

**Water Supply Reserve Fund – Grant and Loan Program**  
**Water Activity Summary Sheet**  
**September 18-20, 2018**  
**Agenda Item 12(b)**

**Co-Applicants:** Tri-County Water Conservancy District & Dallas Creek Water Company, Inc.

**Grantee:** Tri-County Water Conservancy District

**Water Activity Name:** Emergency Domestic Water Supply

**Water Activity Purpose:** M&I

**County:** Ouray

**Drainage Basin:** Gunnison

**Water Source:** Various

**Amount Requested:** \$25,000 Gunnison Basin Account  
\$50,000 Statewide Account  
\$150,000 Total request

**Matching Funds:** Applicant Match & 3<sup>rd</sup> Party (cash & in-kind) = \$265,000  
    • 530% of Statewide Account request (meets 10% min)  
Basin Account Match = \$25,000  
    • 50% of Statewide Account request (meets 10% min)  
Total Match (Applicant/3<sup>rd</sup> Party & Basin Account) = \$290,000  
    • 580% of Statewide Account request (meets 50% min)

<b>Staff Recommendation:</b>
Staff recommends approval of up to \$50,000 from the Gunnison Basin Account, and \$190,000 from the Statewide Account to help fund the project titled: Emergency Domestic Water Supply.

**Water Activity Summary:** WSRF grant funds, if approved, will assist the Tri-County Water Conservancy District and the Dallas Creek Water Company establish an interconnect between their respective domestic water systems for the purpose of creating the capacity to supply one another water in an emergency such as: drought, hazardous material spill, or wildfire suppression. The interconnect would consist of approximately 5,500 lineal feet of 6" diameter class 200 PVC pipe installed within the right-of-way of County Road 1A. WSRF funds would only be used for the installation of the 5,500 lineal feet of pipeline, while other components of the interconnect would consist of two mobile trailer mounted pumps, and the upgrade of five existing pumps in order to increase the flow rate to 35 gpm to serve the Dallas Creek Water Company service area.

**Discussion:** This effort will assist the Gunnison Basin Roundtable achieve Goal #1 in their Basin Implementation Plan: Protect existing water uses in the Gunnison Basin, and Goal #4: Identify and address municipal and industrial water shortages, while simultaneously assisting the state reach the value of efficient and effective water infrastructure as highlighted in Chapter 10 of Colorado's Water Plan.

**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>
Tri-County Water Conservancy District	\$66,000	\$16,500	\$82,500	Secured
Dallas Creek Water Company	\$66,000	\$16,500	\$82,000	Secured
WaterSmart Grant	\$100,000	\$0	\$100,000	Pending
Sub-total	\$232,000	\$33,000	\$265,000	
WSRF Gunnison Basin Account	\$25,000	n/a	\$25,000	Secured
Sub-total	\$257,000	\$33,000	\$290,000	
WSRF Statewide Account	\$50,000	n/a	\$50,000	
<b>Total Project Costs</b>	<b>\$307,000</b>	<b>\$33,000</b>	<b>\$340,000</b>	

**CWCB Project Manager:** Rachel Pittinger



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## Tri-County/Dallas Creek Interconnection Project Approval

1 message

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Kathleen Curry <kathleencurry@montrose.net>  
To: craig.godbout@state.co.us

Fri, Jun 1, 2018 at 2:58 PM

Hi Craig,

I am writing on behalf of the Gunnison Basin Roundtable to advise you that the GBRT unanimously approved the Tri-County / Dallas Creek application for Basin funds at our last meeting. (May 21, 2018).

The application was for \$25,000 in Basin funds and \$50,000 in state funds.

The project includes several features that the Roundtable members felt would improve safety and provide improved security by interconnecting the two systems. In addition the project is consistent with the goals of the GBRT Basin Implementation Plan.

Please consider this communication as the support letter for the project,

Sincerely,  
Kathleen Curry, Chair  
Gunnison Basin Round Table

Kathleen Curry  
54542 US Highway 50  
Gunnison, CO 81230  
Home 970-641-0699  
Cell 970-209-5537



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](mailto:ben.wade@state.co.us)  
303-866-3441 x3238

#### Gunnison | North Platte | South Platte | Yampa/White

Craig Godbout  
[craig.godbout@state.co.us](mailto:craig.godbout@state.co.us)  
303-866-3441 x3210

#### Colorado | Metro | Rio Grande | Southwest

Megan Holcomb  
[megan.holcomb@state.co.us](mailto:megan.holcomb@state.co.us)  
303-866-3441 x3222

#### WSRF Submittal Checklist (Required)

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

(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.

