

FEASIBILITY STUDY

HEADGATE REHABILITATION and PIPELINE INSTALLATION

for and submitted by the

MORRISANIA WATER SUPPLY COMPANY

Submitted to

THE COLORADO WATER CONSERVATION BOARD

August 1, 2022

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Morrisania Water Supply Company Board of Directors

President	Chris Beasley
Vice President	Nate Schaeffer
Board Members	Sean Reider
	Reid Koeneker
	Henry Pacheco
Secretary/Treasurer	Amy Beasley

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Acknowledgements to those who assisted in the preparation of this document

Judy Sappington, Author of Feasibility Study

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Emily Schwaller, Mike Kishimoto, Dennis Davidson, Bookcliff Conversation District

Paul Kehmeier, Colorado Department of Agriculture

PURPOSE

The Morrisania Water Supply Company (MWSC) has an antiquated irrigation water supply system. The head gate and spillback control gate concrete continue to spall due to extreme weather conditions in both the summer and winter. The spillback control gate is minimally operational and needs a total replacement. Just below the head gate, high water has the potential to wash out the ditch bank, sending the diverted water back to the creek. See photos in Appendix B.

There are approximately 1,350 feet of ditch that remains open, suspect to evaporation, phreatic consumptive use, transit loss and heavy maintenance by the MWSC.

By execution and completion of this project, the administration of 14.567 cfs of pre-Compact water can be more safely, efficiently and protected for the future.

PROJECT SPONSOR

The Morrisania Water Supply Company (MWSC) supplies irrigation and stock water to the Morrisania Ranch subdivision on Battlement Mesa, located southeast of Parachute. See Appendix A, Site Location Map. The MWSC serves 65 families on 880 acres in a subdivision approved in the early 1900's. The water supply is delivered from Battlement Creek via the Battlement Ditch. The Company's water rights total 14.567 cfs, in various priorities, all pre-Compact.

The MWSC is a non-profit, incorporated ditch company. Revenue is generated through an annual assessment of \$30 per share for 880 shares (1 share per acre) resulting in \$26,400.

The water use consists of irrigation of typical single family home gardens and lawns and large acre single crop irrigation of pasture grass. Fire suppression is also a critically anticipated use of the summer water.

The water system includes between 3 and 4 miles of MWSC main lines and 23 diversion boxes. All but the approximately 1,350 feet of ditch are enclosed in pipe. Many of the diversion boxes need rehabilitation which the MWSC expects to address in the coming years.

PROJECT SERVICE AREA

A map of the service area is found in Appendix A, Garfield County: Latitude 39.436068° N, Longitude 107.978424° W.

LAND OWNERSHIP

There are two landowners on which the project is located. Randy Warren owns the land where the head gate, spillway control gate and approximately 700 feet of pipeline will be installed. The Clem Ranch/Clem Energy Management Company owns the land where approximately 650 feet of pipeline will be installed. Both owners have given consent to the MWSC for this project, per NRCS standards.

Randy Warren has no water rights diverted into the Battlement Ditch; therefore, he has no financial interest in this project. The Clem Ranch has a 25% interest in the water rights diverted in the Battlement Ditch. See Water Rights and Water Demands in the next section. They will not be a financial sponsor for this project.

WATER DEMANDS and WATER RIGHTS

Listed below is the MWSC working copy of the water rights for Battlement Creek. The list gives all the water rights relative to administration and understanding for administration for the water commissioner and the MWSC members. The Battlement Ditch is inherent in this list.

Morrisania Water Supply Company receives its water from Battlement Creek through the Battlement Ditch. The state regulates the amount based on the following allocations:

Priority	Name of Ditch	Amount (cfs)	Running Total (cfs)
1. 25	Battlement Ditch	1.67 *	1.67
2. 28	Huntley Ditch	1.67	3.34
3. 33	Battlement Ditch	6.67 *	10.01
4. 44	RF Ditch	2.00	12.01
5. 60	Hewitt Milburn Ditch (O'Toole)	2.58	14.59
6. 67	Dobey Ditch	1.97	16.56
7. 67	RF Ditch	2.77	19.33
8. 68	Huntley Ditch	4.50	23.83
9. 71	Musconetcong Ditch	2.42	26.25
10. 80	Shutt Ditch	3.00	29.25
11. 81	Battlement Ditch	3.00 *	32.25
12. 85	Battlement Ditch	3.33 *	35.58
13. 100	Shutt Ditch	3.00	38.58
14. 101	RF Ditch	2.83	41.41
15. 103	Huntley Ditch	5.00	46.41
16. 108	Musconetcong Ditch	2.67	49.08
17. 110	Battlement Ditch	2.00	51.08
--- ---	Numerous ditches	9.32	60.40
??.	Battlement Ditch	3.06	63.46

