



**COLORADO**

**Colorado Water  
Conservation Board**

Department of Natural Resources

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**TO:** Colorado Water Conservation Board Members

**FROM:** Craig Godbout  
Program Manager - Water Supply Reserve Fund Grant Program  
Water Supply Planning Section

**DATE:** July 3, 2018

**AGENDA ITEM:** 27 (a-b): WSRF Grant Requests

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### **Staff Recommendation - Action Items: WSRF Grant Requests**

A summary of staff's recommendation for each WSRF application is provided in the first component of the attached table. If applicable, the table also includes a breakdown of match amounts for applications that include a request for Statewide Account WSRF funds.

Favorable recommendations may be contingent on providing the CWCB with additional information, clarifications, or modifications in the scope of work. Please refer to the Water Activity Summary Sheets contained within this agenda item to find a summary of staff's review and any conditions associated with each recommendation.

### **Background:**

For this agenda item the Board is provided with a brief overview of applications to the Water Supply Reserve Fund (WSRF). Attachments to this memo include:

- Summary spreadsheet detailing funding requests for the basin and statewide accounts;
- Summary spreadsheet displaying current WSRF Balance Summary of Fund Appropriations and Receipts by Fiscal Year, and Fund Distribution by Basin and Statewide Account.
- Water Activity Summary Sheets which provide an overview, discussion, issues/additional needs, and staff recommendation regarding funding, partial funding, or not funding the applications.

Staff's review of the applications involves the following steps:

- 1) Applications are reviewed for completeness based on the information requirements, which are primarily outlined in the Criteria and Guidelines (C&G).
- 2) Applications are reviewed to verify that the water activity meets the eligibility requirements in Section 39-29-108 (III) C.R.S. (C&G, Part 2) and the threshold criteria, which are based on the requirements of Section 39-29-108 (III) C.R.S., and two



sections of the Water for the 21st Century Act (House Bill 1177); Section 37-75-102 and Section 37-75-104(2)(c) (C&G, Part 3). Staff also verifies that the applicant was an eligible entity to receive funding (C&G, Part 2).

- 3) Staff then prepares the Water Activity Summary Sheet which documents the outcome of the review process and contains staff's recommendations.

**Water Supply Reserve Fund Balance Summary and Project Status Report:**

To provide the Board updates on the status of specific Water Supply Reserve Fund grant applications and projects, staff can provide a status report of the following information upon request:

- List of completed WSRF projects;
- List of WSRF projects in progress; and
- List of WSRF projects in the contracting and procurement process.



**COLORADO WATER CONSERVATION BOARD**  
**Water Supply Reserve Fund - Balance Summary**  
**FINAL JULY 1, 2018**

7/3/2018

<b>Fund Appropriation and Receipts</b>				
<b>Fiscal Year</b>	<b>Legislative Appropriation</b>	<b>Funds Received</b>	<b>Statewide Account</b>	<b>Basin Account</b>
2006/2007	\$10,000,000	\$10,000,000	\$5,500,000	\$4,500,000
2007/2008	\$6,000,000	\$6,000,000	\$4,200,000	\$1,800,000
2008/2009	\$10,000,000	\$7,000,000	\$4,300,000	\$2,700,000
2009/2010	\$5,775,000	\$5,775,000	\$4,215,750	\$1,559,250
2010/2011	\$6,000,000	\$6,000,000	\$4,380,000	\$1,620,000
2011/2012	\$7,000,000	\$7,000,000	\$4,732,000	\$2,268,000
2012/2013	\$10,000,000	\$7,157,724	\$4,580,943	\$2,576,781
2013/2014	\$10,000,000	\$10,091,639	\$6,458,649	\$3,632,990
2014/2015	\$10,000,000	\$10,000,000	\$6,400,000	\$3,600,000
2015/2016	\$10,000,000	\$9,103,590	\$5,826,298	\$3,277,292
2016/2017	\$0	\$0	\$0	\$0
2017/2018	\$10,000,000	\$1,455,776	\$931,697	\$524,079
2017/2018 CF	\$10,000,000	\$7,000,000	\$4,480,000	\$2,520,000
2018/2019 CF	\$0	\$1,544,884	\$988,726	\$556,158
Interest	N/A	\$2,857,935	\$1,829,078	\$0
Prior Years Interest Adjustment			\$1,028,856	\$0
2014/2015 Interest	N/A	\$ 240,216	\$240,216	\$0
2015/2016 Interest	N/A	\$ 219,458	\$219,458	\$0
2016/2017 Interest	N/A	\$ 223,936	\$223,936	\$0
2017/2018 Interest	N/A	\$ 340,854	\$340,854	\$0
2018/2019 Interest	N/A			
<b>TOTAL</b>	<b>\$104,775,000</b>	<b>\$92,011,011</b>	<b>\$60,876,460</b>	<b>\$31,134,551</b>

