

Water Supply Reserve Fund – Grant and Loan Program
Water Activity Summary Sheet
September 18-19, 2019
Agenda Item 9(a)

Applicant & Grantee: Crawford Water Conservancy District

Water Activity Name: Lower Aspen Canal Piping Efficiency Project

Water Activity Purpose: Agricultural

County: Delta & Montrose

Drainage Basin: Gunnison

Water Source: Not stated

Amount Requested: \$50,000 Gunnison Basin Account
\$176,000 Statewide Account
\$226,000 Total Request

Matching Funds: Applicant & 3rd Party Match (cash & in-kind) = \$1,487,050

- Exceeds 25% match requirement for the Basin Account request
- Exceeds 50% match requirement for Statewide Account request

Staff Recommendation:
Staff recommends approval of up to \$50,000 from the Gunnison Basin Account; and \$176,000 from the Statewide Account to help fund the project titled: Lower Aspen Canal Piping Efficiency Project.

Water Activity Summary: WSRF grant funds, if approved, will assist the Crawford Water Conservancy District replace approximately 9,000 feet of open, earthen, and leaking lower Aspen Canal with closed HDPE pipe. The Lower Aspen Canal provides irrigation water for grass pasture and hay crops. Benefits of this effort include improved management of 10,000 ac-feet of water, the conservation of almost 220 ac-feet previously lost to seepage, reduction of 369 tons of salt and 24 lbs selenium loading to the Colorado River System. Selenium reduction benefit is 24-36% of the 66 lb reduction required to meet chronic aquatic life standards in the Cottonwood Creek drainage. This project is consistent with goals and objectives of federal mitigation requirements identified in the Aspinall Unit Re-operations Programmatic Biological Opinion, provides significant downstream benefits to endangered fish critical habitat and endangered fish Recovery Program goals, and is a Tier 1 Gunnison Basin Implementation Plan Project.

Discussion: This effort will assist the Gunnison Basin Roundtable achieve goals 1, 2, 3, and 8 as called for in the Gunnison Basin Implementation Plan, as well as assisting the state achieve the goals of: A productive economy that supports vibrant and sustainable cities; viable and productive agriculture; and a robust skiing, recreation, and tourism industry; Efficient and effective water infrastructure; and a strong environment that includes healthy watersheds, river, streams and wildlife as called for in Chapter 10 of Colorado's Water Plan.

Issues/Additional Needs: The applicant must submit several letters of matching commitment (see *Funding Summary/Matching Funds* section below) prior to entering into a contract with the state, otherwise 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:

<u>Funding Source</u>	<u>Cash</u>	<u>In-kind</u>	<u>Total</u>	<u>Status</u>
U.S. BoR (Salinity Control Program)	\$575,000	\$0	\$575,000	Pending
Colorado Non-point Source Program	\$375,000	\$0	\$375,000	Pending
NPS Water Quality Implementation Fund	\$20,000	\$0	\$20,000	Pending
CWCB Species Conservation Trust Fund	\$33,500	\$0	\$33,500	Pending
CWCB Water Plan Grant	\$274,000	\$0	\$274,000	Pending
Crawford Water Conservancy District	\$10,000	\$28,450	\$10,000	Secured
U.S. BoR (CRSP)	\$0	\$167,300	\$167,300	Pending
Colorado River Water Conservation District	\$0	\$3,800	\$3,800	Pending
Sub-total	\$1,287,500	\$199,550	\$1,487,050	
WSRF Gunnison Basin Account	\$50,000	\$0	\$50,000	Secured
Sub-total	1,337,500	\$199,550	\$1,537,050	
WSRF Statewide Account	\$176,000	\$0	\$176,000	Pending
Total Project Costs	\$1,513,500	\$199,	\$1,713,050	

CWCB Project Manager: Alex Funk

July 17, 2019

Colorado Water Conservation Board

Atten. Craig Godbout

1313 Sherman Street

Denver, CO 80203

Re: Crawford Water Conservancy District Water Supply Reserve Fund Grant Application

Dear Mr. Godbout and Members of the Colorado Water Conservation District Board,

I am writing to advise you that the Gunnison Basin Roundtable has approved the application filed by the Crawford Water Conservancy District for a Water Supply Reserve Fund grant. The Crawford District is seeking assistance with its Lower Aspen Canal Piping Efficiency Project.

