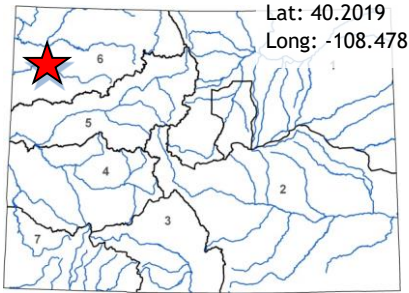




White River Storage Project - Pre-Permitting Rio Blanco Water Conservancy District

November 2018 Board Meeting

Water Plan Grant Application



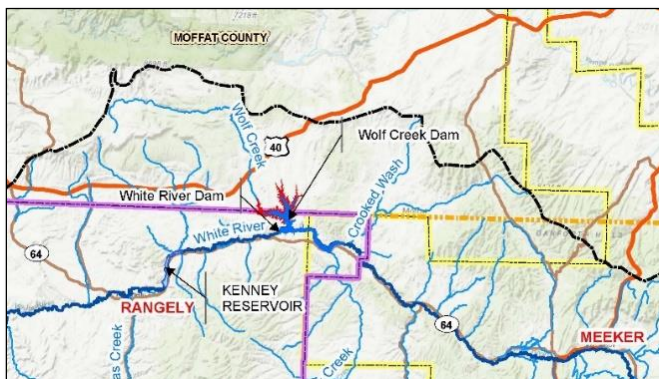
| L O C A T I O N | |
|-------------------|--------------------|
| County/Countries: | Rio Blanco, Moffat |
| Drainage Basin: | Yampa/White |

| D E T A I L S | |
|-------------------------------|--|
| Total Project Cost: | \$700,000 |
| Water Plan Grant Request: | \$350,000 |
| Other CWCB Funding: | \$0 |
| Other Funding Amount: | \$0 |
| Applicant Match: | \$350,000 |
| Project Type(s): | Study |
| Project Category(Categories): | Storage & Supply |
| Measurable Result: | To be determined. Anticipated 44,000 - 400,000 acre-feet created |

The Rio Blanco Water Conservancy District (District) was formed in 1992 to facilitate, operate, and maintain Taylor Draw Dam that created Kenney Reservoir, which originally provided 13,800 acre-feet (AF) of storage. Kenney Reservoir is silting in at an average rate of 300 AF per year. It is estimated that the 2018 active storage in the reservoir is about 3,400 AF. In order to develop replacement for the lost storage, the District began evaluating potential sites in the White River Basin. To help fund the evaluation process the District received three Water Supply Reserve Fund grants for the White River Storage Feasibility Study (Phase 1, Phase 2, and Phase 2A) totaling \$493,388 in grant funds. This Water Plan Grant request for the pre-permitting phase of the White River Storage Project will build upon previous studies. The objective of the pre-permitting phase is to finalize the preferred reservoir size and firm-up financial commitments of key project partners so that applications for federal permits can be filed.

The new storage is expected to be between 44,000 AF and 400,000 AF. The District believes the project can: provide drought mitigation; enhance endangered fish habitat with non-consumptive reservoir releases; preserve municipal, industrial, and agricultural water supplies; and provide recreational opportunities.

The District is requesting 50% of the project cost through the Water Plan Grant. The matching 50% will be come from District funds.



Items included in the scope of work for this grant include: stakeholder outreach meetings and public meetings; coordination with the U.S. Fish & Wildlife Service as the Programmatic Biological Opinion (PBO) for endangered fish in the White River is finalized; development of a Lean permitting plan with the Bureau of Land Management as the lead federal agency; development of a preliminary recreation plan; refinement of the purpose and need of the project including collaboration with key stakeholders to develop a preferred size and location of the

dam; and the development of a funding strategy and finance plan (i.e. who is committed to pay for the project). Once the preferred reservoir size and location are determined, the District's consultants will do supplemental analysis to refine the preliminary designs, cost opinions, and water modeling work to update the firm yield of the preferred alternative.

Last Updated: June 2018

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:

Water Storage Projects
Conservation, Land Use Planning
Engagement & Innovation Activities
Agricultural Projects
Environmental & Recreation
Projects

Anna.Mauss@state.co.us
Kevin.Reidy@state.co.us
Ben.Wade@state.co.us
Alexander.Funk@state.co.us
Chris.Sturm@state.co.us

FINAL SUBMISSION: Submit all application materials in one email to waterplan.grants@state.co.us

in the original file formats [Application (word); Statement of Work (word); Budget/Schedule (excel)]. Please do not combine documents. In the subject line, please include the funding category and name of the project.