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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 2018
Desired Notice to Proceed Date:	December 2019

Water Activity Summary		
Name of Applicant	Tri-County Water Conservancy District (TCW) jointly with Dallas Creek Water Company, Inc. (DCWC)	
Name of Water Activity	Emergency (Drought/Wildfire/Hazmat) Domestic Water Supply	
Approving Roundtable(s)	Basin Account Request(s) <sup>(1)</sup>	
Gunnison Basin	25,000.00	
Basin Account Request Subtotal	\$25,000.00	
Statewide Account Request <sup>(1)</sup>	\$50,000.00	
Total WSRF Funds Requested (Basin & Statewide)	\$75,000.00	
Total Project Costs	\$340,000.00	

(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)	Tri-County Water Conservancy District
Mailing Address	647 N. 7 <sup>th</sup> Street, Montrose, CO 81401
FEIN	84-0525036
Grantee's Organization Contact <sup>(1)</sup>	Mike Berry
Position/Title	General Manager
Email	<a href="mailto:mike@tricountywater.org">mike@tricountywater.org</a>
Phone	970-249-3369
Grant Management Contact <sup>(2)</sup>	Kathleen Margetts
Position/Title	TCW Assistant Manager - Administration
Email	<a href="mailto:kathleen@tricountywater.org">kathleen@tricountywater.org</a>
Phone	970-249-3369
Name of Additional Applicant	Dallas Creek Water Company, Inc.
Mailing Address	334 S. 5 <sup>th</sup> Street, Montrose, CO 81401
Position/Title	Administrator (Pam Mencimer)
Email	<a href="mailto:administrator@dallascreekwater.com">administrator@dallascreekwater.com</a>
Phone	970-240-8123

**(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>TCW serves portions of Montrose-Delta-Ouray Counties with potable domestic water. TCW's treated water source is Project 7 Water Authority, east of Montrose.</p> <p>DCWC serves domestic water to an unincorporated area located on Log Hill Mesa, Ouray County, Colorado. DCWC is governed by the PUC in the State of Colorado. The DCWC service area is approximately 6,500 acres and currently serves 861 water taps of which 419 are active. DCWC built a conventional rapid sand filtration water plant with a 500,000 gallon per day capacity in 2002. Based on peak summer demands, the plant has the capability of serving approximately 2,000 residential taps at current demand levels.</p>

Last Update: August 3, 2017

Type of Eligible Entity (check one)	
	<b>Public (Government):</b> 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.
X	<b>Public (Districts):</b> authorities, Title 32/special districts (conservancy, conservation, and irrigation districts), and water activity enterprises TCW
X	<b>Private Incorporated:</b> mutual ditch companies, homeowners associations, corporations DCWC
	<b>Private Individuals, Partnerships, and Sole Proprietors:</b> are eligible for funding from the Basin Accounts but not for funding from the Statewide Account.
	<b>Non-governmental organizations:</b> broadly, any organization that is not part of the government
	<b>Covered Entity:</b> as defined in <a href="#">Section 37-60-126 Colorado Revised Statutes</a>

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 <b>decimal degrees</b> . The Applicant shall also provide, in Exhibit C, a site map if applicable.	
County/Countries	Ouray
Latitude	38° 12'7" N
Longitude	107° 47'8" W



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### 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.

TCW and DCWC would interconnect pipelines for the purpose of supplying one another water in an emergency such as: drought, hazardous material spill (hazmat), wildfire, or unknown. Design of the installation is being completed in house by the two entities. The supply of emergency water would be for household use only, for either long or short-term periods of outage for either entity.

The interconnect will require approximately 5,500 linear feet of pipeline installation, pump station upgrades to five TCW pump stations, and two new portable trailer mounted pumps.