The request is for \$50,000 in Basin funds and \$176,000 in State funds for a project to pipe a 9000 foot section of the Lower Aspen Canal in the Crawford Water Conservancy District area. This is part of a larger efficiency improvement upgrade to the Crawford system.

This effort is identified as a Tier 1 project in the Gunnison Basin Implementation Plan, and it would improve irrigation efficiency and support agricultural water use. In addition, the project will have water quality benefits associated with salinity reductions. The project leverages federal and state funds and the applicants are willing to secure a loan to complete the project if there are shortfalls.

We request your support for the grant application. If we can answer any questions please let us know. Thank you for your consideration.

Regards,

Kathleen Curry

Kathleen Curry, Chair
Gunnison Basin Roundtable
54542 US Highway 50
Gunnison, CO 81230
kathleencurry@montrose.net
Cell 970-209-5537



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Colorado Water Conservation Board
Water Supply Reserve Fund Grant Application

Instructions

All WSRF grant applications shall conform to the current [2016 WSRF Criteria and Guidelines](#).

To receive funding from the WSRF, a proposed water activity must be approved by a Roundtable(s) **AND** the Colorado Water Conservation Board (CWCB). The process for Roundtable consideration and recommendation is outlined in the 2016 WSRF Criteria and Guidelines. The CWCB meets bimonthly according to the schedule on page 2 of this application.

If you have questions, please contact the current CWCB staff Roundtable liaison:

Arkansas

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

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

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

**Colorado | Metro | Rio Grande |
Southwest**

Megan Holcomb
megan.holcomb@state.co.us
303-866-3441 x3222

WSRF Submittal Checklist (Required)
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X	I acknowledge this request was recommended for CWCB approval by the sponsoring roundtable.
X	I acknowledge I have read and understand the 2016 WSRF Criteria and Guidelines .
X	I acknowledge the Grantee will be able to contract with CWCB using the Standard Contract . ⁽¹⁾
Application Documents	
X	Exhibit A: Statement of Work ⁽²⁾ (<i>Word – see Template</i>)
X	Exhibit B: Budget & Schedule ⁽²⁾ (<i>Excel Spreadsheet – see Template</i>)
X	Letters of Matching and/or Pending 3 rd Party Commitments ⁽²⁾
X	Map ⁽²⁾
	Photos/Drawings/Reports
	Letters of Support
Contracting Documents ⁽³⁾	
	Detailed/Itemized Budget ⁽³⁾ (<i>Excel Spreadsheet – see Template</i>)
	Certificate of Insurance ⁽⁴⁾ (<i>General, Auto, & Workers' Comp.</i>)
	Certificate of Good Standing ⁽⁴⁾
	W-9 Form ⁽⁴⁾
	Independent Contractor Form ⁽⁴⁾ (<i>If applicant is individual, not company/organization</i>)
	Electronic Funds Transfer (ETF) Form ⁽⁴⁾

(1) Click "Grant Agreements". For reference only/do not fill out or submit/required for contracting

(2) Required with application if applicable.

(3) Additional documentation providing a Detailed/Itemized Budget maybe required for contracting. Applicants are encouraged to coordinate with the CWCB Project Manager to determine specifics.

(4) 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 2019
Desired Notice to Proceed Date:	January 1, 2020

Water Activity Summary		
Name of Applicant	Crawford Water Conservancy District	
Name of Water Activity	Lower Aspen Canal Piping Efficiency Project	
Approving Roundtable(s)	Basin Account Request(s) ⁽¹⁾	
Gunnison Basin Roundtable Account Request Subtotal	\$50,000	
Statewide Account Request ⁽¹⁾	\$176,000	
Total WSRF Funds Requested (Basin & Statewide)	\$226,000	
Total Project Costs	\$1,713,050	

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

Grantee and Applicant Information	
Name of Grantee(s)	Crawford Water Conservancy District
Mailing Address	183 Highway 92 , Crawford, CO 81415-9123
FEIN	98-03827
Grantee's Organization Contact ⁽¹⁾	Gary Kraai
Position/Title	Manager
Email	crawfordwaterconservancy@gmail.com



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Grantee and Applicant Information	
Phone	(970) 921-4775
Grant Management Contact ⁽²⁾	Gary Kraai
Position/Title	Manager
Email	crawfordwaterconservancy@gmail.com
Phone	(970) 921-4775
Name of Applicant (if different than grantee)	N/A
Mailing Address	
Position/Title	
Email	
Phone	

(1) Person with signatory authority

(2) Person responsible for creating reimbursement invoices (Invoice for Services) and corresponding with CWCB staff.

