

**Water Supply Reserve Fund
Water Activity Summary Sheet
March 21-22, 2018
Agenda Item 25(dd)**

Applicant & Grantee: Animas Air Park Property Owners Association
Water Activity Name: Animas Air Park Water Distribution System: Phase 2
Water Activity Purpose: Municipal/Industrial Implementation
County: La Plata
Drainage Basin: Animas
Water Source: Animas River
Amount Requested: 43,000 Southwest Basin Account
Matching Funds: Applicant Match (cash & in-kind) = \$66,000

- 153% of the Basin Account request (meets 25% min)
- 61% of the total project cost of \$109,000

Staff Recommendation:

Staff recommends approval of up to \$43,000 from the Southwest Basin Account to help fund the project titled: Animas Air Park Water Distribution System: Phase 2.

Water Activity Summary: WSRF grant funds, if approved, will help Animas Air Park Property Owners Association (AAPPOA) construction a municipal water line to serve commercial/industrial and residential properties along North Skylane Drive. The design and construction of the distribution system was undertaken by AAPPOA in cooperation with the La Plata County, City of Durango and the property owners of the La Posta Road area.

This project phase includes 1335 feet of pipe with a tee and valve included for the next phase of extension. The size of line needed to serve the properties along Skylane Drive is 8". The City of Durango will pay for upsizing the line to 12" to have future capacity in the Air Park distribution system for transmission of their Animas-La Plata water from a future treatment plant at Basin Creek. The area served by this phase 2 includes two homes that currently depend on hauled water and 20 acres of commercial/industrial raw land adjacent to the runway at Animas Air Park. Best practices in land use planning indicate commercial and industrial development near this airport. If that is not accomplished, agricultural and vacant lands with valuable open space attributes are put at risk of development. Municipal water distribution is essential for the best land use practice at AAP.

Discussion: As described in the Southwest Basin Roundtable (SWBRT) chair's recommendation letter, this project was supported and recommended for approval by the roundtable on January 11, 2017. This project addresses SWBRT IPP #27-A and SWBRT Goal C: Meet Municipal and Industrial Needs. A unique feature of this project is that the water line will be upsized to allow future deliveries of Lake Nighthorse water to the City of Durango and the City has committee funding to pay for the expanded line capacity. This project assists in satisfying Colorado's Water Plan Critical Goals and Actions as identified in *Chapter 10.3, A. Supply-Demand Gaps* by pursuing balanced economic development.

Animas Air Park was constructed in the 1970's as a general aviation airport with fly-in fly-out residential development and commercial/light industrial sites. AAPPOA was incorporated in 1989 to provide development and maintenance services for the airport and road infrastructure. The covenants, architectural review, and member dues structure has evolved to serve a mixed use community. Water wells on Animas Mesa are generally low-yielding, with many owners hauling water. Fire protection is limited by the incomplete water distribution system. In 2013, AAPPOA expanded its infrastructure responsibility to include water and fiber communications. Phase 1 of the water distribution system was designed and completed in 2015, with cost share assistance from Colorado Division of Aeronautics. AAPPOA continues to plan and secure funding for a complete water distribution system to serve its members, stimulate economic development, and cooperate with other agencies in La Plata County.

Issues/Additional Needs: No additional needs have been identified.

Eligibility Requirements: The application meets requirements of all eligibility components.

Evaluation Criteria: Staff has determined this activity satisfies the Evaluation Criteria.

Funding Summary / Matching Funds:

<u>Funding Source</u>	<u>Cash</u>	<u>In-Kind</u>	<u>Total</u>
Animas Air Park POA	\$48,000	\$0	\$48,000
City of Durango	\$18,000	\$0	\$18,000
Sub-total	\$66,000	\$0	\$66,000
WSRF Southwest Basin Account	\$43,000	n/a	\$43,000
Totals	\$109,000	\$0	\$109,000

CWCB Project Manager: Megan Holcomb

SOUTHWEST BASINS ROUNDTABLE

Michael Preston, Chair

c/o Dolores Water Conservancy District

P.O. Box 1150

Cortez, Colorado 81321

970-565-7562

January 17, 2018

Megan Holcomb

Water Supply Management Section

Colorado Water Conservation Board

1580 Logan Street, Suite 600

Denver, Colorado 80203

SUBJECT: Animas Air Park Water Distribution System, \$43,000 from the Basin Fund

Dear Ms. Holcomb:

The Southwest Basin Roundtable approved funding of \$43,000 from the Basin Fund for the Animas Air Park Water Distribution System. The application was considered in detail at the January 11, 2018 meeting of the Southwest Basin Roundtable. There was a quorum of Roundtable members present.