Water Project Summary

| | | |
|--|--|--|
| Name of Applicant | Rio Blanco Water Conservancy District | |
| Name of Water Project | White River Storage Project – Pre-Permitting Phase | |
| CWP Grant Request Amount | \$350,000 | |
| Other Funding Sources <u>Rio Blanco Water Conservancy District</u> | \$350,000 ^A | |
| Other Funding Sources _____ | \$ | |
| Other Funding Sources _____ | \$ | |
| Applicant Funding Contribution | \$350,000 | |
| Total Project Cost | \$700,000 | |

^A Note: Other local governments may contribute to help pay for the RBWCD share.



Last Updated: June 2018

| |
|---|
| Name of Grantee(s) Rio Blanco Water Conservancy District |
| Mailing Address 2252 East Main Street; Rangely, Colorado 81648 |
| FEIN 84-1157102 |
| Organization Contact Alden Vanden Brink |
| Position/Title District Manager |
| Email al@rioblancowcd.org |
| Phone 970-675-5055 (office) 970-629-2525 (cell) |
| Grant Management Contact Brad McCloud |
| Position/Title Project Manager |
| Email bmcccloud@eissolutions.com |
| Phone 970-250-7988 (cell) 970-241-3008 (office) |
| 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). |
| <p>The Rio Blanco Water Conservancy District was formed in 1992 to facilitate, operate, and maintain Taylor Draw Dam that creates Kenney Reservoir. The Rio Blanco Water Conservancy District constructed the Taylor Draw Hydroelectric Plant in 1993 and has owned, maintained, and operated the hydroelectric facility since its construction. The dam is located on the White River approximately six miles upstream of the Town of Rangely, Colorado in Rio Blanco County. As part of the Rio Blanco Water Conservancy District, a Board of Directors was appointed by the Water Court to represent the District community to supply fresh water and recreational opportunities within the District.</p> <p>Rio Blanco Water Conservancy District is also a part of the Colorado River District whose mission is to "lead in the protection, conservation, use, and development of the water resources of the Colorado River basin for the welfare of the District, and to safeguard for Colorado all waters of the Colorado River to which the state is entitled."</p> |



Last Updated: June 2018

| Type of Eligible Entity (check one) | |
|-------------------------------------|---|
| <input type="checkbox"/> | 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. |
| <input checked="" type="checkbox"/> | Public (Districts): Authorities, Title 32/special districts (conservancy, conservation, and irrigation districts), and water activity enterprises. |
| <input type="checkbox"/> | Private Incorporated: Mutual ditch companies, homeowners associations, corporations. |
| <input type="checkbox"/> | Private Individuals, Partnerships, and Sole Proprietors: Private parties may be eligible for funding. |
| <input type="checkbox"/> | Non-governmental organizations (NGO): Organization that is not part of the government and is non-profit in nature. |
| <input type="checkbox"/> | Covered Entity: As defined in Section 37-60-126 Colorado Revised Statutes . |

| Type of Water Project (check all that apply) | |
|--|---|
| <input checked="" type="checkbox"/> | Study |
| <input type="checkbox"/> | Construction |
| <input checked="" type="checkbox"/> | Identified Projects and Processes (IPP) |
| <input type="checkbox"/> | Other |

| Category of Water Project (check the primary category that applies and include relevant tasks) | |
|--|---|
| <input checked="" type="checkbox"/> | Water Storage - Projects that facilitate the development of additional storage, artificial aquifer recharge, and dredging existing reservoirs to restore the reservoirs' full decreed capacity and 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> Task 1 - Project Management and Outreach Task 2 - PBO Coordination Task 3 - LEAN Permitting Task 4 - Preliminary Recreation Plan Task 5 - Purpose and Need Refinement Task 6 - Financing Plan Task 7 - Pre-Permitting Phase Report |
| <input type="checkbox"/> | Conservation and Land Use Planning - Activities and projects that implement long-term strategies for conservation, land use, and drought planning. <i>Applicable Exhibit A Task(s):</i> |
| <input type="checkbox"/> | Engagement & Innovation - Activities and projects that support water education, outreach, and innovation efforts. Please fill out the Supplemental Application on the website. <i>Applicable Exhibit A Task(s):</i> |
| <input type="checkbox"/> | Agricultural - Projects that provide technical assistance and improve agricultural efficiency. <i>Applicable Exhibit A Task(s):</i> |



Last Updated: June 2018

| | |
|--|----------|
| Environmental & Recreation - Projects that promote watershed health, environmental health, and recreation. <i>Applicable Exhibit A Task(s):</i> | |
| 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/Countries | Rio Blanco County, Moffat County |
| Latitude | 40.2019 |
| Longitude | -108.478 |

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.

