



TO: Colorado Water Conservation Board Members

FROM: Anna Mauss, Finance Section

DATE: September 20-21, 2017 Board Meeting

AGENDA ITEM: 8 a-b. Water Plan Grants - Storage
Initial Consideration

This item is for consideration only. No action is required at this time

Introduction

The storage category has \$3 million in available funds. In the first round of applications, the CWCB received three applications totaling \$2,384,260 and one Intent to Apply (no funding amount noted). Staff is supporting two of the applications as noted in the table below. The third application was moved to Intent to Apply after working with the applicant and identifying the need for additional funding partners and agreements prior to tying up large amount of grant funding. Staff is supporting two grants totaling \$884,260 leaving \$2,115,740 available for future rounds of grant funding.

Applicant	Project Name	Request	% of Project	Staff Support
a. City of Walsenburg	City Lake Dam Enlargement	\$804,000	12%	\$804,000
b. Colorado River Water Conservation District	West Divide Yield	\$80,260	50%	\$80,260

See attached Data Sheets for locations and summaries.

Staff Review and Comments

a. City of Walsenburg - City Lake Dam

The City of Walsenburg (City) is seeking grant funding to enlarge City Lake Dam. City Lake was identified in the Cucharas Basin Collaborative Study (funded by a Water Supply Reserve Fund grant) as one of the existing storage sites within the basin that could potentially benefit multiple stakeholders. As a result, the City is engaged in discussions with the Huerfano County Water Conservancy District regarding the use of the enlarged capacity at City Lake being made available, at a cost, to other water users. This project is included in the Master Needs List of the Arkansas Basin Implementation Plan (#2015-0011) and will help meet the storage gap in the basin by providing 412 new acre-feet of storage.

The City has an approved loan from the CWCB for the rehabilitation of the dam and intends to enlarge it at the same time. Total estimated project costs are \$6,821,000. The City's loan is for 100% of the project costs (approved at the July 2017 CWCB meeting) to be sure it can address dam safety issues, with or without grant funds.



A letter of support from the Huerfano County Water Conservancy District was provided with the grant application.

Staff supports recommending a \$804,000 grant to the City of Walsenburg for approval at the November 2017 meeting.

b. Colorado River Water Conservation District - West Divide Yield

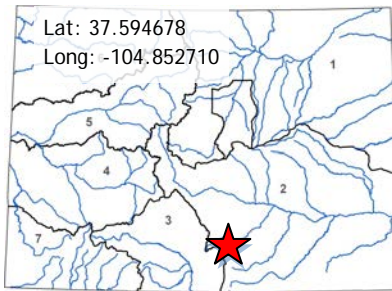
The West Divide Water Conservancy District (applicant) applied for grant funding with the Colorado River Water Conservation District (grantee) to study streamflow in the Divide Creek area where West Divide Water Conservancy District holds conditional water rights. While not immediately providing additional acre-feet of storage, the West Divide Yield project will provide information to build on the Kendig Reservoir Feasibility Study. Pending the results of the yield study, it is estimated an additional 9,000 to 16,500 of storage could be constructed if the yield supports development of a new reservoir.

A letter of support from the Colorado Basin Roundtable was provided with the grant application.

Staff supports recommending a \$80,260 grant to the Colorado River Water Conservation District for approval at the November 2017 meeting.