Note: The WSRF is a Severance Tax "Tier II" program & CF Funding with 40% of funds distributed on July 1, 30% on January 1, and the final 30% on April 1.

In FY 2008/2009 the final 30% installment of \$3,000,000 was not received due to the State's budgetary shortfall.

*In January 2012 interest for the program from its inception to date was credited directly to the Statewide Account.*

*Interest from January 2012 on is regularly calculated by the Treasury and credited to the Statewide Account.*

<b>Fund Distribution</b>					
<b>Basin</b>	<b>Approved Basin Grants</b>	<b>Total Basin Funds</b>	<b>Basin Account Balance</b>	<b>Approved State Grants</b>	<b>Statewide Account Balance</b>
Arkansas	\$3,302,534	\$3,459,395	\$156,861	\$10,996,431	
Colorado*	\$3,243,079	\$3,459,395	\$216,316	\$6,283,985	
Southwest *	\$3,115,277	\$3,459,395	\$344,118	\$7,547,244	
Gunnison *	\$2,997,110	\$3,459,395	\$462,285	\$5,728,714	
Metro *	\$2,795,031	\$3,459,395	\$664,364	\$7,364,232	
North Platte	\$2,475,968	\$3,459,395	\$983,427	\$540,942	
Rio Grande*	\$3,326,995	\$3,459,395	\$132,400	\$12,119,690	
South Platte *	\$2,876,575	\$3,459,395	\$582,820	\$7,497,112	
Yampa/White	\$2,350,419	\$3,459,395	\$1,108,976	\$847,969	
<b>TOTAL</b>	<b>\$26,482,988</b>	<b>\$31,134,551</b>	<b>\$4,651,563</b>	<b>\$58,926,319</b>	<b>\$1,950,141</b>
<b>TOTAL APPROVED GRANTS</b>				<b>\$85,409,307</b>	

Note: Only includes grants approved by CWCB

\* Comments reflect adjustments to balances

**Water Supply Reserve Fund Applications for Consideration at the July 2018 CWCB Board Meeting**

Agenda Item	Basin	Applicant/Grantee	Name of Water Activity	Basin(s) Account Request	Statewide Account Requests	Total Request	Non-WSRF Cash Match	Non-WSRF In-Kind Match	Non-WSRF Total Match	Total Project Costs	Staff Recommendations	PM
27(a)	North Platte	Spicer Ranches, Ltd.	Coyte Reservoir Outlet Repair	\$67,600	\$0	\$67,600	\$10,000	\$13,000	\$23,000	\$90,600	Staff recommends approval of up to \$67,500 from the North Platte Basin Account.	Craig Godbout
27(b)	Rio Grande	Special Improvement District Number One	Rio Grande Water Conservation District Groundwater Level Telemetry	\$71,348	\$0	\$71,348	\$20,906	\$2,916	\$23,822	\$95,170	Staff recommends approval of up to \$71,348 from the Rio Grande Basin Account.	Megan Holcomb

