

Colorado Water Conservation Board

Water Supply Reserve Fund Grant Application

Instructions

All WSRF grant applications shall conform to the current 2016 WSRF Criteria and Guidelines.

To receive funding from the WSRF, a proposed water activity must be approved by a Roundtable(s) **AND** the Colorado Water Conservation Board (CWCB). The process for Roundtable consideration and recommendation is outlined in the 2016 WSRF Criteria and Guidelines. The CWCB meets bimonthly according to the schedule on page 2 of this application.

If you have questions, please contact the current CWCB staff Roundtable liaison:

Arkansas Gunnison | North Platte | Colorado | Metro | Rio Grande | South Platte | Yampa/White Southwest

Ben Wade Craig Godbout Megan Holcomb

<u>ben.wade@state.co.us</u> <u>craig.godbout@state.co.us</u> <u>megan.holcomb@state.co.us</u>

303-866-3441 x3238 303-866-3441 x3210 303-866-3441 x3222

| WSRF Submittal Checklist (Required) | | |
|---|--|--|
| I acknowledge this request for funding was recommended for CWCB approval by the sponsoring Basin Roundtable(s). | | |
| I acknowledge I have read and understand the 2016 WSRF Criteria and Guidelines. | | |
| I acknowledge the Grantee will be able to contract with CWCB using the Standard Contract. (1) | | |
| Exhibit A | | |
| Statement of Work (2) (Word – see Exhibit A Template) | | |
| Budget & Schedule ⁽²⁾ (Excel Spreadsheet – see Exhibit A Template) | | |
| Letters of Matching and/or Pending 3 rd Party Commitments ⁽²⁾ | | |
| Exhibit C | | |
| Map ⁽²⁾ | | |
| Photos/Drawings/Reports | | |
| Letters of Support | | |
| Certificate of Insurance ⁽³⁾ (General, Auto, & Workers' Comp.) | | |
| Contracting Documents | | |
| Certificate of Good Standing ⁽³⁾ | | |
| W-9 ⁽³⁾ | | |
| Independent Contractor Form ⁽³⁾ (If applicant is individual, not company/organization) | | |
| Electronic Funds Transfer (ETF) Form ⁽³⁾ | | |

- (1) Click "Grant Agreements". For reference only/do not fill out or submit/required for contracting
- (2) Required with application if applicable.
- (3) Required for contracting. While optional at the time of this application, submission can expedite contracting upon CWCB Board approval.



| Schedule | | | |
|--------------|-----------------------------|------------------------------|--|
| CWCB Meeting | Application Submittal Dates | Type of Request | |
| January | December 1 | Basin Account; BIP | |
| March | February 1 | Basin/Statewide Account; BIP | |
| May | April 1 | Basin Account; BIP | |
| July | June 1 | Basin Account; BIP | |
| September | August 1 | Basin/Statewide Account; BIP | |
| November | October 1 | Basin Account/BIP | |

| Desired Timeline | | |
|---------------------------------|-----------------|--|
| Desired CWCB Hearing Month: | September 2017 | |
| Desired Notice to Proceed Date: | October 1, 2017 | |

| Water Activity Summary | | |
|---|--------------------------------|---|
| Name of Applicant | Fort Lyon Canal Company | |
| Name of Water Activity | Adobe Creek Dam Rehabilitation | |
| Approving Roundtable(s) | | Basin Account Request(s) ⁽¹⁾ |
| Arkansas Basin | | |
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| | | |
| Basin Account Request Subtotal | | \$100,000 |
| Statewide Account Request ⁽¹⁾ | | \$1,000,000 |
| Total WSRF Funds Requested (Basin & Statewide) | | \$1,100,000 |
| Total WSRF Grant Costs (Additional project funds through CWCB Construction Program Loans) | | \$1,100,000 |