TCW would initially serve emergency domestic water to DCWC for approximately 630 single family residences at 80 gallons per day. DCWC would initially serve emergency domestic water to TCW for up to 240 residential customers on Log Hill.

The pipeline route is adjacent to Ouray County Road 1, located on the southerly end of Log Hill Mesa, Ouray County, Colorado. Existing TCW and DCWC pipelines are within the same road right of way. TCW will supply water from their treated supply source, Project 7. DCWC will supply TCW treated water from their water treatment plant. The DCWC raw water source is Dallas Creek located in Pleasant Valley along Ouray County Road 24A.

### 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)	
5,500 linear feet of 6" pipe	Length of Pipe/Canal Built or Improved	
X	Other	Upgrade 5 TCW pump stations and provide 2 new portable trailer mounted pumps.





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](#) <sup>(1)</sup>. 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 Water Activity Justification plan involves Tri-County Water Conservancy District (TCW) and Dallas Creek Water Company, Inc. (DCWC) as the two primary stakeholder entities. Additional stakeholders include: customers of both entities, Ouray County Government Officials and Commissioners, Ridgway Town Officials, Fairway Pines Estates Homeowners Assn., Log Hill Village Homeowners Assn., and area land owners. DCWC is regulated by the Colorado Public Utilities Commission (PUC). As a condition of the May 3, 2017 rate increase, DCWC has filed a letter with the PUC with the intent of creating an emergency water supply for its customers. This interconnect emergency water pipeline would have the potential to serve up to 4,000 residential taps.

TCW serves a three-county area with potable domestic water: Montrose-Delta-Ouray. Their raw water supply source is the Gunnison River. DCWC serves potable domestic water to an unincorporated area located on Log Hill Mesa in Ouray County. By interconnecting the domestic pipelines of TCW and DCWC, they could support one another with water in the event of an emergency such as drought, wildfire or a hazmat situation, that may compromise their individual water supplies.

TCW's Mission Statement is to provide dependable quality service for delivery of domestic water to District customers. TCW's goals are: education, managing water supply and demand for all customers including agriculture, and maintaining the quality of their water.

DCWC has created a Source Water Protection Plan (SWPP) in an effort to protect Dallas Creek from potential contamination. Dallas Creek is the source water supply for DCWC. This proactive approach outlines best management practices to reduce risks to Dallas Creek and the DCWC customer base. In creating this plan, there were numerous meetings with their stakeholders and customers to educate and discuss Dallas Creek. The SWPP for DCWC and the Wright Water Engineers Report for Ouray County dated September 2016, are available upon request.

By collaborating on this project, TCW and DCWC would be in a position to support whatever the future may bring. TCW and DCWC pull their water from different sources so in the event either user has an emergency or their future supply and demands change, they could be sustainable with this water sharing arrangement. In planning for these future events, they can be proactive rather than reactive thus creating a no/low regret action. This will ensure quality water for their customers and protection for the environment.

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### Water Activity Justification

The Gunnison Basin Implementation Plan emphasizes water infrastructure and protecting the environment. With this pipeline system interconnection, both entities will be better able to address water shortages in the event of drought, wildfire, or any other emergency within their water district.

In conclusion, we believe this project helps fulfill complementary goals 4 and 8 on page 28 of the Gunnison Basin Implementation Plan. This project will address municipal and industrial water shortages as well as restore, maintain and modernize critical domestic water infrastructure. The project will also make our water infrastructure more efficient and effective as outlined in the Colorado Water Plan (Chapter 10).

This project will join together two entities that are literally a mile apart. By constructing this interconnection, it would increase the size of five TCW pump stations, and add two portable trailer mounted pumps, TCW and DCWC would be able to support one another in an emergency situation.

(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<sup>rd</sup> 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)
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<sup>rd</sup> party (cash, in-kind, or combination). The remaining 30% of the required match may be provided from any other source (Basin, applicant, or 3<sup>rd</sup> 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):
WaterSmart Grant	\$100,000 (Pending)
Basin Funds Grant	\$25,000
DCWC Cash	\$66,000
DCWC In-Kind	\$16,500
TCW Cash	\$66,000
TCW In-Kind	\$16,500
Total Match	\$290,000
If you requested a Waiver to the Statewide Account matching, indicate % you wish waived. (Max 50% reduction of requirement).	