**Subtotal**

**\$138,948      \$0      \$138,948**

<u>Basin</u>	<u>Basin Account Requests</u>	<u>Statewide Account Requests</u>	<u>Total Requests</u>	<u>Current Basin Account Balances</u>	<u>Remaining Basin Account Balances (if all requests approved)</u>	<u>Current Statewide Account Balance</u>	<u>Remaining Statewide Account Balance (if all requests)</u>
<u>Arkansas Basin</u>	\$0	\$0	\$0	\$156,861	\$156,861		
<u>Colorado Basin</u>	\$0	\$0	\$0	\$216,316	\$216,316		
<u>Gunnison Basin</u>	\$0	\$0	\$0	\$462,285	\$462,285		
<u>Metro</u>	\$0	\$0	\$0	\$664,364	\$664,364		
<u>North Platte</u>	\$67,600	\$0	\$67,600	\$983,427	\$915,827	<b>\$1,950,141</b>	<b>\$1,950,141</b>
<u>Rio Grande</u>	\$71,348	\$0	\$71,348	\$132,400	\$61,052		
<u>Southwest</u>	\$0	\$0	\$0	\$344,118	\$344,118		
<u>South Platte</u>	\$0	\$0	\$0	\$582,820	\$582,820		
<u>Yampa/White/Green</u>	\$0	\$0	\$0	\$1,108,976	\$1,108,976		
<u>Water Supply Reserve Account Total Requests</u>	<b>\$138,948</b>	<b>\$0</b>	<b>\$138,948</b>	<b>\$4,651,567</b>	<b>\$4,512,619</b>		

**Water Supply Reserve Fund – Grant and Loan Program**  
**Water Activity Summary Sheet**  
**July 18-19, 2018**  
**Agenda Item 27(a)**

**Applicant & Grantee:** Spicer Ranches, Ltd.  
**Water Activity Name:** Coyte Reservoir Outlet Repair  
**Water Activity Purpose:** Multipurpose (Environmental/Recreational/ & Agricultural)  
**County:** Jackson  
**Drainage Basin:** North Platte  
**Water Source:** Eureka Ditch/Heckla Reservoir  
**Amount Requested:** \$67,600 North Platte Basin Account  
**Matching Funds:** Applicant Match (cash & in-kind) = \$23,000  
• 34% of the Basin Account request (meets 10% min)

<b>Staff Recommendation:</b>
Staff recommends approval of up to \$67,600 from the North Platte Basin Account to help fund the project titled: Coyte Reservoir Outlet Repair Project.

**Water Activity Summary:** WSRF grant funds, if approved, will assist Spicer Ranches to complete repairs on the Coyte Reservoir that were identified in the Division of Water Resources Engineer's Inspection Report dated 11-01-2017. The Coyte Reservoir is located on the natural drainage below the Heckla Reservoir and receives return flows from irrigation by the Eureka Ditch. The reservoir is used for recreation as well as irrigation water. The outlet to be repaired irrigates approximately 225 acres of native hay meadows. The irrigation water also provides livestock drinking water and drainage for a natural pond in the center of the hay meadow that is inhabited by various waterfowl. Tasks to be funded include Engineering Services and Outlet Repair Construction.

**Discussion:** As pointed out in the application, this project assists the North Platte Basin Roundtable in meeting Goals 3, 4 and Agricultural needs of the North Plate Basin Implementation Plan.

In addition, this effort helps the state achieve agricultural viability, and storage goals of Colorado's Water Plan, as outlined in Section 10.3, pages 10-10 thru 10-11.

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

**Eligibility Requirements:** The application meets requirements of all eligibility components: General Eligibility, Entity Eligibility, Water Activity Eligibility, and Eligibility Based on Match Requirements.

**Evaluation Criteria:** This activity has undergone review and evaluation and staff has determined that it satisfies the Evaluation Criteria. Please refer to Basin Roundtable Chair's Recommendation Letter and the WSRF Grant Application for applicant's detailed response.