The pre-permitting phase of the White River Storage Project will build upon previous, very successful, collaboration and community engagement and outreach efforts to develop vital new water storage in the lower White River in northwestern, Colorado. The objective of the pre-permitting phase is to finalize the preferred reservoir size and appurtenant facilities and firm-up financial commitments of key Project partners so that applications for federal permits can be filed by the end of 2019. The Project sponsor is spearheading an innovative planning and LEAN permitting process that has the potential to save many years and millions of dollars in the permitting phase of the project. Previous studies have documented that this very sustainable, regional, multi-purpose, storage project can provide very cost-effective storage that will maximize the use of nearly 500,000 acre-feet of water that flows out of Colorado through the White River each year. The Project can provide drought mitigation; enhance endangered fish habitat with non-consumptive reservoir releases; preserve municipal, industrial, and agricultural water supplies; reduce the effects of climate change; and provide much needed recreational opportunities. The Project is expected to enhance tax revenues to the State of Colorado and local governments and will provide a minimum of 44,000 to more than 400,000 acre-feet of new water storage. If the higher end of the storage is implemented, the Project has tremendous potential to help the majority of the State of Colorado address Colorado River Compact Administration issues. The White River Storage Project is well aligned with the Colorado Water Plan, is an important part of the Yampa/White Green BIP and will significantly address municipal and industrial storage gaps that were identified in SWSI.



Last Updated: June 2018

| Measurable Results | |
|--|---|
| To catalog measurable results achieved with the CWP Grant funds, please provide any of the following values as applicable: | |
| 44,000 – 400,000 acre-feet (further refinement of storage included in this work). | 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) |
| | 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 |
| | Other Explain: |



Last Updated: June 2018

Water Project Justification

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

The Colorado Water Plan has a measurable objective of attaining an additional 400,000 acre-feet of water storage by 2050 (CWP, page 32). The purpose of additional White River water storage is to conserve and put to beneficial use some of the approximately 500,000 acre-feet of water that flows out of Colorado from the White River on an average annual basis. This Project would provide additional storage that would benefit numerous local, state, and federal stakeholders, including substantial annual tax revenues to the local economy and the State of Colorado. The new reservoir would provide a needed recreational resource for northwest Colorado. The project also has the potential to be used by the State of Colorado for Colorado River Compact Administration, which will be investigated further as part of this Pre-Permitting Phase.

The Yampa/White/Green Basin Roundtable (Y/W/G BRT) included the White River Storage Project; particularly the Wolf Creek Reservoir and White River Reservoir, within the Yampa/White/Green Basin Implementation Plan as an Identified Project and Process (IPP). In 2018, the Y/W/G BRT contracted with Wilson Water Group and completed additional water operations modeling work on the White River that included current and future demands, current and potential hydrologic scenarios, and included the Wolf Creek Reservoir within the scenarios. The Y/W/G Basin Implementation Plan Phase 3 water model provides documentation that the Wolf Creek Reservoir or White River Reservoir has the ability to provide the additional water to meet the projected long-term future demands through 2065 for the White River basin energy needs and the municipal and industrial needs for the Town of Rangely. The reservoir also has the ability to supplement flows for the endangered fish based on preliminary modeling targets. The Programmatic Biological Opinion (PBO) was being developed contemporaneously with the Phase 3 modeling work to refine target streamflows on the White River for endangered fish. The PBO team has included the Wolf Creek Reservoir in their analyses to determine what benefit the reservoir could provide to enhance their preliminary target flows.

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.

As described in the "Water Project Justification" section, the Wolf Creek Reservoir/White River Reservoir has been included in the Yampa/White/Green Basin Roundtable (Y/W/G BRT) Phase 3 modeling that was finalized in April 2018 by Wilson Water Group.

The Project is being reviewed as part of the Programmatic Biological Opinion (PBO) that is being developed contemporaneously with the Phase 3 modeling work. The PBO and target streamflows have not been released or finalized as of the date of this application.



