

Colorado Water Conservation Board

Water Plan Grant Application

Instructions

To receive funding for a Water Plan Grant, applicant must demonstrate how the project, activity, or process (collectively referred to as "project") funded by the CWCB will help meet the measurable objectives and critical actions in the Water Plan. Grant guidelines are available on the CWCB website.

If you have questions, please contact CWCB at (303) 866-3441 or email the following staff to assist you with applications in the following areas:

Supply and Demand Gap Projects Water Storage Projects Conservation, Land Use Planning Engagement & Innovation Activities Agricultural Projects Environmental & Recreation Projects Gregory.Johnson@state.co.us Anna.Mauss@state.co.us Kevin.Reidy@state.co.us Mara.MacKillop@state.co.us Brent.Newman@state.co.us Linda.Bassi@state.co.us

Applicants interested in submitting an 'Intent to Apply' in the future are encouraged to check here and fill in all sections with the best information available at the time. Exhibits may be excluded.

This "Intent to Apply" will help CWCB prioritize Projects that are not ready for fully completed Water Plan Grant Application due to the initial timeframe and required deadlines.

FINAL SUBMISSION: Submit all application materials to <u>waterplan.grants@state.co.us</u> in the original file formats [Application (word); Statement of Work (word); Budget/Schedule (excel)]. Please do not combine documents.

Water Project Summary			
Name of Applicant	Colorado Water Trust		
Name of Water Project McKinley Ditch		Project	
CWP Grant Request Amount		\$ 66,000	
Other Funding Sources Bonneville Environmental Foundation		\$ 61,000	
Other Funding Sources Walton Family		\$ 13,300	
Other Funding Sources		\$	
Applicant Funding Contribution		\$	
Total Project Cost		\$ 140,300	



Applicant & Grantee Information		
Name of Grantee(s)	Colorado Water Trust	
Mailing Address	1420 Ogden Street, Suite A2 Denver, CO 80218	
FEIN	84-1606567	
Organization Contact	Dana Dallavalle	
Position/Title	Director of Development	
Email	ddallavalle@coloradowatertrust.org	
Phone	(720) 204-3552	
Grant Management Contact	Karen Wogsland	
Position/Title	Director of Programs	
Email	kwogsland@coloradowatertrust.org	
Phone	(720) 204-5879	
Name of Applicant (if different than grantee)		
Mailing Address		
Position/Title		
Email		
Phone		

Description of Grantee/Applicant

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

Founded in 2001, the Colorado Water Trust's mission is to restore flows to Colorado's rivers in need. We work directly with water rights owners to find ways of effectively restoring flows to dry rivers using market-based transactions. By innovating within Colorado's water law, which was originally designed to take water from rivers, we use laws to return water to rivers to keep them flowing strong. Over the past 16 years, we have returned over 6.5 billion gallons of water to nearly 400 miles of rivers and streams.



	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.
	Private Incorporated: Mutual ditch companies, homeowners associations, corporations.
	Private Individuals, Partnerships, and Sole Proprietors: Private parties may be eligible for funding.
Х	Non-governmental organizations (NGO): Organization that is not part of the government and is non-profit in nature.
	Covered Entity: As defined in Section 37-60-126 Colorado Revised Statutes.

Type of Water Project (check all that apply)		
	Study	
Х	Construction	
	Identified Projects and Processes (IPP)	
Х	Other	

Category of Water Project (check all that apply and include relevant tasks)	
Supply and Demand Gap - Multi-beneficial projects and those projects identified in basin implementation plans to address the water supply and demand gap. <i>Applicable Exhibit A Task(s):</i>	
Water Storage - Projects that facilitate the development of additional storage, artificial aqui recharge, and dredging existing reservoirs to restore the reservoirs' full decreed capacity. Applicable Exhibit A Task(s):	ifer
Conservation and Land Use Planning - Activities and projects that implement long-term strategies for conservation, land use, and drought planning. Applicable Exhibit A Task(s):	
Engagement & Innovation - Activities and projects that support water education, outreach, innovation efforts. Please fill out the Supplemental Application on the website. Applicable Exhibit A Task(s):	and
Agricultural - Projects that provide technical assistance and improve agricultural efficiency. Applicable Exhibit A Task(s):	



