protection of Chatfield Reservoir and its associated beneficial uses, for drinking water supplies, recreation, aquatic life, and agriculture. The Authority operates pursuant to federal and state water quality laws and regulations, specifically Control Regulation #73. We recognize the unique aspects of this proposed project to provide a reliable water supply and potential future water quality benefits that we believe will further promote watershed and reservoir health within the Chatfield watershed.

The non-tributary water supplies that these rural communities currently rely on are unsustainable, highlighting the imperative need for an alternative renewable water supply and funding support. Making renewable and reliable water supplies available to this area located adjacent to the Chatfield Reservoir through a water transmission system will encourage property owners to upgrade development with the added confidence of a long-term water supply.

With our water quality focus on protection of Chatfield Reservoir, the Authority is encouraged that funding this new water source and delivery system may promote nearby commercial property owners to assess the feasibility of upgrading their water and wastewater systems in the future. While this grant does not result in any immediate direct wastewater system improvements, the investment in this area may well be a first step toward future improvement or replacement of aged or unmaintained septic systems along the Plum Creek floodplain, creating future environmental benefits.

The Authority is pleased to provide its support of this collaborative approach and comprehensive proposal that leverages funding and watershed partners to work together in the Chatfield Watershed to provide a reliable water supply for these rural water communities. This



effort has multiple facets that provide broad reaching water supply and potential environmental benefits. Thank you for your thoughtful consideration of this grant application.

Sincerely,

CHATFIELD WATERSHED AUTHORITY

Keyin Urie

Co-Chair

Tim Grotheer

Co-Chair

cc: Douglas County Commissioner Roger Partridge

Douglas County Commissioner Jill Repella Douglas County Commissioner David Weaver

Larry Moore, Roxborough Water and Sanitation District Manager

Pat Mulhern, Mulhern MRE

SOUTH METRO WATER SUPPLY AUTHORITY

8400 East Prentice Avenue Suite 1500 Greenwood Village, CO 80111

Phone 303 409 7747 Fax 303 409 7748

January 26, 2015

Craig Godbout – WSRA Application Colorado Water Conservation Board 1313 Sherman Street, Room 721 Denver, CO 80203

RE: Northwest Douglas County Water Project

Dear Craig,

The South Metro Water Supply Authority (SMWSA) supports the proposed Northwest Douglas County Water Project as described in the WSRA Application to be submitted by the Plum Valley Heights Sub-District of the Roxborough Water & Sanitation District.

Members of the SMWSA serve the vast majority of homes and businesses in the south metro region and share a long-term obligation to provide a permanent, reliable water supply to our communities. Many of our members rely in-part on supplies from the Denver Basin Aquifers, and we are working together to reduce the region's dependency on this depleting resource by developing renewable water supplies. This project is an important water supply project for the communities of Plum Valley Heights, Chatfield East and Chatfield Acres subdivisions, and Titan Road Industrial Park, which all currently rely on individual, private wells in the Denver Basin Aquifers. Although these communities are relatively small, their ability to secure a renewable water supply is of statewide importance for several reasons.

First, the South Metro area has an integrated regional economy, is home to the majority of the state's Fortune 500 companies, and produces 30% of all of Colorado's earned income. A water supply problem in one area of the region is not isolated to that community and has the potential to impact property values, jobs, and economic opportunities throughout the region. By securing a new renewable supply in these existing rural areas that depend on non-renewable groundwater, this project would help protect property values and help ensure the viability of these communities in the future.

Second, because of the nonrenewable water supply challenges facing the south metro area, CWCB, SWSI, and the Basin Roundtables have recognized this region as one of the major "M&I gap" areas in the state. Continued reliance on Denver Basin Aquifers even by smaller communities causes a more rapid depletion and higher drawdown rates within the aquifer system. Solving even a portion of this nonrenewable water supply issue benefits the entire region and moves one step closer to sustainable use of our water resources.

The construction of the proposed infrastructure provides a great example of creating regional solutions to reduce dependency on non-renewable groundwater, expand existing renewable resources, and incrementally help meet the challenges in the state's largest "gap" area. Understandably, the window of opportunity to secure this renewable water supply will not remain open indefinitely, and we encourage support and approval for this project.

Sincerely,

Eric Hecox, Executive Director South Metro Water Supply Authority

Eio B. Heef



January 29, 2015

Craig Godbout - WSRA Application Colorado Water Conservation Board 1313 Sherman St., Room 721 Denver, CO 80203

Re: Northwest Douglas County Rural Water Project

Dear Mr. Godbout,

Renewable and permanent water supply for Douglas County has been a very important issue for a very long time. Development in much of the County has historically relied on the use of non-tributary ground water as a permanent source of water supply. With the growth seen over the last 30 years, this source of supply has been greatly strained and will only become more of an expense and hardship to homeowners and businesses alike as resources continue to diminish.

Rural development in the northwest portion of Douglas County along and west of Hwy 85 (Santa Fe) is located along the western fringe of the Denver Basin. Properties in this area rely on wells and due to the steeper dip of the aquifers near the edge of the basin, wells in this area are shallower than wells located farther east. As heavy pumping of the wells occurs to accommodate development in dense urban areas, the rural areas located along this western edge have experienced declining water levels and production, and many wells have completely lost usable production.

Douglas County has been working to assist some of these rural neighborhoods to help maintain their property values and lifestyle through both financial and technical assistance. The Rural Water Authority of Douglas County (RWADC) has recently been requested to support the Northwest Douglas County Rural Water Project, and although RWADC has not been involved in the project to date, RWADC believes that assisting these rural neighborhoods with this new currently-available renewable water is urgent and should be funded and highly prioritized. RWADC therefore supports the funding of the grant proposal. Resolving long-term water supply for both the urbanized and rural



February 11, 2015

Craig Godbout - WSRA Application Colorado Water Conservation Board 1313 Sherman St., Room 721 Denver, CO 80203

Re: Northwest Douglas County Rural Water Project

Dear Mr. Godbout,

Denver Water is submitting this letter in support of the grant application for the Northwest Douglas County Rural Water Project ("the Project"). The applicant, Plum Valley Heights Sub-District of the Roxborough Water and Sanitation District, intends to use these funds to develop the necessary transmission and distribution pipelines and storage facilities to provide a renewable water supply to rural residents and businesses.

For many years Denver Water has been concerned about the use of non-tributary groundwater ("NTGW") for water supplies in the South Metro area. Denver Water has worked with the South Metro Water Supply Authority for many years to explore ways to replace the NTGW with renewable water supplies. Towards that goal, Denver Water joined with Aurora and ten South Metro Area water providers in the Water Infrastructure and Supply Efficiency project ("WISE"). WISE is a collaborative first step to begin substituting a renewable water supply for NTGW use by the WISE participates. However the solution to NTGW use in the South Metro Area must also include the rural neighborhoods who have been impacted by the widespread pumping of groundwater. This Project is an important first step in addressing the problem in these rural neighborhoods. We believe that a grant from the WSRA can be an important contribution to making this a viable solution.

Thank you for your consideration.

Sincerely,

David Little

Director of Planning