* 25% of these water rights are owned by Clem and delivered at their inlet screen.

$$1.67 + 6.67 + 3.00 + 3.33 = 14.67 \text{ cfs}$$

$$14.67 \times 25\% = 3.67 \text{ cfs, Clem portion}$$

The total of MWSC water rights is

$$(14.67 - 3.67) + 2.00 + 3.06 = 16.06 \text{ cfs}$$

16.06 cfs divided by 880 shares = 0.01825 cfs/share. (This is available only if the ditch has 16.06 cfs. If there is less water in the ditch, the cfs/share is decreased.)

$$1 \text{ cfs} = 450 \text{ gal/min}; 16.06 \text{ cfs} \times 450 \text{ gal/min} = 7,227 \text{ gal/min divided by 880 shares} = 8.21 \text{ gal/min/share}$$

The 8.21 gal/min/share is theoretical. If calculating, please consider transit losses and creek fluctuations, which vary on a daily basis.

Note: The Clem property located uphill and to the south of the Ranch is legally entitled to 25% of the water rights listed for the Battlement Ditch with an asterisk. This water is delivered via the common head gate and delivered at approximately 1,700 feet below the head gate. The Clem property is not a part of the MWSC and is not included in any assessments.

The water demands on the system are for summer irrigation and livestock and winter livestock. There is no domestic use. There is one augmentation plan for a single family dwelling within the subdivision. There is no direct flow nor return flows returning to the Colorado River from the diversion at the Battlement Ditch. The water demands on the system are expected to remain constant since the subdivision cannot be expanded. Any future proposals for an expanded domestic use needing augmentation water and a dry up of acres will be opposed by the MWSC.

Due to the aging infrastructure of the head gate and spillback control gate, improvements should be made to maintain the integrity of these structures.

It is unknown the exact year these two structures were installed. It is assumed, by longtime residents, that they were possibly installed in the Mid 1900's. Photographs are shown in Appendix B.

The concrete surrounding the head gate is spalling on both right bank prior to entering the head gate and downstream of the head gate, on the existing wing walls. Although the

spillback control gate concrete is spalled less, the gate itself does not adequately shut, thus allowing water to bypass to the creek. The spillback control gate provides a means of pressuring the head gate to help guarantee the legal amount of water for diversion. The Battlement Ditch is the highest ditch on Battlement Creek. When necessary, the spillback control gate is used, when fully shut, to measure the remaining water in the creek by the State water commissioner. This allows a more efficient method for administration. By improving the structural integrity of both these units will help guarantee the safety of both the MWCS's ditch rider and State water commissioner.

The installation of approximately 1,350 feet of pipe in an existing open ditch will minimize the need for maintenance by the MWSC ditch rider. Safety for the MWSC's ditch rider will be enhanced throughout this portion of the ditch. Transit losses and phreataphytic growth will be minimized, if not eliminated. Transit losses by the Bookcliff Conservation District were estimated to be 30% in low flows. The installation of this length of pipe will make the MWSC irrigation system fully in pipe.

ALTERNATIVES EVALUATED

Alternative 1. No action.

Alternative 2. Use 1,000' of 24" buried, solid wall HDPE to replace open ditch. Completely replace concrete diversion wing walls and head gate; completely replace concrete bypass and its spill gate.

Alternative 3. Use 1,350' of 24" buried, solid wall HDPE to replace open ditch. Rehabilitate spalling concrete diversion walls and install new bypass diversion structure.

Alternative 1 was considered unacceptable due to it not providing any benefit for 1) water loss due to evaporation and seepage 2) improved safety to water commissioner and ditch rider and 3) any financial benefit to the Company for maintenance and probable future repairs.

