



Colorado Water Conservation Board

Water Plan

Water Project Summary

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| Name of Applicant | Dominion Water & Sanitation District |
| Name of Water Project | Drought and Water Shortages – Planning and Regulations |
| Grant Request Amount | \$34,240.00 |
| Primary Category | \$34,240.00 |
| <i>Conservation & Land Use Planning</i> | |
| Total Applicant Match | \$79,412.00 |
| <i>Applicant Cash Match</i> | \$52,712.00 |
| <i>Applicant In-Kind Match</i> | \$26,700.00 |
| Total Other Sources of Funding | \$0.00 |
| Total Project Cost | \$113,652.00 |

Applicant & Grantee Information

Name of Grantee: Dominion Water & Sanitation District
Mailing Address: 9250 E Costilla Ave, Ste 315 Greenwood Village CO 80112
FEIN: 731,729,122

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Grant Management Contact: Andrea Cole
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Description of Grantee/Applicant

Dominion Water & Sanitation District, Sterling Ranch Community Authority Board, and Sterling Ranch Development Company are excited for the opportunity to implement the state's first rainwater harvesting project at Sterling Ranch. After collecting data for over a decade associated with the Sterling Ranch Rainwater Harvesting Pilot Program, it is time to move forward with the implementation of an actual project to harvest rainwater on a regional scale. Dominion and its partners are seeking a Water Plan grant for the initial feasibility study, operational plan defining the legally allowable harvest, and design and construction of the rainwater collection and distribution system to be retrofitted into the existing stormwater system.

Type of Eligible Entity

☐ Public (Government)



- ☒ Public (District)
- ☐ Public (Municipality)
- ☐ Ditch Company
- ☐ Private Incorporated
- ☐ Private Individual, Partnership, or Sole Proprietor
- ☐ Non-governmental Organization
- ☐ Covered Entity
- ☐ Other

Category of Water Project

- ☐ Agricultural Projects
Developing communications materials that specifically work with and educate the agricultural community on headwater restoration, identifying the state of the science of this type of work to assist agricultural users among others.
- ☒ Conservation & Land Use Planning
Activities and projects that implement long-term strategies for conservation, land use, and drought planning.
- ☐ Engagement & Innovation Activities
Activities and projects that support water education, outreach, and innovation efforts. Please fill out the Supplemental Application on the website.
- ☐ Watershed Restoration & Recreation
Projects that promote watershed health, environmental health, and recreation.
- ☐ Water Storage & Supply
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.

Location of Water Project

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|---------------|---|
| Latitude | 39.485993 |
| Longitude | -105.069815 |
| Lat Long Flag | Water district centroid: Coordinates based on centroid of water district boundary |
| Water Source | Dominion's current water supply is the South Platte River. |
| Basins | Metro; South Platte |
| Counties | Douglas |
| Districts | 2-South Platte: Denver Gage to Greeley; 8-South Platte Cheesman to Denver Gage |

Water Project Overview

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|-------------------------------------|---|
| Major Water Use Type | Municipal |
| Type of Water Project | Planning (e.g. watershed) |
| Scheduled Start Date - Design | 3/1/2022 |
| Scheduled Start Date - Construction | |
| Description | <p>Dominion is developing Rules and Regulations to define the foundational roles and responsibilities of Dominion and its retail water providers. Drought is a key component to these Regulations which will outline the main components of a Dominion Drought and Water Shortage Plan (Plan). The Plan will build on the Regulations, providing guidance to implement a well-coordinated and effective drought response at both the customer and wholesale level. Questions that will be explored during the Plan development and that other water providers may face include:</p> |

- 1) What is the appropriate balance between regulatory measures, to enforce water demand reductions, and incentives?
- 2) How can a drought response framework be developed to incentivize water efficiency best practices with both existing development and planned new development?
- 3) How can drought response be implemented in a fair and equitable manner among Dominion's retail providers that range from less efficient traditional practices to providers with sophisticated cutting-edge conservation practices?
- 4) What is an appropriate level of drought response in communities that are highly water efficient, where relatively little additional savings can be achieved without extreme measures?