**Funding Summary/Matching Funds:**

<b><u>Funding Source</u></b>	<b><u>Cash</u></b>	<b><u>In-kind</u></b>	<b><u>Total</u></b>	<b><u>Status</u></b>
Spicer Ranches, Ltd.	\$10,000	\$13,000	\$23,000	Secured
WSRF North Platte Basin Account	\$67,000	n/a	\$67,600	Pending
<b>Total</b>	<b>\$77,000</b>	<b>\$13,000</b>	<b>\$90,600</b>	

**CWCB Project Manager:** Craig Godbout

**Water Supply Reserve Fund  
Water Activity Summary Sheet  
July 18-19, 2018  
Agenda Item 27(b)**

**Applicant & Grantee:** Special Improvement District Number One (Subdistrict No. 1)  
**Water Activity Name:** Rio Grande Water Conservation District Groundwater Level Telemetry  
**Water Activity Purpose:** Agricultural & Environmental Needs Assessment  
**County:** Alamosa, Rio Grande, and Saguache  
**Drainage Basin:** Rio Grande  
**Water Source:** Groundwater in Subdistrict No. 1  
**Amount Requested:** \$71,348 Rio Grande Basin Account  
**Matching Funds:** Applicant Match (cash & in-kind) = \$23,822

- 33% of the basin request (meets 25% min)
- 25% of the total project cost of \$95,170

<b>Staff Recommendation:</b>
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Staff recommends approval of up to \$71,348 from the Rio Grande Basin Account to help fund the project titled: Rio Grande Water Conservation District Groundwater Level Telemetry.
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**Water Activity Summary:** WSRF grant funds, if approved, will assist Subdistrict No. 1 with the installation, management and production of automatic groundwater telemetry systems and data for the Unconfined Aquifer Storage Study Area north of the Rio Grande River near the cities of Monte Vista, Del Norte, Center, Mosca, and Hooper. The project includes installation of 25 well telemetry units within the boundaries of the Subdistrict No. 1 at historical observation well locations. The telemetry units will be used to send data from the well twice a day, for all 25 wells in the study area. After the one-year monitoring operation the Rio Grande Water Conservation District (RGWCD) will begin to fund the project for long-term usage.

WSRF funding will help purchase the well telemetry unit, transducer, vented cables and other primary components from the telemetry company, In-Situ. Funding will also contribute to HydroVu Services and a cellular data plan. HydroVu is an interface created by the telemetry company, In-Situ, which allows users to visualize daily water levels. HydroVu services will act as multiple platform tool to backup new data, present data for each of the 25 wells for both administrative and public viewing, and share data in multiple formats for other users, publications, or studies.

**Discussion:** As described in the Rio Grande Roundtable chair's recommendation letter, this project was supported and recommended for approval on May 29, 2018. This project assists in satisfying Colorado's Water Plan Critical Goals and Actions as identified in Chapter 10.3, *A. Supply and Demand* and *D. Agriculture* by improving data collection to better interpret sustainability of the unconfined aquifer's groundwater system in order to meet long-term water needs and basin health in the San Luis Valley economy in times of drought.

In an agricultural driven economy, water consumption in this area is a serious matter. Since groundwater and surface water in this region has been considered “over appropriated”, there has been a need to protect groundwater resources. Increasing frequency of groundwater data collected in the West Central San Luis Valley is necessary to better predict and understand what is available and what is considered sustainable.

**Well Locations:** The project includes installation of 25 well telemetry systems (including pressure transducers) within the boundaries of the Subdistrict 1 at the RGWCD historical observation well locations. The well locations have been measured as part of an on-going study called the “Change in Unconfined Aquifer Storage.” The telemetry units will collect water levels from each of the 25 wells twice a day to improve on the historic collection of monthly water levels for these wells.

**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:**

<b><u>Funding Source</u></b>	<b><u>Cash</u></b>	<b><u>In-Kind</u></b>	<b><u>Total</u></b>
Rio Grande Water Conservation District	\$20,906	\$2,916	\$23,822
WSRF Rio Grande Basin Account	\$71,348	n/a	\$71,348
<b>Totals</b>	<b>\$92,254</b>	<b>\$2,916</b>	<b>\$95,170</b>

**CWCB Project Manager:** Megan Holcomb