Alternative 2 was not considered when the MWSC realized 1) a greater distance of underground pipe could be installed 2) the diversion and spill back concrete could be rehabilitated rather than totally replaced and 3) the existing head gate is in good working order.

Alternative 3 was selected due to its providing the best solution to the diversion structure, head gate, bypass diversion structure and ditch rehabilitation costs.

SOCIAL, ECONOMIC AND PHYSICAL IMPACTS

The social impact will allow the landowners a more useable and safer property because the open ditch will become a closed system. Minimal, if any, pedestrian or livestock traffic will negatively impact the buried pipeline. The project will assure the continued operation of a currently existing irrigation system. The enclosed pipe system will give a more of a stable water supply for the MWSC and its shareholders.

The physical impact of the project will eliminate phreatophytic growth along the ditch bank. There will be no evaporation and seepage losses. The ditch banks will be more stable against erosion. The buried pipe will eliminate a possible breach of an open ditch due to local rain events and/or flash floods from the diversion point.

The economic benefit will allow the MWSC to allocate its maintenance funds for annual ditch cleanup to other uses. The safety of the water commissioner and ditch rider will be greatly enhanced by the installation of proper diversion wing walls and a solid bypass diversion structure.

FINANCIAL PLAN

The total cost of the project is estimated at \$420,000. A Budget Worksheet showing the Funding Sources and Budget Costs is given in Appendix C.

The MWSC has applied to the following agencies for sponsorship:

Bookcliff Conservation District. The Bookcliff Conservation District provided initial guidance to understand the needs of the MWSC's irrigation system. An onsite meeting was held in March 2021 with Bookcliff District staff and members of the MWSC to explore the Company's goals and priorities. In response, the Bookcliff Conservation District provided a ditch inventory for the Battlement Ditch, including a digital map of the service area, the ditch alignment and ditch appurtenances (Appendix A, Battlement Ditch Map). The ditch inventory and preliminary engineering were gratis. (In addition, the Bookcliff Conservation District

awarded a \$5,000 cost share grant to improve MWSC diversion boxes and \$1,000 cost share grant for weed control).

Colorado Cattlemen's Association (CCA). The CCA awarded to the MWSC \$22,000 for the rehabilitation of the head gate and spillback control gate and installation of buried pipeline. The grant was awarded by the Colorado Water Conservation Board through the Bookcliff Conservation District.

Colorado Department of Agriculture (CDA). The CDA awarded to the MWSC \$100,000 for the rehabilitation of the head gate and spillback control gate and the installation of buried pipeline. The grant was awarded through the Agricultural Drought Resiliency Fund.

Colorado River Water Conservation District (RD). The RD awarded to the MWSC \$50,000 for the rehabilitation of the head gate and spillback control gate and the installation of buried pipeline. The grant was awarded through the Community Funding Partnership.

Colorado Water Conservation Board (CWCB). The MWSC will apply with the CWCB for a loan through their Water Project Loan Program for the total cost of the project, estimated to be \$140,000.

National Resource Conservation Service (NRCS). The NRCS has awarded to the MWSC approximately \$102,000 through an EQIP application for the rehabilitation of the head gate and spillback control gate and the installation of buried pipeline. In addition, the MWSC has applied for Technical Service Provider (TSP) funding for \$3,000. The NRCS is conducting the cultural and historical reviews necessary for the grant.

The Loan Repayment Sources include the aforementioned grants and assessments from the MWSC members. The source for repayment of the long term debt of the CWCB loan will be additional assessments of MWSC shareholders. By approval by the members at the November 2021 annual meeting, an additional assessment was approved to pay down a loan, if necessary.

The Financial Statements for the MWSC for 2019, 2020, 2021 and 2022 YTD are included in Appendix D.

The CWCB Construction Loan Application is found in Appendix E.

No Tabor related constraints are known or anticipated.

COLLATERAL

The MWSC owns 14.657 cfs of pre-Compact water rights. The MWSC prefers to use these as collateral for the project.

In addition, the MWSC owns the Morrisania Community building located at 3188 County Road 301, Parachute. The actual value according to the Garfield County Assessor for 2022 is \$228,100. The MWSC prefers NOT to allocate this collateral in the event a short term bank loan is needed for this project.