⁽¹⁾ Please indicate the amount recommended for approval by the Roundtable(s)



| Grantee and Applicant Information | | | |
|--|---------------------------------------|--|--|
| Name of Grantee(s) | Fort Lyon Canal Company | | |
| Mailing Address | 750 Bent Avenue, Las Animas, Colorado | | |
| FEIN | 84-0579583 | | |
| Grantee's Organization Contact ⁽¹⁾ | Amy Van Horn | | |
| Position/Title | Water Master | | |
| Email | flccinfo@flcc.net | | |
| Phone | 719-456-0720 | | |
| Grant Management Contact ⁽²⁾ | Connie Harris | | |
| Position/Title | Bookkeeper | | |
| Email | Connie@flcc.net | | |
| Phone | 719-456-0720 | | |
| Name of Applicant (if different than grantee) | | | |
| Mailing Address | | | |
| Position/Title | | | |
| Email | | | |
| Phone | | | |

- (1) Person with signatory authority
- (2) Person responsible for creating reimbursement invoices (Invoice for Services) and corresponding with CWCB staff.

Description of Grantee

Provide a brief description of the grantee's organization (100 words or less).

The Fort Lyon Canal Company is a Colorado Mutual Ditch Company and a non-profit Corporation organized under the laws of the State of Colorado. The Fort Lyon Canal Company was incorporated in 1897, and is governed by five Directors that meet monthly. The offices of the company are located in Las Animas, Colorado. The Fort Lyon Canal is 113 miles long, and lies in three counties: Otero, Bent, and Prowers. Approximately 93,000 acres are irrigated each year. A separate Storage Canal provides water to two off-channel storage reservoirs: Horse Creek and Adobe Creek (Blue Lake).



| | Type of Eligible Entity (check one) | | | |
|---|---|--|--|--|
| | Public (Government): municipalities, enterprises, counties, and State of Colorado agencies. Federal agencies are encouraged to work with local entities. 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 | | | |
| Х | 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, any organization that is not part of the government | | | |
| | Covered Entity: as defined in Section 37-60-126 Colorado Revised Statutes | | | |

| Type of Water Activity (check one) | | |
|------------------------------------|----------------|--|
| | Study | |
| Х | Implementation | |

| Category of Water Activity (check all that apply) | | | |
|---|-------------------------------|--|--|
| Х | Nonconsur | mptive (Environmental) | |
| Х | Nonconsumptive (Recreational) | | |
| Х | Agricultural | | |
| | Municipal/Industrial | | |
| | Needs Assessment | | |
| | Education & Outreach | | |
| Х | Other | Explain: Arkansas Basin Compact Maintenance, Colorado Water Plan | |

| Location of Water Activity | | | |
|--|-------------|--|--|
| Please provide the general county and coordinates of the proposed activity below in decimal degrees . The Applicant shall also provide, in Exhibit C, a site map if applicable. | | | |
| County/Counties | Bent, Kiowa | | |
| Latitude | 38.234583 | | |
| Longitude | 103.278692 | | |



Water Activity Overview

Please provide a summary of the proposed water activity (200 words or less). Include a description of the activity and what the WSRF funding will be used for specifically (e.g. studies, permitting, construction). Provide a description of the water supply source to be utilized or the water body affected by the activity. Include details such as acres under irrigation, types of crops irrigated, number of residential and commercial taps, length of ditch improvements, length of pipe installed, area of habitat improvements. If this project addresses multiple purposes or spans multiple basins, please explain. The Applicant shall also provide, in Exhibit A, a detailed Statement of Work, Budget, and Schedule.

This activity is the rehabilitation of Adobe Creek Dam, which is a vital component of the Fort Lyon Canal Company's (FLCC) water supply system. A storage restriction order was issued by the Colorado Division of Water Resources on May 5, 2017 due to adverse seepage conditions in the dam's foundation and deteriorated conditions in the dam's 112-year-old, vitrified clay outlet works. The project includes the design and construction of a new outlet works and seepage control systems in Adobe Creek Dam to regain the approximately 32,860 acre-feet of storage that was lost due to the storage restriction.

