



COLORADO

**Colorado Water
Conservation Board**

Department of Natural Resources

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TO: Colorado Water Conservation Board Members

FROM: Ben Wade & Dori Vigil
Water Supply Planning Section

DATE: July 5, 2023

AGENDA ITEM: Consent Agenda 2a-b, Water Supply Reserve Fund, Grant
Funding Recommendations

Staff Recommendation - Action Items: WSRF Grant Requests:

A summary of staff's recommendation for each WSRF application are provided in the first component of the attached table.

Favorable recommendations may be contingent on the applicants' abilities to resolve issues and additional needs in the attached Water Activity Summaries. Please refer to the Water Activity Summary Sheets contained within this agenda item to find a summary of staff's review and any conditions associated with each recommendation.

Background:

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

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

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

- 1) Applications are reviewed for completeness based on the information requirements, which are primarily outlined in the Grant Guidelines.
- 2) Applications are reviewed to verify that the water activity meets the eligibility requirements in Section 39-29-108 (III) C.R.S. (C&G, Part 2) and the threshold criteria, which are based on the requirements of Section 39-29-108 (III) C.R.S., and two sections of the Water for the 21st Century Act (House Bill 1177); Section 37-75-102 and Section 37-75-104(2)(c) (C&G, Part 3). Staff also verifies that the applicant was an eligible entity to receive funding (C&G, Part 2).



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

Water Supply Reserve Fund Balance Summary and Project Status Report:

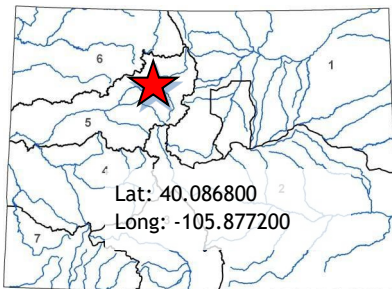
To provide the Board updates on the status of specific Water Supply Reserve Fund grant applications and projects, staff can provide a status report of the following information upon request:

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





Water Supply Reserve Grant Application



LOCATION
County: Grand
Drainage Basin: Colorado

DETAILS	
Total Project Cost:	\$156,930
Total WSRF Grant Request:	\$78,015
Colorado Basin Account Request:	\$78,015
Recommended Amount:	\$78,015
Other CWCB Funding:	\$0
Other Funding Amount:	\$73,020
Applicant Match:	\$5,895
Project Type: Implementation/Construction	
Major Water Use Type: Agricultural	
Measurable Result: \$15,000 efficiency savings/year; 291,083 Coloradans impacted by incorporating water-saving actions into Land-Use planning	

The applicant is a mutual ditch and reservoir company with 49 shareholders and provides water for agricultural users on Granby Mesa. The Vail Ditch Irrigation System has a 1909 pre-compact water right of 63.5 cubic feet per second (cfs). The applicant currently has a contract with the City of Englewood for 850 acre-feet per year of storage in Meadow Creek Reservoir.

The proposed project implements water efficiency and infrastructure improvements to conserve and better utilize the applicant's Vail Ditch water supplies. 41 ditch system improvements and conservation measures have been identified and will be implemented in two phases. Improvements include installing or replacing headgates, a pond relief gate, flumes and a splitter structure, installing new piping, cleaning out ditches and removing willows that impede flows.

If approved, WSRF funds will be used to implement the 17 high-priority phase-1 projects identified in the 30% design by an engineering firm. The applicant's matching funds will support 14 other phase-1 projects.

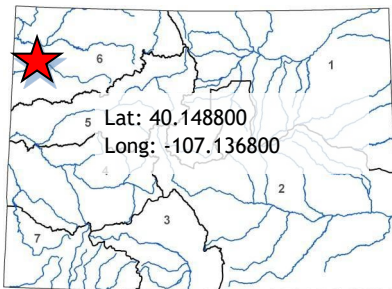
The project meets partner actions in the Water Plan by helping to meet future water needs replacing diversion structures. The project also aligns with the Colorado Basin Implementation Plan.

Issues/Additional Needs: Prior to contracting, the applicant must secure all match funding. No further issues or additional needs have been identified.

Funding Recommendation: Staff recommends approval of up to \$78,015 from the Colorado Basin Account. Project approval is contingent upon the applicants' abilities to resolve issues and additional needs identified by staff.



Water Supply Reserve Grant Application



LOCATION
County: Rio Blanco
Drainage Basin: Yampa-White-Green

Sheriff Reservoir provides the sole source of water storage for the applicant and is a high elevation reservoir. The Town has a population of 944 and owns the dam and water rights in the reservoir.

Three significant dam safety issues have been identified by the Colorado Division Water Resources (DWR) at this 68-year-old dam. The spillway capacity is well below the minimum DWR requirements. Sinkholes were identified in the dam's foundation, which indicates a potential for dam failure due to foundation erosion. The Town made temporary sinkhole repairs which are not a permanent solution. The outlet works gate is experiencing operational problems due to the age of the outlet gate which is as old as the dam. A CWCB Loan Feasibility report indicates a total project cost of rehabilitating the dam could be \$13 million in 2022 dollars as inflation has significantly impacted the anticipated installation cost.

If approved, WSRF grant funds will be used to help fund removal and replacement and installation of the outlet works

gate, installing a new combined vent pipe/ reservoir staff gage, installation of a trash rack and operating equipment. This project aligns with the Yampa-White-Green Basin Implementation Plan.

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

Funding Recommendation: Staff recommends approval of up to \$22,500 from the Yampa-White-Green Basin Account and up to \$42,500 from the Statewide Account. Project approval is contingent upon the applicants' abilities to resolve issues and additional needs identified by staff.

DETAILS	
Total Project Cost:	\$225,000
Total WSRF Grant Request:	\$65,000
Yampa-White-Green Basin Account Request:	\$22,500
Statewide Account Request:	\$42,500
Recommended Amount:	\$65,000
Other CWCB Funding:	\$0
Other Funding Amount:	\$80,000
Applicant Match:	\$80,000
Project Type: Implementation/Construction	
Water Use Type: Municipal	
Statewide Category: Aging Infrastructure	
Measurable Result: 987 acre-feet of existing storage preserved or enhanced; 944 Coloradans impacted by engagement activity; 37 acres of preserved habitat.	