PERMITTING

The NRCS conducted the Cultural Review and NEPA permit. No issues were found with these two reviews.

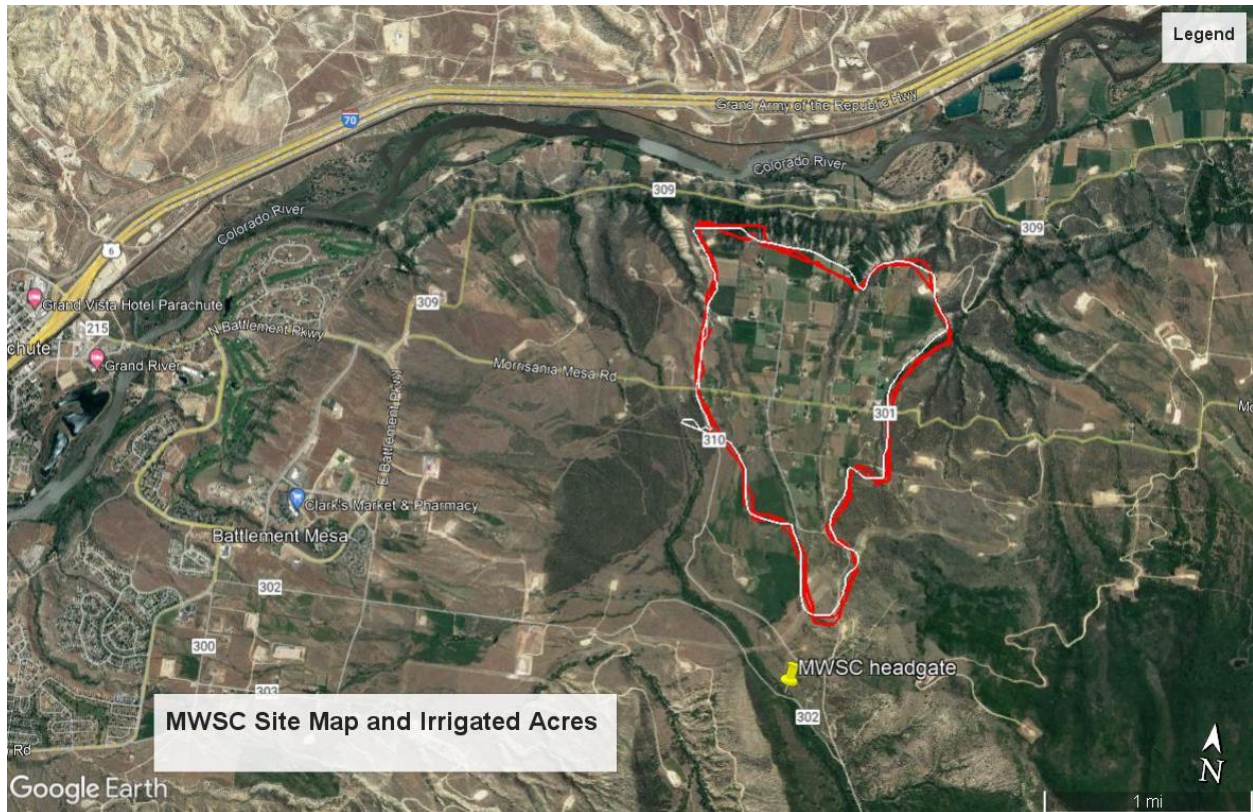
The Corps of Engineers reviewed the project and determined the project is non-jurisdictional.