Description of Grantee
Provide a brief description of the grantee's organization (100 words or less).
<p>The Crawford Water Conservancy District has operated the Smith Fork Project since 1964 providing agricultural irrigation water to about 8,200 acres of farms and ranches (209 water users) in Montrose and Delta counties. The Smith Fork Project was constructed by Reclamation as a participating irrigation project as part of the Colorado River Storage Project Act (CRSP, 1956).</p> <p>The CWCD supplies project water to six private ditches/canals either directly including: Clipper Ditch, Grand View Canal, and Daisy Ditch and indirectly via exchange to Saddle Mountain Ditch, Virginia Ditch, and Needle Rock Ditch. All water is decreed for irrigation and stock water uses only.</p>

Type of Eligible Entity (check one)	
	Public (Government): municipalities, enterprises, counties, and State of Colorado agencies. Federal agencies are encouraged to work with local entities. Federal agencies are eligible, but only if they can make a compelling case for why a local partner cannot be the grant recipient.
X	Public (Districts): authorities, Title 32/special districts (conservancy, conservation, and irrigation districts), and water activity enterprises
	Private Incorporated: mutual ditch companies, homeowners associations, corporations



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Type of Eligible Entity (check one)	
<input type="checkbox"/>	Private Individuals, Partnerships, and Sole Proprietors: are eligible for funding from the Basin Accounts but not for funding from the Statewide Account.
<input type="checkbox"/>	Non-governmental organizations: broadly, any organization that is not part of the government
<input type="checkbox"/>	Covered Entity: as defined in Section 37-60-126 Colorado Revised Statutes

Type of Water Activity (check one)	
<input type="checkbox"/>	Study
X	Implementation

Category of Water Activity (check all that apply)		
<input type="checkbox"/>	Nonconsumptive (Environmental)	
<input type="checkbox"/>	Nonconsumptive (Recreational)	
X	Agricultural	
<input type="checkbox"/>	Municipal/Industrial	
<input type="checkbox"/>	Needs Assessment	
<input type="checkbox"/>	Education & Outreach	
<input type="checkbox"/>	Other	Explain:

Location of Water Activity	
Please provide the general county and coordinates of the proposed activity below in decimal degrees . The Applicant shall also provide, in Exhibit C, a site map if applicable.	
County/Countries	Delta County, Colorado and Montrose County, Colorado
Latitude	Latitude: 38°44'23.3"N
Longitude	Longitude: 107°36'52.4"W.

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.



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Water Activity Overview

The Applicant shall also provide, in Exhibit A, a detailed Statement of Work, Budget, and Schedule.

Replace approximately 9,000 feet of open, earthen, and leaking Aspen Canal with closed HDPE pipe. Timeline is approximately 3 years (Start Date: 01/01/20; End Date: 12/31/22). The Lower Aspen Canal provides irrigation water for grass pasture and hay crops. Benefits include improved management of 10,000 ac-feet of water, the conservation of almost 220 ac-feet previously lost to seepage, reduction of 369 tons of salt (Reclamation) and 24 lbs selenium loading to the Colorado River System. Selenium reduction benefit is 24-36% of the 66 lb reduction required to meet chronic aquatic life standards in the Cottonwood Creek drainage (Total Maximum Daily Load 2011). This project is consistent with goals and objectives of federal mitigation requirements identified in the Aspinall Unit Re-operations Programmatic Biological Opinion (PBO), provides significant downstream benefits to endangered fish critical habitat and endangered fish Recovery Program goals, and is a Tier 1 GBIP Project.