This Project addresses SWBRT IPP 27-A and SWBRT Goal C: Meet Municipal and Industrial Needs. A unique feature of this project is that it will be served with water line that will be upsized to allow future deliveries of Lake Nighthorse water to the City of Durango, and the City has committed funding to pay for the expanded line capacity.

This arrangement with the City has two significant ramifications: Tapping Lake Nighthorse will support the future growth of Durango. Further, there is very limited industrial land available for development in Durango, and the project will allow the Animas Airpark to expand on existing industrial development within the park.

The completed Grant Application will be forwarded directly to you by the applicant. Please contact the applicant directly or me at 970-565-7562, mpreston@frontier.net, if you have questions or wish to discuss this application in more detail.

Sincerely,



Michael Preston

Southwest Basin Roundtable Chair



Last Update: August 3, 2017

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

Ben Wade
ben.wade@state.co.us
303-866-3441 x3238

Gunnison | North Platte | South Platte | Yampa/White

Craig Godbout
craig.godbout@state.co.us
303-866-3441 x3210

Colorado | Metro | Rio Grande | Southwest

Megan Holcomb
megan.holcomb@state.co.us
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.



Last Update: August 3, 2017

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:	March 2018
Desired Notice to Proceed Date:	July 2018

Water Activity Summary		
Name of Applicant	Animas Air Park Property Owners Association	
Name of Water Activity	Animas Air Park Water Distribution System	
Approving Roundtable(s)		Basin Account Request(s) ⁽¹⁾
Southwest		\$43,000
Basin Account Request Subtotal		\$43,000
Statewide Account Request ⁽¹⁾		\$
Total WSRF Funds Requested (Basin & Statewide)		\$
Total Project Costs		\$109,000

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



Last Update: August 3, 2017

Grantee and Applicant Information	
Name of Grantee(s)	Animas Air Park Property Owners Association
Mailing Address	c/o AREM Property Mgmnt, 1201 Main Ave Ste.103, Durango CO 81303
FEIN	841114642
Grantee's Organization Contact ⁽¹⁾	Jerry Zink
Position/Title	President
Email	jerry.zink@stoneagetools.com
Phone	970.749.1043
Grant Management Contact ⁽²⁾	<u>Sandra Tischaefter, Arem Property Management, Inc</u>
Position/Title	Agent
Email	arem@arempm.com
Phone	970.247.8288
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).
<p>Animas Air Park was constructed in the 1970's as a general aviation airport with fly-in fly-out residential development and commercial/light industrial sites. AAPPOA was incorporated in 1989 to provide development and maintenance services for the airport and road infrastructure. The covenants, architectural review, and member dues structure has evolved to serve a mixed use community.</p> <p>Water wells on Animas Mesa are generally low-yielding, with many owners hauling water. Fire protection is limited by the incomplete water distribution system. In 2013 AAPPOA expanded its infrastructure responsibility to include water and fiber communications. Phase 1 of the water distribution system was designed and completed in 2015, with cost share assistance from Colorado Division of Aeronautics. AAPPOA continues to plan and secure funding for a complete water distribution system to serve its members, stimulate economic development, and cooperate with other agencies in La Plata County.</p>



Last Update: August 3, 2017

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
x	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
x	Implementation

Category of Water Activity (check all that apply)		
	Nonconsumptive (Environmental)	
	Nonconsumptive (Recreational)	
	Agricultural	
x	Municipal/Industrial	
	Needs Assessment	
	Education & Outreach	
	Other	Explain:

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/Countries	La Plata
Latitude	37.2079
Longitude	107.8630



Last Update: August 3, 2017

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.

Construction of municipal water line to serve commercial/industrial and residential properties along North Skylane Drive. This phase is 1335 ft of pipe with a tee and valve included for the next phase of extension. The size of line needed to serve the properties along Skylane Drive is 8".

The City of Durango will pay for upsizing the line to 12" to have future capacity in the Animas Air Park distribution system for transmission of their A-LP water from a future treatment plant at Basin Creek. The City will accept the design, inspect the construction, and include the pipeline into its municipal system.

The area served by this phase (2) includes two homes that currently depend on hauled water and 20 acres of commercial/industrial raw land adjacent to the runway at Animas Air Park.

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	
	Existing Storage Preserved or Enhanced (acre-feet)	
	Length of Stream Restored or Protected (linear feet)	
	Efficiency Savings (indicate acre-feet/year OR dollars/year)	
	Area of Restored or Preserved Habitat (acres)	
1335 ft	Length of Pipe/Canal Built or Improved	
Quantity as needed Acre-feet/year	Other	Transmission of A-LP water to City of Durango and LAPLAWD



Last Update: August 3, 2017

Water Activity Justification

Provide a description of how this water activity supports the goals of [Colorado's Water Plan](#), the most recent [Statewide Water Supply Initiative](#), and the respective [Roundtable Basin Implementation Plan and Education Action Plan](#) ⁽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](#)).