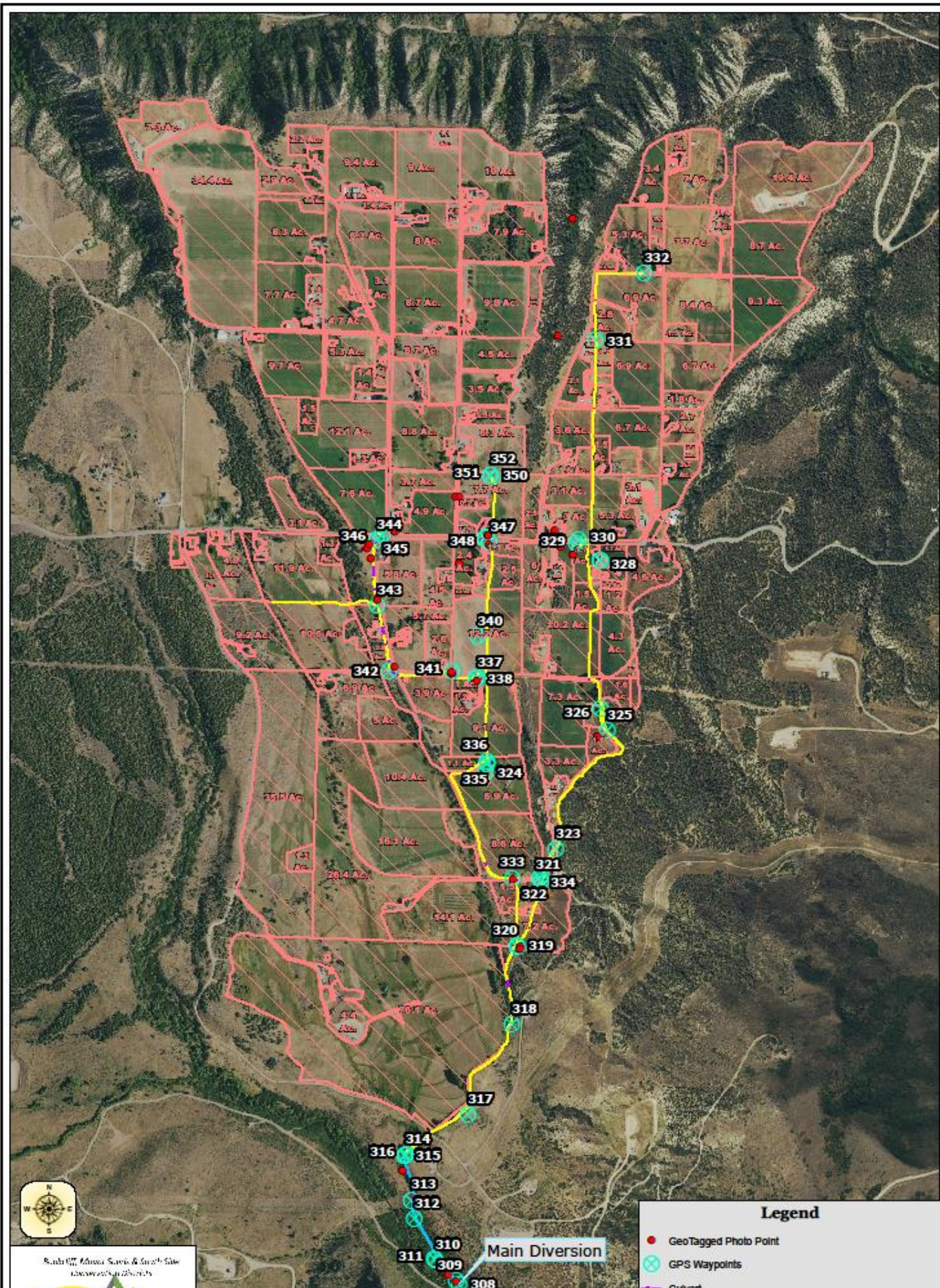
There is no waste water permit required by the CDPHE.

Necessary construction permits will be obtained by the MWSC or contractor before construction begins.

APPENDIX A

SITE LOCATION MAP





APPENDIX B PHOTOGRAPHS



**Head Gate Diversion, Right Bank Battlement Creek
Concrete Spalling Either Side of Head Gate**



Waste Control Gate d/s of Diversion Point



**Approximate Location of Start of Buried Pipe
30' d/s of Flume**



Looking d/s in Open Ditch



**Splitter Box at End of Open Ditch
End of Buried Pipe Approximately 30' u/s**

APPENDIX C

FUNDING SOURCES AND PROJECT BUDGET

Morrisania Water Supply Company Pipeline and Head Gate Project

Grant Funding

Colorado Cattleman's Association	\$22,000
Colorado Department of Agriculture	\$100,000
Colorado River District	\$50,000
NRCS EQIP	\$100,000
NRCS TSP	<u>\$3,000</u>
Total	\$275,000