Last Updated: June 2018

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

White River Storage Feasibility Study – Phase 2A

- 1) Applicant – Rio Blanco Water Conservancy District
- 2) White River Storage
- 3) Yampa/White/Green Basin Roundtable
- 4)
- 5) Grant Contract Number CTGG1 2017-1759
- 6) 48%

White River Storage Feasibility Study – Phase 2

- 1) Applicant – Rio Blanco Water Conservancy District
- 2) White River Storage
- 3) Yampa/White/Green Basin Roundtable
- 4)
- 5) Contract Number 2015-1538
- 6)

White River Storage Feasibility Study – Phase 1

- 1) Applicant – Rio Blanco Water Conservancy District
- 2) White River Storage
- 3) Yampa/White/Green Basin Roundtable
- 4)
- 5) Contract Number C150546
- 6)

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.

Tabor issues are applicable to the Rio Blanco Water Conservancy District.



Last Updated: June 2018

| Submittal Checklist | |
|---|--|
| | I acknowledge the Grantee will be able to contract with CWCB using the Standard Contract . |
| Exhibit A | |
| | Statement of Work ⁽¹⁾ |
| | Budget & Schedule ⁽¹⁾ |
| | Engineer's statement of probable cost (projects over \$100,000) |
| | Letters of Matching and/or Pending 3 rd Party Commitments ⁽¹⁾ |
| Exhibit C | |
| | Map (if applicable) ⁽¹⁾ |
| | Photos/Drawings/Reports |
| | Letters of Support (Optional) |
| | Certificate of Insurance (General, Auto, & Workers' Comp.) ⁽²⁾ |
| | Certificate of Good Standing with Colorado Secretary of State ⁽²⁾ |
| | W-9 ⁽²⁾ |
| | Independent Contractor Form ⁽²⁾ (If applicant is individual, not company/organization) |
| 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.

Last Updated: June 2018

Colorado Water Conservation Board

Water Plan Grant - Exhibit A

Statement Of Work

| | |
|-------------------------------|--|
| Date: | 7-31-2018 |
| Name of Grantee: | Rio Blanco Water Conservancy District |
| Name of Water Project: | White River Storage Project |
| Funding Source: | Colorado's Water Plan Grant Fund |

Water Project Overview:

The pre-permitting phase of the White River Storage Project will build upon previous, very successful, collaboration and community engagement and outreach efforts to develop vital new water storage in the lower White River in northwestern, Colorado. The Project sponsor is spearheading an innovative planning and LEAN permitting process that has the potential to save many years and millions of dollars in the permitting phase of the project. Previous studies have documented that this very sustainable, regional, multi-purpose, storage project can provide very cost-effective storage that will maximize the use of nearly 500,000 acre-feet of water that flows out of Colorado through the White River each year. The Project can provide drought mitigation; enhance endangered fish habitat with non-consumptive reservoir releases; preserve municipal, industrial, and agricultural water supplies; reduce the effects of climate change; and provide much needed recreational opportunities. The Project is expected to enhance tax revenues to the State of Colorado and local governments and provide a minimum of 44,000 to more than 400,000 acre-feet of new water storage. If the higher end of the storage is implemented, the Project has tremendous potential to help the majority of the State of Colorado address Colorado River Compact Administration issues. The White River Storage Project is well aligned with the Colorado Water Plan, is an important part of the Yampa/White Green BIP and will significantly address municipal and industrial storage gaps that were identified in SWSI.

Project Objectives:

The objective of the pre-permitting phase of the Project Development is to finalize the preferred reservoir size and appurtenant facilities and firm-up financial commitments of key Project partners so that applications for federal permits can be filed by the end of 2019.