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x	Environmental & Recreation - Projects that promote watershed health, environmental health, and recreation. Applicable Exhibit A Task(s): Task 1: Purchase of Additional Water Task 2: Negotiations Task 3: Final Design and Permitting Task 4: Construction Task 5: Project Management and Reporting	
	Other	Explain:

Location of Water Project			
Please provide the general county and coordinates of the proposed project below in decimal degrees . The Applicant shall also provide, in Exhibit C, a site map if applicable.			
County/Counties	Montrose and Gunnison Counties		
Latitude	38.353231		
Longitude	-107.48505		

Water Project Overview

Please provide a summary of the proposed water project (200 words or less). Include a description of the project and what the CWP Grant funding will be used for specifically (e.g., studies, permitting process, construction). Provide a description of the water supply source to be utilized or the water body affected by the project, where applicable. 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, and area of habitat improvements, where applicable. 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, Other Funding Sources/Amounts and Schedule.



COLORADO Colorado Water Conservation Board Department of Natural Resources

Last Updated: July 2017

Water Project Overview

The McKinley Ditch Project is a groundbreaking, collaborative water sharing agreement between agriculture and the environment. Under this pioneering project, historic lands will continue early season irrigation, maintaining the local agricultural heritage. Later in the summer, water will be used to restore flows to a dry section of the Little Cimarron River. In 2014, the Colorado Water Trust purchased 1.5 shares of water in the McKinley Ditch and conveyed to CWCB a permanent right to use those water rights for instream flow use under this proposed split-season operation. The CWCB Board voted unanimously to accept the offered water rights. Members commended the Water Trust for taking this novel idea from a "conversation to a concept", and for helping the state realize the consumptive/non-consumptive partnerships envisioned by the Water Plan.

We are close to completing this Project. The final components are to design/build bypass structures at two locations on the Little Cimarron River and to purchase additional shares in the ditch. Funding from this grant will be used for final design and construction at the McKinley Ditch to manage the McKinley shares for the split-season operation and to measure and protect the water applied to instream flow use.

Measurable Results

To catalog measurable results achieved with the CWP Grant funds, please provide any of the following values as applicable:

values as applicable.	-
	New Storage Created (acre-feet)
	New Annual Water Supplies Developed or Conserved (acre-feet), Consumptive or Nonconsumptive
	Existing Storage Preserved or Enhanced (acre-feet)
9.2 miles	Length of Stream Restored or Protected (linear feet)
	Efficiency Savings (indicate acre-feet/year OR dollars/year)
	Area of Restored or Preserved Habitat (acres)
857.2 AF on average	Quantity of Water Shared through Alternative Transfer Mechanisms
	Number of Coloradans Impacted by Incorporating Water-Saving Actions into Land Use Planning
	Number of Coloradans Impacted by Engagement Activity



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Measurable Results

Ot	ther	Explain:
Ot	ther	Explain:

Water Project Justification
Provide a description of how this water project supports the goals of <u>Colorado's Water Plan</u> , the most recent <u>Statewide Water Supply Initiative</u> , and the applicable Roundtable <u>Basin Implementation Plan</u> and <u>Education Action Plan</u> . 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).
The proposed water project shall be evaluated based upon how well the proposal conforms to Colorado's Water Plan Framework for State of Colorado Support for a Water Project (CWP, Section 9.4, pp. 9-43 to 9-44;)
Colorado's Water Plan ("CWP")
<i>Collaboration, innovation, and creativity.</i> This Project pioneer's collaboration and innovation by making water sharing between agriculture and environmental happen. It builds a replicable model for how to add instream flow use to a water right while continuing agricultural use; fashion market-based transactions to support split-season use; and manage land use associated with deficit irrigation and split-season operation.
<i>No-and-Low Regrets Actions.</i> This project moves the ball forward on two of the recommended No-and-Low-Regrets actions: it minimizes the transfer of statewide agricultural acres and implements projects and methods that support environmental uses. (CWP p 6-10).
<i>Agriculture Objective (CWP 10.2 and 10.3).</i> This Project helps achieve the CWP's measurable goal to share at least 50,000 acre-feet of agricultural water using voluntary alternative transfer methods. This Project will keep agricultural lands in production through a split-season operation where water is applied to the land in the early season, then put the water instream to improve and protect stream conditions.
<i>Watershed Health, Environment, and Recreation Objective (CWP 10.2 and 10.3).</i> This Project enhances environmental values, protects healthy environments, and promotes protection and restoration of water quality by enhancing flows to the impaired reaches of the Little Cimarron and Cimarron Rivers and provides habitat for aquatic species.
<i>CWCB Statewide Long-term goals.</i> This Project supports the development of multipurpose projects and methods that benefit environment and recreational water needs as well as water needs for agriculture (CWP p. 6-41).
<i>Environment and Recreation Projects and Methods.</i> This Project supports the development of multipurpose projects and methods that benefit environment and recreational water needs as well as water needs for agriculture (CPW p 6-157) through a split-season arrangement; and understands, protects, maintains, and improves conditions of streams to promote self-sustaining fisheries, functional riparian habitat to promote long-term sustainability and resiliency (CWP 6-157). Through our stewardship program, we will grow our understanding of the benefits of a split-season water sharing agreement, improve stream conditions, and protect the water through a water court transfer to instream use.