Ditch Pipeline and Head Gate Budget

Construction JC Excavating	\$353,829
Engineering	\$27,000 (\$5,000 paid by MWSC)
Inspection & Certification	\$10,000
Contingency Fund	\$20,000
Legal (Ditch Agreement)	\$3,500
Project Coordinator Fees	\$3,500
CWCB Loan Fee	<u>\$1,500</u>
Total	\$420,000

Budget	\$420,000
Funding	<u>\$275,00</u>
Deficit	\$145,000
MWSC Payouts	<u>\$5,000</u>
Total Amount of Loan	\$140,000

APPENDIX D

FINANCIAL STATEMENTS

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Accrual Basis

Morrisania Water Supply Company Profit & Loss January through December 2019

	Jan - Dec 19
Ordinary Income/Expense	
Income	
Water Shares	17,511.00
Total Income	17,511.00
Expense	
Contract Services	
Ditch Rider	3,898.48
Contract Services - Other	1,346.57
Total Contract Services	5,245.05
Facilities and Equipment	
Workers Comp Insurance	468.00
Facilities and Equipment - Other	133.74
Total Facilities and Equipment	601.74
Operations	
Postage, Mailing Service	305.25
Supplies	25.60
Utilities	276.03
Total Operations	606.88
Other Types of Expenses	
Insurance - Liability, D and O	2,362.00
Total Other Types of Expenses	2,362.00
Payroll Expenses	602.22
Total Expense	9,417.89
Net Ordinary Income	8,093.11
Other Income/Expense	
Other Income	
Cash Assets from XFer of Commun	9,431.26
Total Other Income	9,431.26
Net Other Income	9,431.26
Net Income	17,524.37

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Accrual Basis

Morrisania Water Supply Company**Profit & Loss**

January through December 2020

	Jan - Dec 20
Ordinary Income/Expense	
Income	
Program Income	
Rental Income	145.00
Total Program Income	145.00
Water Shares	17,500.00
Total Income	17,645.00
Expense	
Contract Services	
Ditch Rider	2,088.00
Weed Mitigation	500.00
Contract Services - Other	1,788.76
Total Contract Services	4,376.76
Facilities and Equipment	
Building Maintenance	2,500.00
Water Box Repair Projects	20,251.32
Total Facilities and Equipment	22,751.32
Operations	
Building & D&O Insurance	2,816.00
Postage, Mailing Service	56.00
Printing and Copying	75.00
Property Taxes	887.37
Supplies	490.02
Utilities	743.56
Work Comp Insurance	422.00
Total Operations	5,489.95
Total Expense	32,618.03
Net Ordinary Income	-14,973.03
Net Income	-14,973.03

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Accrual Basis

Morrisania Water Supply Company
Profit & Loss
January through December 2021

	Jan - Dec 21
Ordinary Income/Expense	
Income	
Other Types of Income	
Miscellaneous Revenue	2.68
Reimbursement for box repair	250.00
Reimbursement for weed spray	125.00
Other Types of Income - Other	310.00
Total Other Types of Income	687.68
Program Income	
Membership Dues	360.00
Rental Income	150.00
Total Program Income	510.00
Water Shares	17,500.00
Total Income	18,697.68
Expense	
Business Expenses	
Office Supplies	200.89
Property Taxes	959.92
Total Business Expenses	1,160.81
closing account	140.91
Contract Services	
Ditch Rider	1,602.00
Legal Fees	1,212.50
Outside Contract Services	1,067.50
Weed Mitigation	1,000.00
Contract Services - Other	1,732.54
Total Contract Services	6,614.54
Facilities and Equipment	
Water Box Maintenance	-2,463.52
Water Box Repair Projects	4,386.88
Total Facilities and Equipment	1,923.36
Operations	
Postage, Mailing Service	174.00
Printing and Copying	82.00
Supplies	118.16
Utilities	764.93