WSRF (State & Roundtable; \$176k and \$50k, respectively) will be used to purchase materials (e.g. pipe). WSRF will assist in “buying-down” the cost of the Salinity grant awarded on cost/ton salt removed and thus help ensure award. If there is no Salinity award, Crawford is prepared to obtain a loan for any balance.

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)
220 AF	Efficiency Savings (indicate acre-feet/year OR dollars/year)
	Area of Restored or Preserved Habitat (acres)
9,000 ft	Length of Pipe/Canal Built or Improved
	Other Explain:

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](#)



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Water Activity Justification

[and Education Action Plan](#) ⁽¹⁾. The Applicant is required to reference specific needs, goals, themes, or Identified Projects and Processes (IPPs), including citations (e.g. document, chapters, sections, or page numbers).

For applications that include a request for funds from the Statewide Account, the proposed water activity shall be evaluated based upon how well the proposal conforms to Colorado's Water Plan criteria for state support (CWP, Section 9.4, pp. 9-43 to 9-44;) (Also listed pp. 4-5 in [2016 WSRF Criteria and Guidelines](#)).

The Lower Aspen Canal Piping Efficiency Project conforms to and meets four of the measurable objectives set forth in the **Colorado Water Plan** (page 6-155), including:

- Basin Implementation Plan (BIP) Project Support – The Aspen Canal Piping Project was identified as a Tier 1 priority project in the Gunnison Basin Implementation Plan both as a part of the Federal Smith Fork Project and the Colorado River Storage MOA Project.
- Climate Change Incorporation – This project seeks to mitigate the impact of climate change by addressing ongoing drought in the Lower Gunnison Basin by utilizing existing resources efficiently and making available additional water previously lost to seepage.
- Update and improve Colorado's aging agricultural infrastructure – This project proposes to replace approximately 9,000 feet of the open, earthen, and leaking Aspen Canal delivery system with closed, 10" to 30" HDPE pipe and to construct an 800-foot delivery Interconnection between the Aspen Canal and the West Lateral Feeder with 36" pipe.
- Encourage ditch-wide and regional planning – This project is a critical component of a large, comprehensively planned irrigation system modernization project, spearheaded by CWCD, Reclamation, Colorado River District and the Colorado Water Conservation Board.

In addition, the Lower Aspen Canal Piping Efficiency Project supports the objectives of the most recent Statewide Water Supply Initiative by:

- Meeting Agricultural Demands (page 7)
- Optimizing Existing and Future Water Supplies (page 7)
- Providing Operational Flexibility and Coordinated Infrastructure
- Complying with all Applicable Laws and Regulations

The project also "identifies and utilizes existing and new funding opportunities to assist in implementing projects and methods to meet Colorado's consumptive and nonconsumptive water supply needs" (page 8) as called for in the Statewide Water Supply Initiative in that it combines funding from federal, state, and local sources to meet natural resource goals of the basin.

This project directly supports the goals of the Gunnison Basin Implementation Plan (GBIP):

The Lower Aspen Canal Piping Project conforms to and meets the goals of the GBIP as a Tier 1 priority project by addressing the goals of "Improving agricultural water supplies to reduce shortages" and "restoring, maintaining, and modernizing critical water infrastructure..." (page 4).

The Lower Aspen Piping Project was originally planned for construction utilizing CRSP MOA funds and Reclamation completed all engineered plans and cost estimation, and NEPA and Cultural Resource compliance (FONSI signed February 2019). Unfortunately, the State of Colorado CWCB informed the applicant that the CRSP MOA funds originally targeted for this project had to be used to complete current CRSP projects in progress that were over-budget. With your (CWCB) support and partnership this project can be made whole again.

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Water Activity Justification

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

Matching Requirements: Basin Account Requests	
Basin (only) Account grant requests require a 25% match (cash and/or in-kind) from the Applicant or 3 rd party and shall be accompanied by a letter of commitment as described in the 2016 WSRF Criteria and Guidelines (submitted on the contributing entity's letterhead). Attach additional sheet if necessary.	
Contributing Entity	Amount and Form of Match (note cash or in-kind)



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Matching Requirements: Basin Account Requests	
Total Match	
If you requested a Waiver to the Basin Account matching requirements, indicate the percentage you wish waived.	N/A