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Water Project Justification

Gunnison Basin Implementation Plan ("GBIP")

Goal 2 – discourage conversion of productive agricultural land to all other uses within the context of private property rights (GBIP p. 4). The Project maintains agricultural use on property that was subdivided and on the market for development.

Goal 5 – quantify and protect environmental and recreational water uses (GBIP p.9) The Project will improve instream flows through a water right acquisition (GBIP p.34).

Goal 7 – describe and encourage the beneficial relationship between agriculture and recreational water uses (GBIP p.4). The Project is a multipurpose win-win project described on page 81 of the GBIP. The Project will provide flow and ecological benefits to the Little Cimarron River and the Cimarron River while keeping agricultural lands in production.

The project also provides a multipurpose opportunity and enhances streamflows on one of the environmental target stream reaches, the Cimarron River (GBIP p.7).

This Project may also provide a source of new augmentation water through the remarket of the historical consumptive use (GBIP goals 2, 3, 4, 6, p. 183)

Related Studies

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

Previous CWCB Grants, Loans or Other Funding

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;



Previous CWCB Grants, Loans or Other Funding

5) Contract number or purchase order; 6) Percentage of other CWCB funding for your overall project.

Colorado Water Trust, White River-Highland Ditch Diversion & Headgate Redesign, Order Number POGG1 PDAA 201500000000000164, Yampa Basin Roundtable

Colorado Water Trust, Josh Ames Diversion De-Construction on the Poudre and Sterling Pond Restoration, 9/24/13, Contract No. C150532

Colorado Water Trust, Master Task Order Contract, Routing #CMS#55958, 57%

Colorado Water Trust, Improve the Existing Diversion Dam on the CCC Ditch with the Installation of a Newbury Riffle, P.O. # OE PDA 1000000099

Colorado Water Trust, Watershed Grant Stream Management Plan Workshop, Order No. POGG1 PDAA 20160000000000000755

Taxpayer Bill of Rights

The Taxpayer Bill of Rights (TABOR) may limit the amount of grant money an entity can receive. Please describe any relevant TABOR issues that may affect your application.



Submittal Checklist

Х	I acknowledge the Grantee will be able to contract with CWCB using the Standard Contract.		
Exhib	it A		
Х	Statement of Work ⁽¹⁾		
Х	Budget & Schedule ⁽¹⁾		
Х	Letters of Matching and/or Pending 3 rd Party Commitments ⁽¹⁾		
Exhib	it C		
Х	Map (if applicable) ⁽¹⁾		
Х	Photos/Drawings/Reports		
Х	Letters of Support (Support letter from Basin Roundtable encouraged)		
Х	Certificate of Insurance (General, Auto, & Workers' Comp.) ⁽²⁾		
Х	Certificate of Good Standing with Colorado Secretary of State ⁽²⁾		
Х	W-9 ⁽²⁾		
	Independent Contractor Form ⁽²⁾ (If applicant is individual, not company/organization)		
Enga	Engagement & Innovation Grant Applicants ONLY		
	Engagement & Innovation Supplemental Application ⁽¹⁾		

(1) Required with application.