Last Updated: June 2018

| Task 1 |
|---|
| Task 1 – Project Management, Outreach and Public Meetings |
| Description of Task: |
| <p>Task 1 - Project Management, Outreach and Public Meetings: This task includes the following:</p> <ul style="list-style-type: none"> • Task 1a – Project Management and Coordination • Task 1b – Continued Stakeholder Outreach • Task 1c – Public Meetings <p>The subtasks are described below.</p> |
| Method/Procedure: |
| <p>Task 1a – Project Management and Coordination: Includes project management; subcontractor management; coordination of key study criteria, methods, and results; meeting coordination; and continued Project communications.</p> <p>Task 1b - Continued Key Stakeholder Outreach and Meetings: EIS Solutions will continue to coordinate public outreach, stakeholder collaboration, and meetings with key Project stakeholders. Project stakeholder meetings may include representatives from the Rio Blanco Water Conservancy District (RBWCD), EIS Solutions, W.W. Wheeler & Associates, Inc. (Wheeler), RBWCD attorneys, or other members of the RBWCD planning team.</p> <p>Task 1c – Public Meetings: This task includes holding a draft report meeting to review the results of the draft Pre-Permitting Phase Report and solicit public comments before the report is finalized.</p> <p>The public meeting is tentatively scheduled to be held in Rangely, Colorado, but may be held elsewhere, if appropriate. We have also included monthly coordination meetings or teleconferences with the Rio Blanco Water Conservancy District Board.</p> |
| Deliverable: |
| <p>Deliverable for Task 1A: Monthly progress reports and pay applications and six-month progress reports for the CWCB.</p> <p>Deliverable for Task 1B: Meeting summaries of key stakeholder meetings.</p> <p>Deliverable for Task 1C: A summary of the public meeting including a listing of meeting attendees will be prepared.</p> |

Last Updated: June 2018

| Task 2 |
|--|
| Task 2 – PBO Coordination |
| Description of Task: |
| The RBWCD District Manager and W. W. Wheeler & Associates, Inc. (Wheeler) will continue to be involved in coordination meetings with the U.S. Fish & Wildlife Service and other key stakeholders as the Programmatic Biological Opinion (PBO) for Endangered Fish in the White River is finalized. |
| Method/Procedure: |
| Wheeler will continue to be involved as RBWCD's technical consultant to the PBO development process and will attend PBO coordination meetings and provide technical comments on behalf of the RBWCD. |
| Deliverable: |
| There are no specific deliverables associated with this task because the PBO document will be written by the U.S. Fish & Wildlife Service. Minutes of PBO coordination meetings may be included in an appendix to the report. |
| Task 3 |
| Task 3 – LEAN Permitting |
| Description of Task: |
| Consistent with the objectives of the Colorado Water Plan and recent U.S. Department of Interior guidance, the RBWCD has initiated the development of a LEAN Permitting Plan with the BLM as part of the Phase 2A study. |
| Method/Procedure: |
| The BLM would be the likely lead federal agency for documentation under the National Environmental Policy Act (NEPA). The objective of the LEAN permitting process is to streamline the environmental review analysis that is required to obtain federal, state, and local permits and approvals for the preferred White River Storage Project alternative. This task will include several coordination meetings with key federal, state, and local agencies to develop a comprehensive Work Plan to streamline key environmental and other analysis required for federal, state and local permits. Wheeler will subcontract with Westwater Engineering for environmental analysis support and will provide review and input into the LEAN Permitting Work Plan. |
| Key agencies that are expected to be a party to the LEAN Permitting Work Plan include: |
| <ul style="list-style-type: none"> • The BLM • The U.S. Army Corps of Engineers • The EPA • The U.S. Fish & Wildlife Service • Colorado Department of Public Health and Environment • Colorado Parks and Wildlife • Colorado Water Conservation Board • Rio Blanco Water Conservancy District |
| Deliverable: |
| It is anticipated that the framework for a LEAN Permitting Work Plan document will be prepared that will document how key environmental and other analysis are anticipated to be completed to obtain required permits for the Project. |

Last Updated: June 2018

| Task 4 |
|--|
| Task 4 – Preliminary Recreation Plan |
| Description of Task: |
| Wheeler will subcontract with Logan and Simpson to prepare a preliminary Recreation Plan for the preferred alternative. The objective of this preliminary plan is to identify potential recreation features and disturbance areas for the preferred storage alternative. |
| Method/Procedure: |
| The recreation plan will be based on a site visit and review of information to identify physical and operational recreational constraints. Logan and Simpson will also interview key stakeholders to identify recreational needs and gaps in the general Project vicinity. This information will be used to develop a conceptual Recreation Plan that would be included in the Project description with the federal permit applications. |
| Deliverable: |
| The deliverable for this task will be the development of a Preliminary Recreation Technical Memorandum that summarizes the preliminary recreational planning analysis performed and documents the Conceptual Recreation Plan for the preferred storage alternative. |