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### 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.

Upper Uncompahgre Basin Water Supply Protection and Enhancement Project, prepared by Wright Water Engineers, Inc. in September 2017.

Dallas Creek Water Company Source Water Protection Plan, revised December 2016.

Tri-County Water Conservancy District Water Conservation Plan, April 2010

### 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

None

### 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.

The proceeds from these grants would not exceed TCW's limitations under TABOR.



Last Update: January 9, 2018

<b>Colorado Water Conservation Board</b>	
<b>Water Supply Reserve Fund</b>	
<b><u>Exhibit A - Statement of Work</u></b>	
<b>Date:</b>	8/22/2018
<b>Water Activity Name:</b>	Emergency Domestic Water Supply
<b>Grant Recipient:</b>	Tri-County Water Conservancy Dist. Jointly with Dallas Creek Water Company, Inc.
<b>Funding Source:</b>	WSRF/CWCB Roundtable
<b>Water Activity Overview:</b> (Please provide brief description of the proposed water activity (no more than 200 words). Include a description of the overall water activity and specifically what the WSRF funding will be used for.	
<p>The water activity proposed is to provide TCW and DCWC a back-up water supply in the event of an emergency such as drought, wildfire, or any possible hazmat situation, etc.</p> <p>TCW's source water supply is Project 7 Water Authority, located east of Montrose. DCWC owns and operates its own conventional rapid sand filtration treatment plant designed to treat and deliver up to 500,000 gallons per day. DCWC also has 430,000 gallons in treated water stored in tanks which meets and exceeds the Uniform Fire Code.</p> <p>The WSRF funding will be used to help finance the installation of 5,500 linear feet of 6" diameter pipeline to connect TCW to DCWC. In addition, 2 mobile trailer mounted pump stations will be built that will be pickup-truck ready for mobilization to the pipeline tie-in.</p> <p>There are 5 existing TCW pump stations that will be increased in size to meet future demand which will provide up to 35 gallons per minute to serve up to 630 DCWC taps (80 gallons per day/tap). When the demand exceeds this plan, upgrades will be required. This will include upsizing the pumps in these 5 TCW pump stations and will be funded at that time.</p>	
<b>Objectives:</b> (List the objectives of the project)	
<p>The objective of this project is to connect TCW to DCWC pipelines. This will provide treated water to domestic and commercial users of both entities in the event of an emergency such as drought, wildfire or a hazmat situation.</p>	



Last Update: January 9, 2018

Tasks
Provide a detailed description of each task using the following format:
<b><u>Task 1 - Pipeline Installation</u></b>
Description of Task:  Install 5,500 linear feet of 6" diameter, class 200 PVC pipe within the county road right-of-way. Ouray County Road 1A is located along the southerly portion of Log Hill Mesa, Ouray County, Colorado.
Method/Procedure:  Grantee will use backhoes (track and rubber tire) plus a rock trencher required for excavation of the pipeline route. The rock trencher should provide adequate bedding material for installation of the pipe, all to industry standard guidelines.  Labor crews with pipeline experience will perform the installation of the pipe. They will install valves and related fittings per the plans and specifications. Hydrostatic pressure testing and disinfection will be accomplished per specifications upon completion of backfill and related compaction of the trenches.
Grantee Deliverable: (Describe the deliverable the grantee expects from this task)
None
CWCB Deliverable: (Describe the deliverable the grantee will provide CWCB documenting the completion of this task)
DCWC and TCW will provide CWCB written confirmation when this task is complete.



Last Update: January 9, 2018

Tasks
Provide a detailed description of each task using the following format:
<b><u>Task 2 - Mobile Trailer Mounted Pump Stations</u></b>
Description of Task:  Two (2) identical mobile trailer mounted pumps will be built by experienced 3 <sup>rd</sup> party contractors. The design shall meet flow requirements of plus 100 gallons per minute for long term sustained time periods. Pumps will have flow meters that allow for total cumulative, as well as immediate adjustable rate of flow.  Pump motors are propane powered. In the event long term pumping is required, local propane suppliers will deliver adequately sized propane tanks to set along-side pump trailers.
Method/Procedure:  The two mobile pumps/motors will be purchased from distributors based upon known reliability and approved specifications. Trailers will accommodate easy hitch 2" ball (industry standard) for small mounted pickup trucks and ease of handling.  Trailers will be equipped with a spare start battery as well as a spare tire.  Procedures include cutting and welding of steel for make-up components which will fit for practical use on the mobile trailers.
Grantee Deliverable: (Describe the deliverable the grantee expects from this task)
None
CWCB Deliverable: (Describe the deliverable the grantee will provide CWCB documenting the completion of this task)
DCWC and TCW will provide CWCB written confirmation when this task is complete.



