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Robert Randall, DNR Executive Director

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TO: Colorado Water Conservation Board Members

FROM: Brent Newman, Chief, Interstate, Federal and Water Information Section

DATE: November 15-16, 2017 Board Meeting

AGENDA ITEM: 7a. 2018 Projects Bill

Non-Reimbursable Project Investments

(9) Technical Assistance for Federal Cost-Sharing (TAFC) - Continuation

Introduction

Colorado's Water Plan values efficient and effective water infrastructure. Innovative solutions and additional conservation and efficiency measures are needed to stretch Colorado's water supplies and maintain aging reservoirs, canals, and distribution systems. Muliple water users can benefit from improving and upgrading irrigation infrastructure. Water quality can be improved downstream in areas that are high in salinity or selenium, to the benefit of other water users and wildlife. Efficiencies in water delivery may lead to increased flows for environmental and recreational uses, while optimizing regional delivery systems for the benefit of other agricultural water users.

Though the cost of these improvements are often beyond the capacity of water users, several federal cost-share programs provide financial incentives to help defray those costs. These programs are competitive; to be awarded funds, proposals require sound planning and well-engineered feasibility studies with reasonable and accurate cost estimates. Additionally, collaborative programs and processes such as stream management plans or regional conservation plans may lead to more competitive applications, resulting in a more comprehensive and optimized water management scheme.

The funding requested herein will be used to provide technical assistance grants to entities applying for federal cost-share programs, and to successful applicants to use in design and project management of specific project elements when federal funding for those activities is limited. In these cases, federal program guidelines restrict what federal funds may be used for, and TAFC funds may be used as applicant cost-share for those specific tasks. For example, certain NRCS programs disallow use of funds for project management and stakeholder coordination costs. TAFC funds can be used for these important tasks so that project proponents can devote federal funds to allowable expenses such as project construction costs. CWCB has employed this approach with previous funding sources devoted specifically to the RCPP program.

By providing grants for technical assistance to prepare applications in past programs, the CWCB and partner institutions have improved the success rate of Colorado water users applying for these federal funds. In addition, by providing funds for engineering design and environmental compliance activities by the successful applicants, CWCB has helped accelerate the actual implementation of projects, and preserved federal grant funds for project construction. Similar grant opportunities have been funded by the Board, and used successfully for these purposes, in 2014, 2015, and 2017.

Federal programs which provide incentives for greater efficiency include the USDA Regional Conservation Partnership Program [RCPP] which is offered statewide, the Colorado River Basin Salinity Control Program which is available throughout Western Colorado, and the Gunnison Selenium Management Program which is only available in the Gunnison Basin below the Aspinall Unit. These funds may also be used to leverage funds from the Bureau of Reclamation's WaterSMART program, and

EPA cost-share programming, such as application preparation and technical assessment for potential Section 319 Nonpoint Source Management Program grants.

These technical assistance funds will increase the success rate of applicants for competitive federal grant funds and thus will be highly leveraged. In addition, successful participants in these federal programs have, and will continue to have, a strong incentive to use the CWCB loan program to finance a portion of the non-federal implementation costs.

Staff Recommendation

Staff recommends the Board request the General Assembly appropriate \$200,000 from the Construction Fund to the Department of Natural Resources for use by the CWCB to provide Technical Assistance Grants for Federal Cost-Sharing (TAFC) Programs.



Technical Assistance for Federal Cost-Sharing (TAFC) Program

Colorado Water Conservation Board November 2017 Board Meeting

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$P \; R \; O \; J$	E C T
DETA	I L S
Project Cost:	\$200,000
NRI Funding Request:	\$200,000
Funding Source:	Construction Fund
Project Type:	Grant Program
Type of Grantee:	State Government

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Benef	its:					State	wide
Water	Sour	ce:				Va	rious
Drainage Basin:					All B	asins	

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