| Task 5 |
|--|
| Task 5 – Purpose and Need Refinement |
| Description of Task: |
| A wide range of potential reservoir storage sizes have been developed as part of the previous Project studies. The purpose of this task is to continue to collaborate with key stakeholders and the RBWCD planning team to develop a preferred size and location of the dam and reservoir and Project appurtenance. The Preferred Alternative will be submitted as the Proposed Action in the federal, state, and local permit applications. The preferred reservoir size will be developed based on the amount of water needed and committed to by key Project stakeholders. |
| Method/Procedure: |
| This task will involve a series of internal purpose and need workshops that will be an iterative and integrated effort with the Task 7 Financial Plan described below. Harvey Economics and WestWater Engineering will participate in the purpose and need workshops with the RBWCD planning team. Once a preferred reservoir size and location is determined, there will be some supplemental analysis to refine the preliminary designs, cost opinions, and water modeling work completed to date to update the Project cost and reservoir firm yield for the Preferred Alternative. |
| Deliverable: |
| The deliverable will be an updated purpose and need statement that will be included in a section of the Pre-permitting Phase Report. Key supplemental analyses will be summarized in Technical Memorandums that will be included as appendices to the final report. |

Last Updated: June 2018

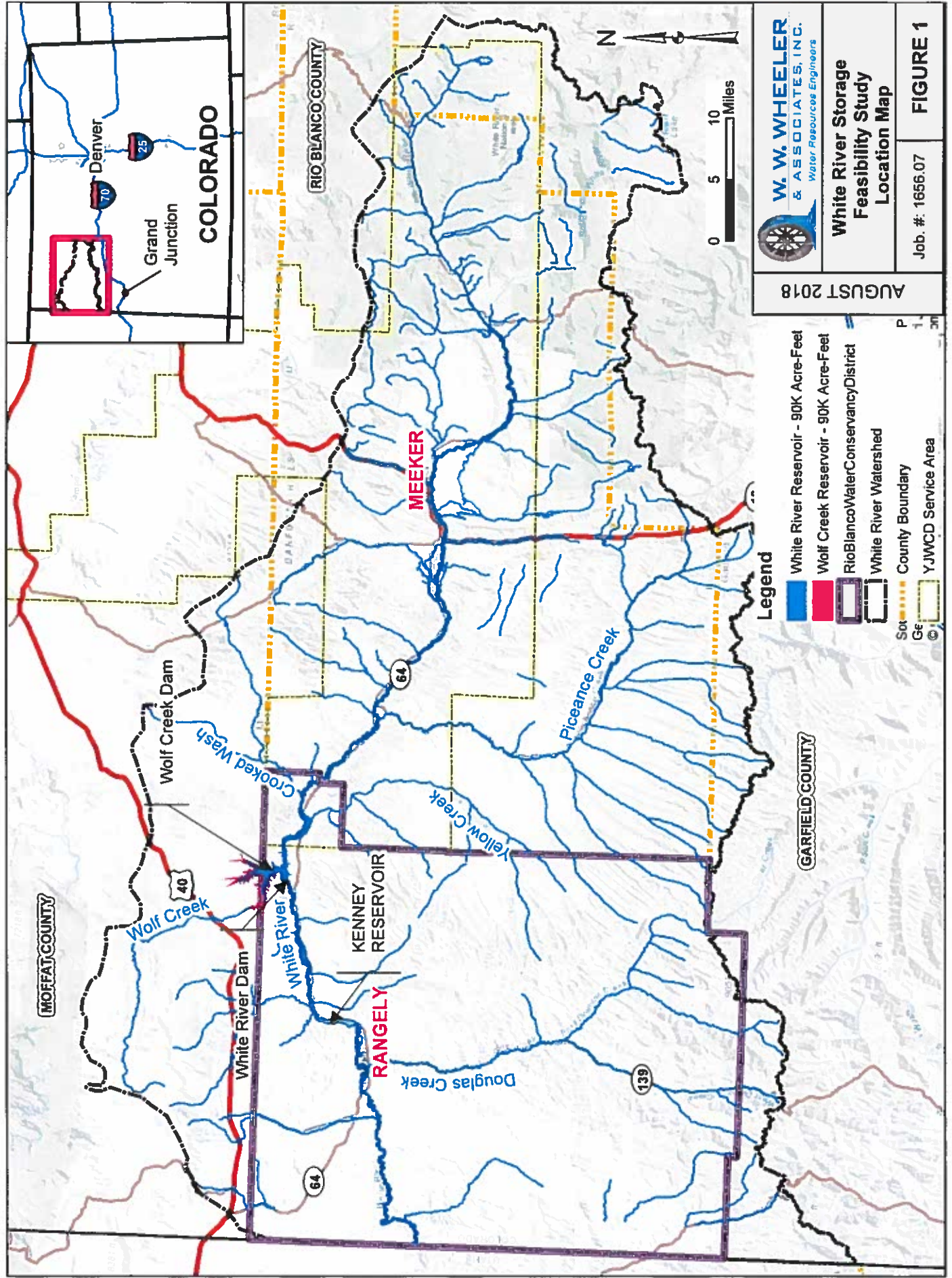
| Task 6 |
|---|
| Task 6 – Financing Plan |
| Description of Task: |
| The objective of this task is to develop a defensible Funding Strategy and Finance Plan for the Project. The funding element will answer the question of who is committed to pay for this project, and the financing plan will identify how the project will be repaid in terms of grants, debt, or annual payments. |
| Method/Procedure: |
| The funding strategy will be completed by Harvey Economics and will be performed iteratively with the purpose and need refinement work described under Task 5. The funding plan will evaluate repayment capabilities and committed interest on the part of each of the key Project beneficiaries. Harvey Economics will evaluate the Rio Blanco Water Conservancy District, local communities and counties, private parties, the energy industry, the River District, the CWCB, Federal agencies, and other potential Project Stakeholders. The goal is to seek firm commitments for those entities who would be responsible for participating in the Financing Plan. |
| The Financing Plan will outline how the initial capital costs and the annual operating costs will be paid for. Some support might come in the form of initial capital contributions. The remaining capital investment will need to be repaid with debt. The prospective sources and cost of that debt in terms of annual debt service will be quantified. |
| Deliverable: |
| The deliverable for this task will be the preparation of a Project Financing Technical Memorandum that will be prepared by Harvey Economics. |