The design and construction of the Animas Air Park Water Distribution System was undertaken by AAPPOA in cooperation with the La Plata County, City of Durango and the property owners of the La Posta Road area.

Balanced economic development in the county is chronically hampered by a lack of appropriate land and infrastructure for commercial and light industrial development. The county and Durango Industrial Development Foundation have failed to create any industrial parks since the 1970's, despite several attempts. One private site in a worked-out gravel pit (Durango Tech Center) and a few lots in Bayfield are notable exceptions. AAP has accommodated commercial and industrial development on a limited scale. It is an ideal location with respect to adjacent land use, proximity to infrastructure, and proximity to Durango. The County and City have supported land use planning efforts to encourage infrastructure development in the area. AAPPOA has completed a Master Plan for the Air Park. The few low-yielding wells, and cisterns filled by hauled water are inadequate to serve the desired workforce and fire protection in large buildings.

Best practices in land use planning indicate commercial and industrial development near this airport. If that is not accomplished, then agricultural and vacant lands with valuable open space attributes are put at risk of development. Municipal water distribution is essential for the best land use practice at AAP.

The City of Durango and La Plata Archuleta Water District (LAPLAWD) have invested in the development of future water infrastructure based on the transmission of treated water from a future treatment plant—treating water from the Animas-La Plata (A-LP) Project-- in the Basin Creek vicinity. Initial plans were to construct a major pipeline across the north end of Animas Mesa to the municipal system at Rivera Bridge (by Home Depot). A significant concentration of archaeological resources in that corridor made that plan impractical for the City. AAPPOA is cooperating with the city in constructing a network across Animas Mesa that will serve Durango and LAPLAWD. The City has taken on design review, inspection, and future maintenance obligations for the water line network. The cost of upsizing the system for future capacity is being borne by the City.

(1) Access Basin Implementation Plans or Education Action Plans from Basin drop down menu.



Last Update: August 3, 2017

Matching Requirements: Basin Account Requests	
Basin (only) Account grant requests require a 25% match (cash and/or in-kind) from the Applicant or 3 rd party and shall be accompanied by a letter of commitment as described in the 2016 WSRF Criteria and Guidelines (submitted on the contributing entity's letterhead). Attach additional sheet if necessary.	
Contributing Entity	Amount and Form of Match (note cash or in-kind)
AAPPOA will pay for phase 2 design, construction management	5,000
AAPPOA will pay 50%cost of construction of 8" system	43,000
COD will pay for upsize to 12"	18,000
Total Match	\$66,000
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 3 rd party (cash, in-kind, or combination). The remaining 30% of the required match may be provided from any other source (Basin, applicant, or 3 rd 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):
Total Match	
If you requested a Waiver to the Statewide Account matching, indicate % you wish waived. (Max 50% reduction of requirement).	



Last Update: August 3, 2017

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.

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

- 1) AAPPOA
- 2) Animas Air Park Water Distribution System
- 3) Southwest Roundtable
- 4) Early 2013
- 5) Date and contract # to be determined with CWCB staff help.