Last Update: January 9, 2018

Tasks
Provide a detailed description of each task using the following format:
<b><u>Task 3 - TCW Pump and Pipeline Upgrades</u></b>
Description of Task:  Pump and pipeline upgrades will be required on five (5) existing pump stations currently owned and in use by TCW. The upgrades will be necessary to deliver 35 gallons per minute to DCWC. These five pump stations currently serve residential customer within TCW's district boundary on lower Log Hill Mesa, southwest of Colona.
Method/Procedure:  TCW will make modifications to 5 existing pump stations on route to the new water line extension. Several pumps will be upsized to increase the flow to provide up to 35 gallons per minute to the DCWC. Pump controllers and wiring will be replaced as needed to operate the pump stations.
Grantee Deliverable: (Describe the deliverable the grantee expects from this task)
None
CWCB Deliverable: (Describe the deliverable the grantee will provide CWCB documenting the completion of this task)
DCWC and TCW will provide CWCB written confirmation when this task is complete.



Last Update: January 9, 2018

### Budget and Schedule

**Exhibit B - 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. A separate excel formatted Budget is required for engineering costs to include rate and unit costs.

### Reporting Requirements

**Progress Reports:** The grantee 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 grantee shall provide the CWCB a Final Report on the grantee'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.

### Payments

Payment will be made based on actual expenditures, must include invoices for all work completed and must be on grantee's letterhead. The request for payment must include a description of the work accomplished by task, an estimate of the percent completion for individual tasks and the entire Project in relation to the percentage of budget spent, identification of any major issues, and proposed or implemented corrective actions.

The CWCB will pay the last 10% of the entire water activity budget when 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 water activity and purchase order or contract will be closed without any further payment. Any entity that fails to complete a satisfactory Final Report and submit to CWCB within 90 days of the expiration of a purchase order or contract may be denied consideration for future funding of any type from CWCB.

### Performance Requirements

Performance measures for this contract shall include the following:

(a) Performance standards and evaluation: Grantee will produce detailed deliverables for each task as specified. Grantee shall maintain receipts for all project expenses and documentation of the minimum in-kind contributions (if applicable) per the budget in Exhibit B. Per Grant Guidelines, the CWCB will pay out the last 10% of the budget when the final deliverable is completed to the satisfaction of CWCB staff. Once the final deliverable has been accepted, and final payment has been issued, the purchase order or grant will be closed without any further payment.

(b) Accountability: Per the Grant Guidelines full documentation of project progress must be submitted with each invoice for reimbursement. Grantee must confirm that all grant conditions have been complied with on each invoice. In addition, per the Grant Guidelines, Progress Reports must be submitted at least once every 6 months. A Final Report must be submitted and approved before final project payment.

(c) Monitoring Requirements: Grantee is responsible for ongoing monitoring of project progress per Exhibit A. Progress shall be detailed in each invoice and in each Progress Report, as detailed above. Additional inspections or field consultations will be arranged as may be necessary.

(d) Noncompliance Resolution: Payment will be withheld if grantee is not current on all grant conditions. Flagrant disregard for grant conditions will result in a stop work order and cancellation of the Grant Agreement.