Dominion is seeking grant funding for the development of the Drought and Water Shortage Plan.

Measurable Results

New Storage Created (acre-feet)
 New Annual Water Supplies Developed or Conserved (acre-feet), Consumptive or Nonconsumptive
 Existing Storage Preserved or Enhanced (acre-feet)
 New Storage Created (acre-feet)
 Length of Stream Restored or Protected (linear feet)
 Efficiency Savings (dollars/year)
 Efficiency Savings (acre-feet/year)
 Area of Restored or Preserved Habitat (acres)
 Quantity of Water Shared through Alternative Transfer Mechanisms or water sharing agreement (acre-feet)
 30,000 Number of Coloradans Impacted by Incorporating Water-Saving Actions into Land Use Planning
 Number of Coloradans Impacted by Engagement Activity

Other

This plan provides an example of a Wholesale water provider Drought Management Plan in an area that is already very water efficient. Other water providers may benefit from reviewing this plan and therefore this Plan may be of benefit to other Coloradans outside of Dominion's service area.

Water Project Justification

Dominion's Drought and Water Shortage Plan and Rules and Regulations support the goals of the Colorado Water Plan and accompanying Technical Update as well as the South Metro/Metro Basin Implementation Plan and State's education efforts. This is described in further detail below.

The following items highlight the goals in the South Platte/Metro BIP that are specifically related to Dominion's Drought and Water Shortage Plan and Rules and Regulations. Applicable BIP strategies for each corresponding goal are parenthetically cited.

Goal 1: Encourage implementation of projects - Dominion's water supply includes Water Infrastructure Supply Efficiency Partnership (WISE) water. Dominion is also in the process of seeking additional supplies through the Dominion Rainwater Harvesting Storage Project and collaborating on a South Metro Water Supply Authority ASR Project. All three projects are on the Metro/South Platte BRT identified projects list. A key component of Dominion's drought mitigation approach that will be outlined in their Plan, is to collaborate with regional water providers to implement these identified projects and support appropriate project funding sources (Strategies 1.A, 1.B).

Goal 2: Maximize development of native South Platte supplies – Dominion’s Plan will include a comprehensive list of Dominion’s drought mitigation strategies. Such strategies will include multi-purpose projects, to include indirect potable reuse, and methods to effectively use groundwater and conjunctive use, optimizing the use of Dominion’s native South Platte supplies. Dominion’s drought response will focus on the sharing of drought-related data and best practices that will further extend Dominion’s native South Platte water supplies during drought and shortages (Strategies 2.A, 2.B, 2.C).

Goal 3: Maintain and promote municipal and industrial conservation and efficiency – Dominion’s vision stated in its draft Drought and Water Shortage Rules and Regulations is as follows: Vision: Dominion is committed to providing a reliable water supply to its retail water providers, working closely with each retail water provider and regional partner to promote the efficient use of this valuable limited resource. Water efficiency is a critical component to Dominion’s water supply portfolio and future development within its service and this vision is interwoven throughout the Regulations and will be included in elements of Dominion’s Plan.

Key areas in where Dominion’s Plan will intersect with the Goal 3 BIP strategies include the following:

During the Plan development, Dominion will explore the challenges/tradeoffs of how different water efficiency standards/baselines translate to water savings when water restrictions are implemented. For instance, the water savings that may be achieved through mandatory restrictions in Sterling Ranch, a community designed to be water efficient, will be very different than savings that can be achieved from homes with traditional irrigated turf (Strategy 3.A).

Dominion’s drought response efforts will focus on the sharing of drought-related data and best practices that will extend Dominion’s water supplies during drought and shortages (Strategy 3.B).

One of Dominion’s operating principles identified in the draft Rules and Regulations is: “Encourage innovative collaborative approaches to addressing water shortage-related challenges both regionally and within Dominion’s local service area.” This will entail innovation and efficiency improvements during periods of drought and water shortages (Strategy 3.C).