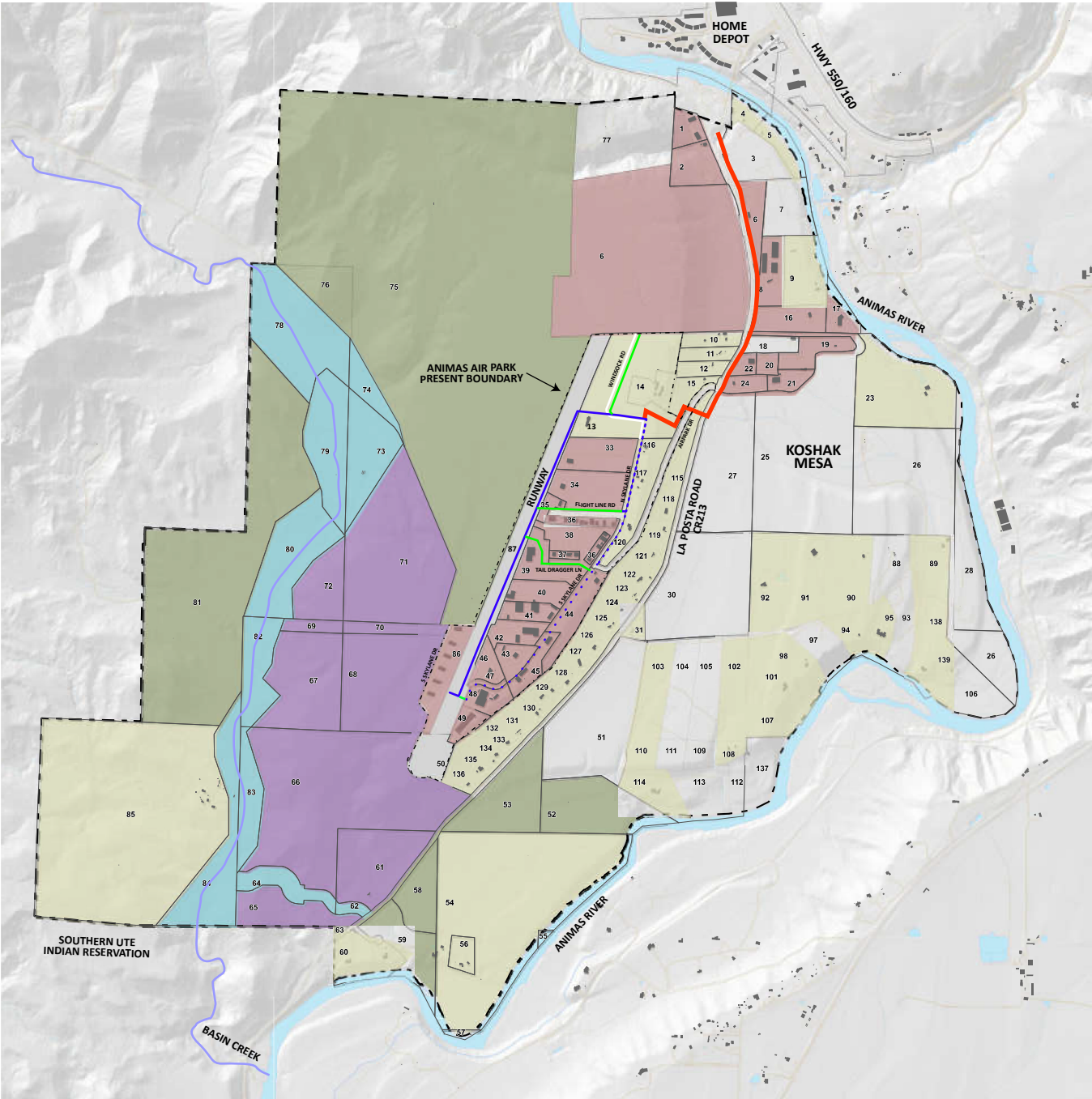
Last Update: August 3, 2017

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.

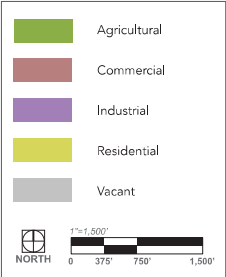
Not Applicable

ANIMAS AIR PARK WATER DISTRIBUTION SYSTEM



LEGEND

- 24" Water Line
- 12" Phase 1
- 12" Phase 2
- 12" Phase 3
- 12" Phase 4
- 8" Water Line



BASE MAP FROM:
LA POSTA AREA PLAN | Durango, Colorado



Community Development Department
Engineering Division
949 E 2nd Avenue
Durango CO 81301-5109
970-385-4810
970-385-4848 (FAX)
gregg.boysen@durangogov.org

December 29, 2017

Mr. Jerry Zink
President
Animas Air Park Property Owners Association
466 South Skylane Drive
Durango CO 81301

Re: Phase II – Animas Air Park Water System Improvements

Dear Jerry,

I've received your email and the design drawings for the next phase of water main installation in the Animas Air Park. As you are aware, in 2012 Russell Planning and Engineering prepared a master water system design and report for the entire La Posta Road Area that included a future water treatment plant and storage tank located west of and at a higher elevation than the Air Park. It was determined by the Russell water study that the exterior piping of the complete looped water network in the Air Park needed to be 12-inch to support the future demands of the City.

The domestic and fire protection water demand for the Air Park can be served by the minimum allowed water pipe size of 8-inch. In order to assure that water mains are installed at proper design sizes to meet future City needs, the City maintains Code Section 14-178 (b) that provides for the City to reimburse the developer the cost difference between the water pipe size necessary to serve the development and the pipe size requested by the City. In this case, the City will reimburse the Animas Air Park Property Owners Association the difference in cost between the needed 8-inch water infrastructure and the City requested 12-inch water infrastructure.

In order to prepare an agreement for the reimbursement, I will need a cost proposal from your material supplier for both the 8-inch pipe and appurtenances and a proposal with the same quantities in a 12-inch size.

If you have any questions regarding the reimbursement process or anything else, please feel free to contact me.

Sincerely,

Gregg B. Boysen, P.E.
City Engineer

cc: K. Hall, Assistant City Manager
L. Lloyd, Director of Operations
J. Biggs, Assistant Utility Director
K. Dougherty, Assistant City Engineer