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 3rd party (cash, in-kind, or combination). The remaining 30% of the required match may be provided from any other source (Basin, applicant, or 3 rd party) and shall be accompanied by a letter of commitment . Attach additional sheet if necessary.	
Contributing Entity	Amount and Form of Match (note cash or in-kind):
Gunnison Basin RT WSRF – (Cash; Pending)	\$50,000
Reclamation Salinity Control Program (Cash; Request in progress)	\$575,000
Colorado Non-Point Source Grant Program (Cash; Secured)	\$375,000
NPS Water-Quality Implementation Fund (Cash, Secured)	\$20,000
Colorado Species Conservation Trust Fund (Request in progress SMP Science Team)	\$33,500
Colorado Water Plan (Request in progress)	\$274,000
Crawford Water Conservancy (In-kind; Committed)	\$10,000
Crawford Water Conservancy (Cash; Committed)	\$28,450
Reclamation Western CO Area Office (Co River Storage Project Funds; In-kind)	\$167,300
Colorado River District (In-Kind; Committed)	\$3,800
Total Match	\$1,537,050
If you requested a Waiver to the Statewide Account matching, indicate % you wish waived. (Max 50% reduction of requirement).	N/A

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.

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Related Studies

The Federal **Selenium Management Program (SMP)** in the Gunnison Basin has had significant success implementing BMPs that have measurably reduced selenium loading through targeted off-farm selenium control projects (40% load reduction in the Gunnison Basin at Whitewater since 1986, USGS Selenium Trend Study, 2018).

Gunnison Basin Selenium TMDL (2011): The TMDL quantifies load reduction targets for the Cottonwood Creek drainage. This project will reduce an estimated 24 lbs selenium loading to the Colorado River System which is 24-36% of the necessary 66 lb reduction required to meet chronic aquatic life standards in the Cottonwood Creek drainage. This project has generous funding support from the Colorado Water Quality Control Division, Non Point Source Program (\$445,000 – Total Award).

Salinity Control Program: This project will result in measurable water-quality and quantity improvement including the elimination of 369 tons of salt load and the conservation of up to 220 acre-feet of additional annual water supply due to elimination of seepage loss. This project is a critical component of a large, comprehensively planned, irrigation system modernization project, cooperatively spearheaded by the CWCD, Reclamation and Colorado River District and supported by the CWCB (See Lower Gunnison Project description below).

Reclamation Water Management Plan (2008) and Crawford Master Plan (2016): The Lower Aspen Canal is identified as a high priority area for delivery system improvement (e.g. piping) in both the Reclamation Water Management Plan and CWCB funded Crawford Master Plan. In addition, the Master Plan also identifies SCADA implementation throughout key points in the Smith Fork area. A preliminary SCADA Master Planning process for the Crawford Focus area, a component of the Lower Gunnison Project RCPP, expands/leverages the benefits of this irrigation water management project.

USGS Cottonwood Creek Loading Analysis (2008): Identified Cottonwood Creek as the highest selenium loading sub-basin in the Smith Fork Watershed and a targeted priority area for implementation by the Gunnison Basin Selenium Task Force since

Smith Fork of the Gunnison Watershed Assessment, WSCC, 2016.

Gunnison Basin Implementation Plan: In particular, the project is identified as a Tier 1 project in the Basin Implementation Plan for the Gunnison Basin Roundtable.

Lower Gunnison Project: The proposed project is well aligned with, and coordinated with several overlapping complementary piping and irrigation water management control efforts in the area (Please see Map in Appendix B which highlights those projects and their inter-related, but non-duplicative nature). Cooperators in the Smith Fork have been brought together under the LGP RCPP with the express purpose of facilitating communication, optimize the system, and leveraging resources. Community objectives related to water quality and quantity improvement are directly aligned with the purposes of the proposed project priorities.

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



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Previous CWCB Grants

Applicant Name: Colorado River District

Water Activity Name: Crawford WCD System Optimization Master Plan

Funding through the Colorado Species Conservation Trust Fund (No RT approval required)

CWCD Board Meeting Date—Unknown

FY 2015 contract for funds Contract Number - #CTGG1 2015-3110

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 Crawford Water Conservancy District passed ballot measure 60 in 2018 De-Brucing the district, therefore there are no TABOR issues for the applicant.