There are a range of benefits associated with urban landscapes and green spaces. Dominion’s Plan will address these benefits through the lens of drought mitigation and response (Strategy 3.D).

Dominion’s Plan will be structured in a manner to promote implementation of wise land use planning strategies that provide a desirable quality of life while minimizing demand for water. Guidelines for retail water providers will include the promotion of water efficient designs and retrofits in all aspects of existing and future development by requiring retail water providers to structure their drought response plans such that water efficient landscapes and indoor uses are impacted to a lesser degree during drought than less water efficient uses, providing an incentive for water efficient planning and landscapes (Strategies 3.E and 3.F).

Goals 5: Maintain and improve irrigated agriculture – Dominion is in the process of developing its water supply portfolio where water conservation, reuse, multi-purpose projects, and other innovative water-sharing strategies play a strong role. These strategies minimize traditional permanent buy-and-dry or irrigated acreage in the South Platte Basin. Dominion will also explore beneficial opportunities with incorporating ATMs if and when presented. (Strategy 5.A and 5.E)

Goal 9: Support collaborative development and management of supply options outside of the South Platte Basin – Dominion relies on west slope water supplies to meet its water demands and therefore has a vested interest in collaborative strategies between the east and west slope. We view supporting these collaboration efforts as drought mitigation and will include this in the Plan as a mitigation strategy. (Strategy 9.A)

Goal 10: Utilize scenario planning to better manage uncertainty of future water needs – The Dominion Drought and Water Supply Plan will involve the development of three to five drought stages of varying drought/shortage intensities. This is essentially a form of scenario planning where an appropriate level of response will be developed for each drought stage/scenario (Strategy 10.A)

Goal 11: Broaden South Platte communications, outreach, and education programs – Dominion's Plan will provide a framework for communications between Dominion and its retail water providers as well as provide guidelines on the communication between Dominion's retail water providers with their end-use customers. Through these avenues, Dominion can take an active role in collaborating with the Metro BRT on mutually beneficial educational efforts and filter such efforts to the customer level. For example, the South Platte BIP goals, strategies, priorities and measurable outcomes can be conveyed via Dominion to the retail provider and via the retail provider to the customer. (Strategies: 11.E, 11.F)

The following items address how Dominion's drought planning efforts support the relevant objectives (in italics) in the Colorado Water Plan.

Supply – Reduce the projected 2050 M&I gap from 560,000 AF to 0 by 2030. Dominion's service area is anticipated to significantly grow by 2050 and is at the forefront of reducing the projected 2050 M&I gap through a combination of water acquisition and storage strategies to further develop its water supply portfolio. These water acquisition and storage strategies are an important component of securing Dominion with adequate water supplies during drought and therefore is strategic Dominion's drought mitigation efforts. These mitigation strategies will be included and supported in Dominion's Drought and Water Shortage Plan. Furthermore, water conservation also plays an important role in meeting the 2050 gap. This is discussed in further detail in the bullet below.

Conservation – Achieve 400,000 AF of M&I conservation of water by 2050. As discussed above in the Metro/South Platte BRT discussion, water conservation is a critical component to Dominion's future water supply portfolio. Dominion Drought and Water Shortage Rules and regulations spells out the following vision which will also be included in Dominion's Drought and Water Shortage Plan: "Vision: Dominion is committed to providing a reliable water supply to its retail water providers, working closely with each retail water provider and regional partner to promote the efficient use of this valuable limited resource." This vision will be incorporated throughout Dominion's Plan including in its operating principles and in its drought response framework which will promote new development that is water efficient.