| Task 7 |
|--|
| Task 7 – Pre-Permitting Phase Report |
| Description of Task: |
| A report will be prepared that summarizes the Pre-Permitting Phase work. |
| Method/Procedure: |
| Wheeler will be the primary author of a report that summarizes the results of the work described herein. A draft report is tentatively scheduled to be available for public review no later than November of 2019. After a public review period and the draft report meeting, a final report will be issued that addresses public comments received. The Pre-Permitting Phase Report will include photographs, summaries of meetings, and applicable analyses. |
| At completion of the project, a final report will be provided to the CWCB on the RBWCD's letterhead that: <ul style="list-style-type: none"> Summarizes the Project and the pre-permitting work. Describes any obstacles encountered, and how these obstacles were overcome. Confirms that all matching commitments have been fulfilled. |
| Deliverable: |
| A draft and final report will be prepared and submitted to the CWCB. |



Water Plan Grant - Exhibit B

Project End Date: December 31, 2019[illegible]



W. W. WHEELER & ASSOCIATES, INC.
Water Resources Engineers

White River Storage Feasibility Study
Location Map

Job. #. 1656.07

FIGURE 1

AUGUST 2018



July 31, 2018

Anna Mauss, P.E.
Colorado Water Conservation Board
1313 Sherman Street #718
Denver, CO 80203

Re: White River Storage Project – Pre-Permitting Phase
Letter of Commitment for Matching Funds

Dear Ms. Mauss:

The Rio Blanco Water Conservancy District (RBWCD) Board of Directors passed a resolution on July 25, 2018 at their board meeting to contribute up to \$350,000 to fund the tasks associated with the Pre-Permitting Phase of the White River Storage Project including:

- Task 1 - Project Management and Outreach
- Task 2 - PBO Coordination
- Task 3 - LEAN Permitting
- Task 4 - Preliminary Recreation Plan
- Task 5 - Purpose and Need Refinement
- Task 6 - Financing Plan
- Task 7 - Pre-Permitting Phase Report

The RBWCD plans to seek assistance from other local government agencies that have contributed to prior phases of the project including Rio Blanco County, the Town of Rangely, and the Town of Meeker to assist in the \$350,000 match to lessen the burden on the RBWCD. However, if contributions are not made by the other local government agencies, the RBWCD is committed to fund the full amount of the match requirement of \$350,000.

If you have any questions, please feel free to call me at 970-675-5055 or e-mail at al@rioblancowcd.org.