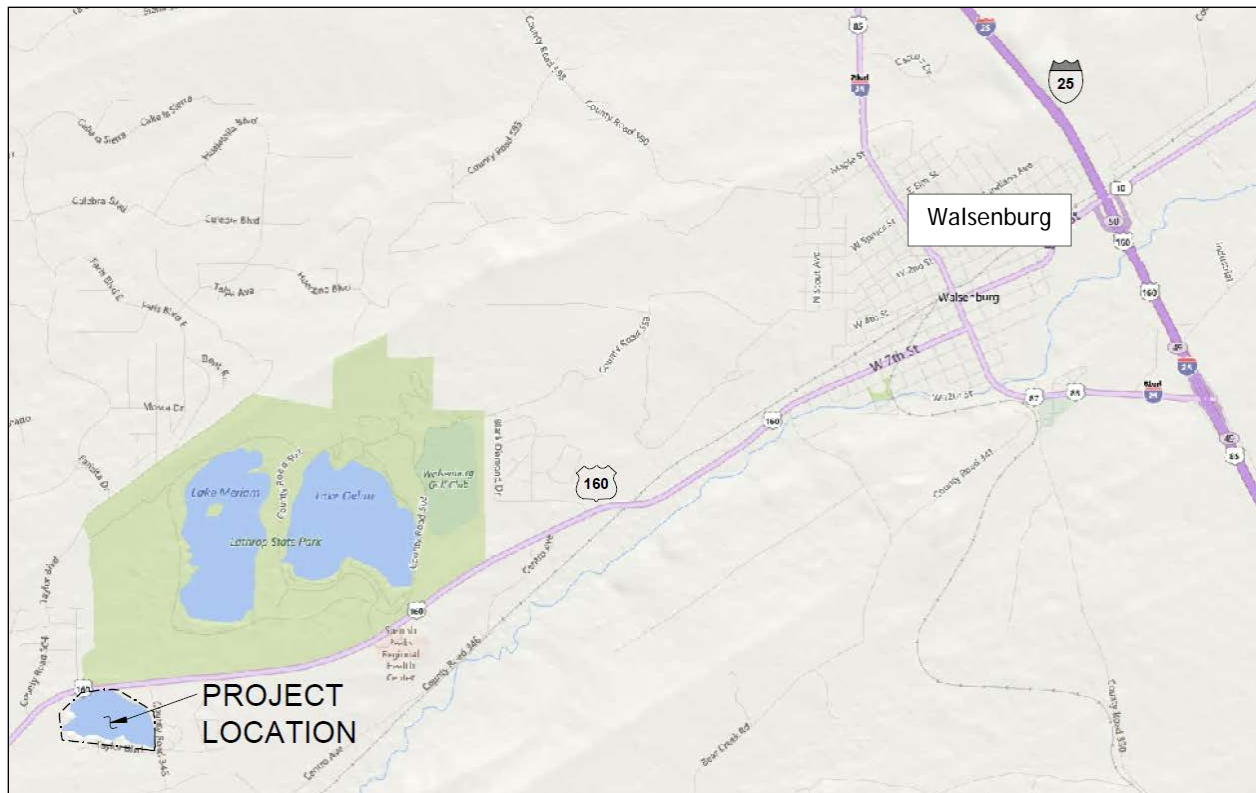
Water Plan Grant Application



L O C A T I O N	
County/Countries:	Huerfano
Drainage Basin:	Arkansas

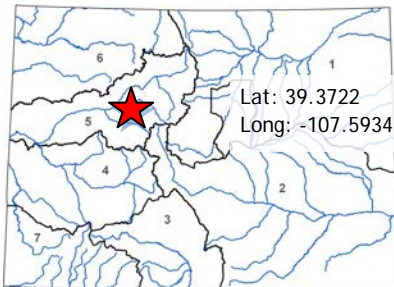
D E T A I L S	
Total Project Cost:	\$6,821,000
Water Plan Grant Request:	\$804,000
Other CWCB Funding:	\$6,017,000
Other Funding Amount:	\$0
Applicant Match:	\$6,017,000
Project Type(s):	Construction
Project Category(Categories):	Storage, Supply & Demand Gap
Measurable Result:	120 acre-feet of new storage

Walsenburg's City Lake Dam is currently under a reservoir storage restriction and a mandatory dam safety compliance plan imposed by the Dam Safety Branch of the Office of the State Engineer. RJH Consultants, Inc, has determined, through a number of previously completed investigations and analyses, that the most cost-effective rehabilitation option is to completely remove the existing dam and build a new dam, that meets all current dam safety design criteria, in the same location as the existing dam. The City, in conjunction with other local water users and entities who will have shared access to the new storage, has the desire to raise the existing dam height by three (3) vertical feet and create approximately 120 acre-feet of new and additional storage in the reservoir. The Water Plan grant funding will be used for the design, permitting and construction of the three-foot dam height raise.





Water Plan Grant Application



L O C A T I O N	
County/Countries:	Garfield/Mesa
Drainage Basin:	Colorado

D E T A I L S	
Total Project Cost:	\$160,520
Water Plan Grant Request:	\$80,260
Other CWCB Funding:	\$0
Other Funding Amount:	\$80,260
Applicant Match:	\$80,260
Project Type(s): Study	
Project Category(Categories): Storage	
Measurable Result:	9000-16500 AF new storage

The work being proposed will build a feasibility study of Kendig Reservoir. The study of the contemplated reservoir was completed through a Water Supply Reserve Fund Grant. It found the yield to be highly variable from year to year with the only source of water being West Divide Creek. This grant will fund increased streamflow monitoring in the Divide Creek area where West Divide Water Conservancy District holds conditional direct flow and storage water rights. Currently there is only stream measurement gage in the area. Because the originally contemplated supplies have been abandoned, there is a need to quantify the additional yield that can be obtained from within the basin. In addition to yield analysis, alternative dam alignments have created the need to reinvestigate canal alignments to deliver water via gravity flow into the Kendig alternatives. Potential services areas will also be delineated. It is anticipated that 9,000 to 16,500 acre-feet of new storage could be created through the construction of Kendig Reservoir.