Land use- Ensure 75% of Coloradans live in water-saving communities by 2025. As discussed above, Dominion's Plan will be structured in a manner to promote implementation of wise land use planning strategies that provide a desirable quality of life while minimizing demand for water including promoting water efficient landscaping. Guidelines for retail water providers will include proven techniques implemented by Dominion's existing retail customer that includes promotion of water efficient designs in all aspects of existing and future development by requiring retail water providers to structure their drought response plans such that water efficient landscapes and indoor uses are impacted to a lesser degree during drought than less water efficient uses, providing an incentive for water efficient planning and landscapes

Storage – Attain 400,000 AF of water storage to manage and shared conserved water by 2050. Additional surface water storage and aquifer storage recovery (ASR) are important components to Dominion's drought mitigation efforts. Such efforts will be included as drought mitigation strategies in the Dominion Drought and Water Shortage Plan.

Education – Improve the level of public awareness by 2020 and engage Coloradans on key water challenges by 2030. Dominion's Drought and Water Shortage Plan will provide a framework for communications between Dominion and its retail water providers as well as provide guidelines on the communication between Dominion's retail water providers with their end-use customers. This framework and guidelines will increase awareness and engage customers on important water challenges associated with drought.

Additional – Respond and prepare for natural disasters, climate change, and energy needs, while protecting interstate matters. Drought is a natural hazard that is projected to increase in severity, duration and frequency in Colorado. Dominion's Drought and Water Shortage Plan in combination with its Rules and Regulations will provide the means to avoid and reduce impacts associated with this hazard.

The items below disclose how Dominion's drought planning efforts conform to Colorado's Water Plan Framework for State of Colorado Support for a Water Project. The questions are provided on pages 9-43 and 9-44 in the Colorado Water Plan.

Does the project proponent demonstrate a commitment to collaboration?

Yes, Dominion's draft Rules and Regulations call for collaboration among Dominion, its retail water providers, and regional partners. Collaboration will be integrated throughout Dominion's Plan. Additionally, the Plan will include the following operating principle: "Encourage innovative collaborative approaches to addressing water shortage related challenges both regionally and within Dominion's local service area."

Does the project proponent address an identified water gap?

Yes, Dominion is in the process of developing its water supply portfolio to deliver reliable and renewable supplies to current and future retail providers in its service area. Additional water supplies and storage will be necessary to meet this projected gap. Such efforts to acquire these supplies and storage will be disclosed as drought mitigation in Dominion's Plan. The Plan will also include a drought mitigation implementation plan.

Does the project proponent demonstrate sustainability?

Yes, Dominion is actively working on developing new renewable water supplies in combination with Denver Basin groundwater. Dominion is committed to providing 70% renewable water supplies to its customers, to date Dominion has delivered 100% renewable supplies. Conjunctive use will be an important component to a sustainable supply. Dominion's Plan will include new renewable supplies, conjunctive use, and storage as drought mitigation strategies and also include a drought mitigation implementation plan.

Does the project proponent establish the fiscal and technical feasibility of the project?

Yes, Dominion has invested in developing Drought and Water Shortage Rules and Regulations which calls for the development of the Plan. Dominion has budgeted additional matching funds to complete the Dominion Plan along with receiving Colorado Water Plan grant monies. The Plan will be developed according to the parameters laid out in the Rules and Regulations along with CWCB's 2020 Drought Management Planning: A Guide for Water Provider.

Related Studies

Related studies and supporting documents include:

- 1) CWCB. 2020. Drought Management Planning: A Guide for Water Providers.
- 2) 2013. Agreement and Declaration of Water Conservation Covenants for Sterling Ranch.
- 3) 2013. Sterling Ranch Water Plan.
- 4) CWCB. 2012. Municipal Water Efficiency Plan Guidance document.
- 5) CWCB. 2019. Best Practices for Implementing Water Conservation & Demand Management Through Land Use Planning Efforts.

This project is complementary to CWCB's efforts in providing technical assistance to municipalities on drought planning. The Plan will be developed in accordance with CWCB's updated municipal drought management

planning guidelines, 2020 Drought Management Planning: A Guide for Water Providers. The Plan will also utilize the CWCB template and the worksheets provided in the guidelines.

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.