Sincerely,

Alden Vanden Brink, District Manager
Rio Blanco Water Conservancy District



July 26, 2018

Craig Godbout
Colorado Water Conservation Board
1313 Sherman St., Room 718
Denver, CO 80203

Dear Craig Godbout,

At the July 11th meeting, the Yampa White Green Basin Roundtable (YWGBRT) voted unanimously to “support the continued investigation of the Rio Blanco Water Conservancy District’s White River Storage Project during this pre-permitting phase” by offering this letter supporting the consideration of a CWCB Water Plan Grant. The Rio Blanco Water Conservancy District’s Wolf Creek Reservoir project meets the criteria of the Water Plan Grant Program in that it facilitates the development of additional storage as an identified project in the YWG Basin Implementation Plan.

The YWG BRT would like to clarify that the membership has not yet been asked to support a specific, particular reservoir project, and instead has supported the Rio Blanco Water Conservancy District’s process as it explores the feasibility and detail of a White River Storage Project reservoir concept that will meet the demonstrated water needs of the Rio Blanco district. The membership understands that this potential Water Plan Grant will facilitate the detail of such a project, which will be presented in spring of 2019 to the Basin Roundtable.

The Yampa White Green Basin Roundtable has approved funding for the Rio Blanco Water Conservancy District in both the exploratory and planning phases of this feasibility study from the Basin and WSRA accounts. The District has presented their progress to the BRT on numerous occasions, and has invited the membership to attend several tours and presentations.

Please do not hesitate to contact me with any questions and I sincerely thank you for the time and work that you and the CWCB staff puts into meeting the needs of the Northwest Colorado water community.

With Gratitude,

A handwritten signature in black ink, appearing to read 'JB', with a long horizontal line extending to the right.

Jackie Brown

Yampa White Green Basin Roundtable, Chair





September 8, 2018

Ms. Anna Mauss: Colorado Water Conservancy Board

Dear Anna,

This letter is to acknowledge our understanding that the Rio Blanco Water Conservancy District (RBWCD) is applying to the Colorado Water Conservancy Board for additional funding to rapidly pursue their concept to build a water storage reservoir in an off channel location at Wolf Creek, adjacent to our properties.

We write today to express our concerns regarding this concept, one which many have characterized as a “solution in search of a problem.”

The concept has received attention and significant funding, with the initial identified critical need being a water supply for the town of Rangely. The town of Rangely, which encompasses roughly 1,300 to 2,500 citizens, currently has Kenney Reservoir with 13,800 acre feet currently at its disposal. A report by Wheeler in March of 2015 stated that the reservoir was silting in at 387 acre feet a year according to the March 2015 Wheeler Engineers Report giving a lifespan of roughly 35 years. This is a long-term situation that deserves careful attention.

However, it appears that the Rio Blanco Water Conservancy District has taken a different path than many other Colorado River Basins by identifying solutions for something above and beyond the need they set out to address. The RBWCD has fast-tracked their process prior to considering a more holistic integrated water management planning effort. Furthermore, the concept has become one of “*How Big Can We Build*”, with proposals put forward ranging from 20,000 to 1.3 million acre feet.

So the question remains: **What is the actual need involved and what is the acre feet really required to meet that verified need?**

The issue of Rangely’s long term water supply need is one that should be examined and verified, but does it not make sense to explore this need along with other needs as part of an integrated water basin plan?

Exploring and establishing the needs of a river basin is clearly a complex and multi step integrated process, one that should include multiple parties and stakeholders. The state of Colorado has been a leader in encouraging basins to explore and utilize stream management plans. Has this been done for the White River Basin?

The Yampa Basin water community, as part of the Roundtable, is but one example where multiple partners, and identified key stakeholders are engaging in a holistic examination of the river, its needs, and a long term evaluation of appropriate solutions. This would seem to be a more circumspect method of approaching a major reservoir concept that could have long term and very broad economic impacts on the surrounding communities as well as the downstream users.

As Benjamin Franklin once famously said, “Measure three times, saw once.” It would appear that before any additional dollars are allocated to this project, the White River Basin might well consider the approach followed by several other basins: a holistic integrated approach that looks at the river as a whole and has the participation of many stakeholders.

We urge the CWCB to explore this direction as a more comprehensive approach before any further commitments are given to pursue this project.

With appreciation for your time,

Craig and Deirdre Macnab Owners, 4M Ranch