**COLORADO**Colorado Water  
Conservation Board

Department of Natural Resources

## Colorado Water Conservation Board

### Water Supply Reserve Fund

#### EXHIBIT B - BUDGET AND SCHEDULE - Direct & Indirect (Administrative) Costs

**Date: 8/22/2018****Water Activity Name: Emergency Domestic Water Supply****Grantee Name: Tri-County Water Conservancy District**

<u>Task No.</u> <sup>(1)</sup>	<u>Description</u>	<u>Start Date</u> <sup>(2)</sup>	<u>End Date</u>	<u>Matching Funds</u> (cash & in-kind) <sup>(3)</sup>	<u>WSRF Funds</u> (Basin & Statewide combined) <sup>(3)</sup>	<u>Total</u>
1	Pipeline Installation	12/1/2019	3/15/2020	\$ 165,000	\$ 75,000	\$ 240,000
2	Mobile Trailer Mounted Pump Stations	12/15/2019	3/1/2020	\$ 50,000	\$ -	\$ 50,000
3	TCW Pump and Pipeline Upgrades	12/15/2019	3/1/2020	\$ 50,000	\$ -	\$ 50,000
<b>Total</b>				\$ 265,000	\$ 75,000	\$ 340,000

**(1)** The single task that include costs for Grant Administration must provide a labor breakdown (see Indirect Costs tab below) where the total WSRF Grant contribution towards that task does not exceed 15% of the total WSRF Grant amount.

**(2)** Start Date for funding under \$100K - 45 Days from Board Approval; Start Date for funding over \$100K - 90 Days from Board Approval.

**(3)** 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 the grantee enters contract and receives formal signed State Agreement.

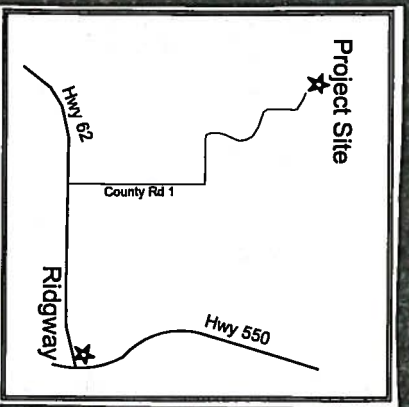
The CWCB will pay the last 10% of the entire water activity budget when the Final Report is completed to the satisfaction of the CWCB staff project manager. Once the Final Report has been accepted, the final payment has been issued, the water activity and purchase order (PO) or contract will be closed without any further payment. Any entity that fails to complete a satisfactory Final Report and submit to the CWCB with 90 days of the expiration of the PO or contract may be denied consideration for future funding of any type from the CWCB.

- Additionally, the applicant shall provide a progress report every 6 months, beginning from the date of contract execution

- Standard contracting procedures dictate that the Expiration Date of the contract shall be 5 years from the Effective Date.



# TCW-DCWC Interconnection







## **Dallas Creek Water Company, Inc.**

334 South 5<sup>th</sup> Street Montrose, CO 81401

Phone 970-240-8123 Fax 970-249-9040

August 13, 2018

Mr. Craig Godbout  
Program Manager  
Colorado Water Conservation Board  
1313 Sherman St, Ste 718  
Denver, CO 80203

Re: Acknowledgment of grantee status and commitment to share in costs not covered by the grant

Dear Craig,

Dallas Creek Water Company (DCWC) is in full support of the joint effort for the interconnection to Tri-County Water Conservancy District (TCW) line for the purpose of establishing emergency needs for both entities. We are committed to sharing the cash and in-kind expenses that are not covered by the grant that we hope will be awarded to Tri-County Water Conservancy District for this project.

The interconnection will provide DCWC and TCW safeguard for the supply of potable drinking water in an emergency due to severe drought, hazmat conditions, or other unforeseen situations that could possibly occur. Due to the remote service area, these two entities fully support one another for backup water supply.

We thank you, The Colorado Water Conservation Board, for considering granting our application for the opportunity to secure future service to all our customers.

Sincerely,



Jim Willey  
Owner/Manager

cc: Mike Berry, General Manager Tri-County Water Conservancy District



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## TCW-DCWC WSRA Grant Application - WaterSmart Grant Schedule

1 message

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**Mike Berry** <mike@tricitywater.org>

Wed, Aug 8, 2018 at 3:29 PM

To: Craig Godbout <craig.godbout@state.co.us>

Cc: Jim Willey <jim@jwilley.com>, Pam Mencimer <administrator@dallascreekwater.com>, Kathleen Margetts <kathleen@tricitywater.org>

Craig –

At your request, we provide you with some information about the Bureau of Reclamations WaterSmart grant program. The 2018 Funding Opportunity Announcement (FOA) for the Drought Response Program: Drought Resiliency Projects grant program came out in November 2017. Grant applications were due mid-February of 2018 and the FOA say water districts such as Tri-County were eligible. We anticipate the schedule for 2019 to be similar but with no guarantees. Our hope is to start the process of putting the application together in early fall to submit in early February 2019. I think the awards come out some time in June each year but again, no guarantee. Here is a link to the FOA.