Adobe Creek Dam is a 32-foot-high, high hazard embankment dam that impounds approximately 77,400 acre-feet of water that is used to irrigate approximately 93,000 acres of land in Bent, Otero, and Prowers County. In addition, an island in the reservoir provides wildlife and waterfowl, including habitat for the federally endangered Least Tern and federally threatened Piping Plover. In addition, the reservoir provides significant recreation opportunities for the Adobe Creek State Wildlife Area, administered by Colorado Parks and Wildlife. The reservoir is also important to maintaining compact compliance in the Arkansas Basin. If the FLCC chooses to raise the dam as part of the project, there is the potential to provide at least 10,000 acre-feet of additional storage in the Arkansas Basin to help implement the Colorado Water Plan.

| Measurable Results | | | |
|--|--|--|--|
| To catalog measurable results achieved with WSRF funds please provide any of the following values. | | | |
| | New Storage Created (acre-feet) | | |
| | New Annual Water Supplies Developed or Conserved (acre-feet), Consumptive or Nonconsumptive | | |
| 77,339 | Existing Storage Preserved or Enhanced (acre-feet) | | |
| | Length of Stream Restored or Protected (linear feet) | | |
| | Efficiency Savings (indicate acre-feet/year OR dollars/year) | | |
| 5,147 | Area of Restored or Preserved Habitat (acres) | | |
| Х | Other | Explain: Wildlife and waterfowl habitat protection in an island in the reservoir. Maintain recreation use at the reservoir. Help ensure Arkansas Basin compact compliance. | |



Water Activity Justification

Provide a description of how this water activity supports the goals of <u>Colorado's Water Plan</u>, the most recent <u>Statewide Water Supply Initiative</u>, and the respective <u>Roundtable Basin Implementation Plan</u> and <u>Education Action Plan</u> (1). The Applicant is required to reference specific needs, goals, themes, or Identified Projects and Processes (IPPs), including citations (e.g. document, chapters, sections, or page numbers).

For applications that include a request for funds from the Statewide Account, the proposed water activity shall be evaluated based upon how well the proposal conforms to Colorado's Water Plan criteria for state support (CWP, Section 9.4, pp. 9-43 to 9-44;) (Also listed pp. 4-5 in 2016 WSRF Criteria and Guidelines).

Dam safety evaluations of Adobe Creek Dam completed in January of 2017 concluded that there are higher than acceptable seepage exit gradients in a continuous sand layer identified in the foundation of the dam. In addition, it was determined that the 112-year-old, vitrified clay outlet works in the dam is severely deteriorated and has exceeded its design life.

In a letter dated May 5, 2017, the Colorado State Engineer ordered the reservoir restricted to 7 feet below the spillway crest "due to the adverse seepage conditions through the dam's foundation and along the outlet conduits and the deteriorated condition of the dam's outlet works." This equates to a loss of almost 33,000 acre-feet of storage volume.

Maintaining water storage in Adobe Creek Reservoir (Blue Lake) is important to the State of Colorado because it is truly multi-purpose storage. The reservoir provides over 77,000 acre-feet of critical drought protection for agriculture in southeast Colorado, which is important to up to 1,000 people in Bent, Otero, and Prowers Counties. Water storage in the reservoir also has an important non-consumptive use that enhances 5,174 acres of wildlife and waterfowl habitat in the Adobe Creek Reservoir State Wildlife Area, which is one of the highest used recreation areas in southeast Colorado. When there is water in the reservoir it provides excellent opportunities for hunting, fishing, camping, hiking, and boating within this State Wildlife Area. There is an island in the middle of the reservoir that provides excellent habitat for the Least Tern, which is a federally listed endangered species and the Piping Plover, a federally threatened species. This wildlife and waterfowl habitat could be lost if storage is lost in the reservoir. Water storage in the reservoir is also important to help the State of Colorado maintain its Arkansas Basin Compact requirements.