(2) Required for contracting. While optional at the time of this application, submission can expedite contracting upon CWCB Board approval.



Colorado Water Conservation Board

Water Plan Grant - Exhibit A

Statement Of Work			
Date:	10/2/2017		
Name of Applicant:	Colorado Water Trust		
Name of Water Project:	McKinley Ditch Project		
Funding Source: Water Plan Grant, Environmental & Recreation Projects			
Water Project Overview: Please provide a summary of the proposed water project (200 words or less). The same summary can be used from Page 5 of the CWP Grant Application.			

The McKinley Ditch Project is a groundbreaking, collaborative water sharing agreement between agriculture and the environment. Under this pioneering project, historic lands will continue early season irrigation, maintaining the local agricultural heritage. Later in the summer, water will be used to restore flows to a dry section of the Little Cimarron River. In 2014, the Colorado Water Trust purchased 1.5 shares of water in the McKinley Ditch and conveyed to CWCB a permanent right to use those water rights for instream flow use under this proposed split-season operation. The CWCB Board voted unanimously to accept the offered water rights. Members commended the Water Trust for taking this novel idea from a "conversation to a concept", and for helping the state realize the consumptive/non-consumptive partnerships envisioned by the Water Plan.

We are close to completing this Project. The final components are to design/build bypass structures at two locations on the Little Cimarron River and to purchase additional shares in the ditch. Funding from this grant will be used for final design and construction at the McKinley Ditch to manage the McKinley shares for the split-season operation and to measure and protect the water applied to instream flow use.

Objectives: List the objectives of the project.

Goals:

- Preserve agricultural use of land though split-season use
- Pilot an agricultural/environmental multi-use project
- Implement an alternative transfer mechanism ("ATM") project
- Test and evaluate a Grant of Flow Restoration tool with the CWCB

Objectives:

- Restore flows to a 9.2 mile reach of the Little Cimarron and Cimarron Rivers from the McKinley Ditch to the confluence of the Cimarron River and Gunnison River that is dewatered during the summer months.
- Re-water a seasonally dry 3.3 mile reach of the Little Cimarron River from the McKinley Ditch headgate to the Perrin Ditch.
- Reconnect the upper and lower portions of the Little Cimarron River year-round.



Provide a detailed description of each task using the following format:

Task 1: Purchase of Additional Water (Prior to contract; not to be paid with Water Plan Funds)

Description of Task:

Matching funds will used to complete project tasks undertaken in the 9 months prior to NTP with the State. These include:

- Purchase one eighth of one share of the McKinley Ditch water rights (0.46 cfs decreed) pursuant to a stipulation with opposer in Case No. 14CW3108 (McKinley Ditch change of use to instream flow).
- Attend closing and record documents.

Method/Procedure:

Grantee Deliverable: Describe the deliverable the grantee expects from this task

Recorded Special Warranty Deed and Dry-Up Convenient

CWCB Deliverable: Describe the deliverable the grantee will provide CWCB documenting the completion of this task

Recorded Special Warranty Deed and Dry-Up Convenient



Provide a detailed description of each task using the following format:
Task 2: Negotiations – (Prior to contract; not to be paid with Water Plan Funds)
Description of Task:
 Matching funds will used to complete project tasks undertaken in the 9 months prior to NTP with the State. These include: Project coordination with engineering contractors Negotiations with objectors, and their engineer and attorney Negotiations with the land owner for a grant of irrigation use Drafting revisions to proposed decree and stipulations
Method/Procedure:
Meetings with opposers and land owner, analysis of proposals, drafting documents.
Grantee Deliverable: Describe the deliverable the grantee expects from this task
Decree and stipulation with objectors; grant of irrigation use with land owners
CWCB Deliverable: Describe the deliverable the grantee will provide CWCB documenting the completion of this task
Decree and stipulation with objectors; grant of irrigation use with land owner

Tasks

Provide a detailed description of each project task using the following format:



Tasks							
Task 3 – Final Design and Permitting							
Description of Task:							
a) Complete final design and prepare construction plans and specifications; b) Conduct discussions with the Army Corps of Engineers and the local floodplain regulator and provide information as necessary; c) Conduction discussions with McKinley Ditch shareholders, as necessary.							
Method/Procedure:							
The Colorado Water Trust will hire an engineering firm. Standard design and professional engineering methods based on professional experience.							
Grantee Deliverable: Describe the deliverable the grantee expects from this task							
Final Design build documents will be provided electronically or hard copy.							
CWCB Deliverable: Describe the deliverable the grantee will provide CWCB documenting the completion of this task							
Final Design build documents will be provided electronically or hard copy.							