<https://www.grants.gov/web/grants/view-opportunity.html?oppld=298763>

Hope this will suffice for our plans in applying for a 2019 WaterSmart Grant from Reclamation.

Mike

## LETTER OF SUPPORT FOR DCWC/TCW EMERGENCY INTERCONNECT

Letter of Support by the Fairway Pines Estates  
Owners Association for a Grant to Provide an  
Emergency Water Interconnect Between the  
Systems of Dallas Creek Water Company and Tri  
County Water Conservancy

April 18, 2018

Dallas Creek Water Company, Inc.  
Attn: Bobbi Rouse, Administrator  
334 S. 5<sup>th</sup> Street  
Montrose, CO 81401

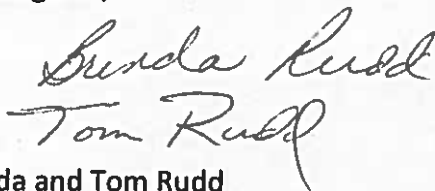
RE: Emergency Domestic Water Supply

Dear Ms. Rouse:

My wife and I are members of the Fairway Pines Estates Owners Association (FPEOA) and own a home in Fairway Pines. We are very pleased to see a water security solution is near and wish to express our support for a grant and the related project constructing an emergency water interconnect between the Dallas Creek Water Company (DCWC) and Tri-County Water Conservancy (TCW) systems.

The project proposed by DCWC and TCW is one of the options mentioned in the above-mentioned report to the CPUC. We believe the project proposed by DCWC and TCW would be a valuable asset as an alternative/emergency water source in the event of an emergency such as drought, wildfire or a hazmat situation in the Log Hill area. We fully support the project to construct an emergency interconnect and join with DCWC and TCW in requesting grant support.

Best Regards,

Handwritten signatures of Brenda and Tom Rudd in cursive script.

Brenda and Tom Rudd  
43 Black Bear Way  
Ridgway, CO

## LETTER OF SUPPORT FOR DCWC/TCW EMERGENCY INTERCONNECT

Letter of Support by the Fairway Pines Estates  
Owners Association for a Grant to Provide an  
Emergency Water Interconnect Between the  
Systems of Dallas Creek Water Company and Tri  
County Water Conservancy

Dallas Creek Water Company, Inc.  
Attn: Bobbi Rouse, Administrator  
334 S. 5<sup>th</sup> Street  
Montrose, CO 81401

RE: Emergency Domestic Water Supply

Dear Ms. Rouse:

The board of directors of the Fairway Pines Estates Owners Association (FPEOA) wishes to express the following in support of a grant and the related project constructing an emergency water interconnect between the Dallas Creek Water Company (DCWC) and Tri-County Water Conservancy (TCW) systems:

1. The FPEOA is one of DCWC's largest stakeholders. The Fairway Pines/Divide Ranch subdivisions consist of over 500 existing and future residential and commercial lots in DCWC's service area. This is about half of the existing and future water taps in DCWC's service area.
2. In 2013, FPEOA joined with the Association of Dallas Creek Water Users, Inc. (ADCWU), to examine, among other things, DCWC's ability to provide a stable source of domestic water to its service area given that DCWC relies 100 percent on water supplies from Dallas Creek. A historical review of Dallas Creek stream flow data showed flows significantly less than 1 cfs over extended periods in 1981, 2002, and other years. That effort raised concerns about DCWC's total reliance on Dallas Creek stream flows and concluded that an alternate water supply and/or increased storage would be prudent and in the best interest of the community and DCWC's customers.
3. In late 2016, FPEOA and the ADCWU intervened in DCWC's rate proceeding before the Colorado Public Utilities Commission (CPUC), expressing concern that DCWC may not be able to supply for periods longer than DCWC's few-days of storage capacity in the case of extreme drought or contamination of Dallas Creek due to wildland fire runoff or a hazmat event.