- From the Arkansas Basin Implementation Plan's (ArkBIP) Master Needs List: Replace aging infrastructure.
- From the ArkBIP Master Needs List: Dams in the state have been neglected for many years and maintenance has been deferred. These dams are in need of repair.
- ArkBIP Policy Statement: "The preservation of irrigated agriculture in the Arkansas Basin shall be given a high priority in the state water plan. It is too important to tourism, the preservation of food production, recreation, the environment and the health and well-being of our citizens as well as the economy of the State of Colorado."
- The reservoir storage restrictions already in place or the potential for dam failure could be a
 catastrophic loss to farmers and the agricultural economy of the State of Colorado making this
 project critical and time-sensitive. The loss of water storage would also dramatically affect
 wildlife and waterfowl habitat and recreation use in the Adobe Creek State Wildlife Area.



Last Update: July 28, 2017 **Water Activity Justification** (1) Access Basin Implementation Plans or Education Action Plans from Basin drop down menu.

Matching Requirements: Basin Account Requests

Basin (only) Account grant requests require a 25% match (cash and/or in-kind) from the Applicant or 3rd party and shall be accompanied by a **letter of commitment** as described in the 2016 WSRF



| Matching Requirements: Basin Account Requests Criteria and Guidelines (submitted on the contributing entity's letterhead). Attach additional sheet if necessary. | | |
|---|----------|--|
| | | |
| Fort Lyon Canal Company | \$25,000 | |
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| | | |
| Total Match | \$25,000 | |
| If you requested a Waiver to the Basin Account matching requirements, indicate the percentage you wish waived. | | |

Matching Requirements: Statewide Account Requests

Statewide Account grant requests require a 50% match as described in the 2016 WSRF Criteria and Guidelines. A minimum of 10% match shall be from Basin Account funds (cash only). A minimum of 10% match shall be provided by the applicant or 3rd party (cash, in-kind, or combination). The remaining 30% of the required match may be provided from any other source (Basin, applicant, or 3rd party) and shall be accompanied by a **letter of commitment.** Attach additional sheet if necessary.

| party) and shall be accompanied by a letter of commitment. Attach additional sheet if necessary. | | |
|--|--|--|
| Contributing Entity | Amount and Form of Match (note cash or in-kind): | |
| Arkansas Basin | \$100,000 | |
| WSRA Statewide Grant | \$1,000,000 | |
| Fort Lyon Canal Company (via CWCB Construction Program Loan) | \$8,100,000 | |
| | | |
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| | | |
| Total Match | \$9,200,000 | |
| If you requested a Waiver to the Statewide Account matching, indicate % you wish waived. (Max 50% reduction of requirement). | | |



Related Studies

Please provide a list of any related studies, including if the water activity is complimentary to or assists in the implementation of other CWCB programs.

- 1. Adobe Creek Dam March 2016 Uncontrolled Seepage Repair, April 7, 2017 Letter Report from W.W. Wheeler and Associates, Inc.
- 2. Adobe Creek Dam Outlet Conduit and Seepage Evaluation, January, 27, 2017 Letter Report from W.W. Wheeler and Associates, Inc.

Previous CWCB Grants

List all previous or current CWCB grants (including WSRF) awarded to both the Applicant and Grantee. Include: 1) Applicant name; 2) Water activity name; 3) Approving RT(s); 4) CWCB board meeting date; 5) Contract number or purchase order

- A. Horse Creek Flume Replacement
 - 1) Fort Lyon Canal Company
 - 2) Replacement of the Horse Creek Flume
 - 3) Arkansas Basin Roundtable
 - 4) September 2015 CWCB Meeting
 - 5) CWCB Contract Number: CTGG1 2016-1548
- B. Adobe Creek Dam Seepage Evaluation
 - 6) Fort Lyon Canal Company
 - 7) Adobe Creek Dam Outlet Conduit and Seepage Evaluation
 - 8) Arkansas Basin Roundtable
 - 9) September 2016 CWCB Meeting
 - 10) CWCB Contract Number: POGG1 PDAA 201700000489

Tax Payer Bill of Rights

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.

Not applicable