Tasks

Provide a detailed description of each task using the following format:

Task 4 – Construction

Description of Task:

Construct and install the new splitter box and return channel, install and calibrate turnback structure modifications, modify existing splitter box structure, and install data recording system.

Method/Procedure:

The Colorado Water Trust will hire a construction firm. Standard design and professional engineering methods based on professional experience.

Grantee Deliverable: Describe the deliverable the grantee expects from this task

The infrastructure modifications will be constructed and data recording will be installed.

CWCB Deliverable: Describe the deliverable the grantee will provide CWCB documenting the completion of this task

The infrastructure modifications will be constructed and data recording will be installed.

Tasks

Provide a detailed description of each task using the following format:



Tasks
Task 5 – Project Management and Reporting
Description of Task:
The Colorado Water Trust will provide coordination and project management. The Colorado Water Trust will provide the CWCB with a progress report every six-months, beginning from the date of the executed contract, and a final report at the completion of the project.

Method/Procedure:

Grantee Deliverable: Describe the deliverable the grantee expects from this task

Six-month Progress Reports and Final Report

CWCB Deliverable: Describe the deliverable the grantee will provide CWCB documenting the completion of this task

Six-month Progress Reports and Final Report



Budget and Schedule

This Statement of Work shall be accompanied by a combined Budget and Schedule that reflects the Tasks identified in the Statement of Work and shall be submitted to CWCB in excel format.

Reporting Requirements

Progress Reports: The applicant shall provide the CWCB a progress report every 6 months, beginning from the date of issuance of a purchase order, or the execution of a contract. The progress report shall describe the status 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. The CWCB may withhold reimbursement until satisfactory progress reports have been submitted.

Final Report: At completion of the project, the applicant shall provide the CWCB a Final Report on the applicant's letterhead that:

- Summarizes the project and how the project was completed.
- Describes any obstacles encountered, and how these obstacles were overcome.
- Confirms that all matching commitments have been fulfilled.
- Includes photographs, summaries of meetings and engineering reports/designs.

The CWCB will withhold disbursement the last 10% of the budget until the Final Report is completed to the satisfaction of CWCB staff. Once the Final Report has been accepted, and final payment has been issued, the purchase order or grant will be closed without any further payment.



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Colorado Water Conservation Board

Department of Natural Resources

Colorado Water Conservation Board

Water Plan Grant - Exhibit A Budget and Schedule

Date: Oct 2, 2017

Name of Applicant: Colorado Water Trust

Name of Water Project: McKinley Ditch Project

Task No.	Task Description	Start Date ⁽¹⁾	End Date	Grant Funding Request	Match Funding (see Note)	Total
1	Purchase of Additonal Water (prior to NTP)				\$61,000	\$61,000
2	Negotiations (prior to NTP)				\$13,300	\$13,300
3	Final Design and Permitting	15-Mar-18	1-Oct-18	\$11,000		\$11,000
4	Construction	1-Oct-18	31-Dec-18	\$49,000		\$49,000
5	Project Management and Reporting	15-Mar-18	31-Jan-19	\$6,000		\$6,000
						\$0
						\$0
						\$0
						\$0
						\$0
						\$0
						\$0
						\$0
		-	Total	\$66,000	\$74,300	\$140,300

(1) Start Date for funding under \$100K, minimum 45 Days from Board Approval; Start Date for funding over \$100K, minimum 90 Days from B •Round values up to the nearest hundred dollars.

Reimbursement eligibility commences upon the grantee's receipt of a Notice to Proceed (NTP)

•NTP will not be accepted as a start date. Project activities may commence as soon as grantee enters contract and receives formal NTP if

•The applicant shall provide a progress repost every 6 months, beginning from the date of contract execution.

CWCB will withhold disbursement of the last 10% of the total grant amount until a Final Report is completed to the satisfaction of CWCB staff