4. In early 2017, the CPUC authorized DCWC's rate increase and pursuant to an agreement between all parties ordered DCWC to report to the CPUC within one year on the progress made toward addressing emergency water supplies.

The project proposed by DCWC and TCW is one of the options mentioned in the above-mentioned report to the CPUC (Option #1). We believe this would be a valuable asset as an alternative/emergency water source in the event of an emergency such as drought, wildfire or a hazmat situation in the Log Hill area.

We have not received better news than this in our community in a very long time and would like to emphasize that this project is a very big deal. Water can be considered gold in this part of the country and this is a major accomplishment.

We are delighted to support the project to construct an emergency interconnect and join with DCWC and TCW in requesting grant support.

Please keep us updated as to the progress of this project.

Best Regards,

Mike Forstner  
President/FPEOA

P.S. The emergency water interconnect was an agenda item at our last Board meeting, has been published in our first quarter newsletter and will be conveyed again in an upcoming newsletter. We will also invite individual support from our association members.



April 20, 2018

Dallas Creek Water Company  
Att: Bobbi Rouse, Administrator  
334 S 5<sup>th</sup> St.  
Montrose , CO

Re: Emergency Domestic Water Supply

Dear Ms. Rouse:

The Board of Directors of Log Hill Village Home and Property Owners Assoc. has met and considered the connection of the domestic water supply between DCWC and TCW.

We are in support of this connection as we are well aware that this would be a valuable asset in the event of an emergency such as extreme drought, wildfire or hazmat situation in the Log Hill areas.

Please keep us update on the progress of this project.

Sincerely,  
James McCarthy, President LHV H&PO ASSOC,



DON BATCHELDER

JOHN E. PETERS

BEN TISDEL

## BOARD OF COUNTY COMMISSIONERS

541 4<sup>th</sup> Street • P.O. Box C • Ouray, Colorado 81427 • 970-325-7320 • FAX: 970-325-0452

May 1, 2018

Dallas Creek Water Company, Inc.  
Attn.: Bobbi Rouse, Administrator  
334 S. 5<sup>th</sup> Street  
Montrose, CO 81401

RE: Emergency Domestic Water Supply

Dear Ms. Rouse:

The Ouray County Board of County Commissioners ("Board") is in support of the connection of the domestic water supply between Dallas Creek Water Company ("DCWC") and Tri County Water Conservancy District ("TCW"). The Board feels that this connection is a valuable asset in the event of a drought, wildfire or other emergency situation in the Log Hill area.

Like many rural counties in Colorado, Ouray County is facing the possibility of a drier future, with the added restrictions of increased calls for service and a growing population. This underscores the need to not only encourage, but to strongly support and seek out emergency water supply provisions such as the proposed connection between DCWC and TCW. The collaboration between DCWC and TCW demonstrates the providers' commitment to continue to serve the Log Hill area, with an eye to serving emergency needs in the future.

The Board of County Commissioners strongly supports this project and urges favorable consideration and award of grant funding.

Sincerely,

Don Batchelder  
Chair, Ouray County Board of County Commissioners

May 16, 2018

Mr. Tom Alvey  
Chair, Project Screening Committee  
Gunnison Basin Roundtable  
11685 3100 Road  
Hotchkiss, CO 81419



Re: Letter of Support -  
Tri-County/Dallas Creek Water Company Emergency Interconnection Project

Dear Tom -

Tri-County Board of Directors strongly supports continuing the joint effort of establishing an emergency interconnection between Tri-County and Dallas Creek Water Company for the benefit of our community.

This project provides a safeguard for Tri-County and Dallas Creek Water by making it possible to insure safe potable drinking water and to provide emergency water supplies for the customers of both entities in the event that either needs assistance. This project is especially important given our somewhat remote location and service challenges.

We appreciate the opportunity the Gunnison Basin Roundtable provides and its consideration of our grant application.

Sincerely,

A handwritten signature in black ink, appearing to read "MB", is placed above the printed name and title.

Mike Berry  
General Manager

cc: Ms. Bobbi Rouse, Administrator, Dallas Creek Water Company