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Accrual Basis

Morrisania Water Supply Company
Profit & Loss
January 1 through July 11, 2022

	Jan 1 - Jul 11, 22
Ordinary Income/Expense	
Income	
Direct Public Support	
Corporate Contributions	
Project Grant	2,858.59
Total Corporate Contributions	2,858.59
Total Direct Public Support	2,858.59
Indirect Public Support	500.00
Other Types of Income	
Miscellaneous Revenue	2.72
Total Other Types of Income	2.72
Water Shares	26,250.00
Total Income	29,611.31
Expense	
Business Expenses	
Accountant	1,710.00
Business Registration Fees	600.00
Property Taxes	1,987.20
Business Expenses - Other	70.00
Total Business Expenses	4,367.20
Contract Services	
Ditch Rider	909.00
Legal Fees	2,905.50
Outside Contract Services	26,191.41
Contract Services - Other	295.43
Total Contract Services	30,301.34
Facilities and Equipment	
Water Box Repair Projects	349.46
Workers Comp Insurance	545.00
Total Facilities and Equipment	894.46
Operations	
Printing and Copying	98.80
Supplies	155.46
Utilities	477.49

APPENDIX E
CWCB CONSTRUCTION LOAN APPLICATION



COLORADO

Colorado Water
Conservation Board

Department of Natural Resources

Water Project Loan Program

Projects financed by the Water Project Loan
Program must align with the goals identified in
Colorado's Water Plan and its measurable
objectives.

Application Type	
☐ Prequalification (Attach 3 years of financial statements) ☒ Loan Approval (Attach Loan Feasibility Study)	
Agency/Company Information	
Company / Borrower Name: Morrisania Water Supply Company	
Authorized Agent & Title: Mr. Chris Beasley	
Address: PO Box 431 Parachute, CO 81635	
Phone: (970) 261-7447	Email: beasley3656@gmail.com
Organization Type: ☒ Ditch Co. ☐ District, ☐ Municipality ☐ other: _____	
Incorporated? ☒ YES ☐ NO	
County: Garfield	Number of Shares/Taps: 880 shares
Water District: 45	Avg. Water Diverted/Yr: 2,448 acre-feet
Number of Shareholders/Customers Served: 65 sfh	Current Assessment per Share \$30 (Ditch Co)
Federal ID Number:	Average monthly water bill \$ na (Municipality)
Contact Information	
Project Representative: Judy Sappington	
Phone: () 970.216.7494	Email: jsappington1@gmail.com
Engineer: Dan Fedirko, JUB Engineers, Inc	
Phone: () 970.208.8508	Email: dfedirko@jub.com
Attorney: Ed Olszewski Olszewski, Massih & Maurer, PC	
Phone: () 970.928.9100	Email: ed@ommpc.com
Project Information	
Project Name: MWSC Headgate Rehabilitation and Pipeline Installation	
Brief Description of Project: (Attach separate sheets if needed)	
Due to aging infrastructure of the diversion and bypass gates, these need to be rehabilitated. Replace open ditch with installation of 1300' of buried 24" HDPE pipe.	
Costs include engineering (\$37,000), attorney fees (\$3,500), consulting fees (\$3,500), Loan fees (\$1,500) and change orders (\$20,000).	
Project Start Date(s) Design: December 2020 Construction: October 2022	
General Location: (Attach Map of Area)	
Project Costs - Round to the nearest thousand	
Estimated Engineering Costs: 37,000	Estimated Construction Costs: 353,829
Other Costs (Describe Above): 29,000	Estimated Total Project Costs: 420,000
Requested Loan Amount: 140,000	Requested Loan Term (10, 20, or 30 years): 20 Years
Signature	
 Signature / Title	Return to: Finance Section Attn: Matt Stearns 1313 Sherman St #718 Denver, CO 80203 Ph. 303/866.3441 e-mail: matthew.stearns@state.co.us

**ARTICLE VI
BOARD OF DIRECTORS**

The number of directors of the Corporation shall be five (5). The initial directors of the Corporation are intended to be Charles Kent, David Craig, Becky Peeters, Chris Beasley, and Vern Ramsey, who are to serve as directors until the first annual meeting of members or until their successors are elected.

**ARTICLE VII
INCORPORATORS**

The name and address of the incorporator of the Corporation is Charles Kent, 0264 County Road 338, Parachute CO 81635.

**ARTICLE IX
LIQUIDATION AND DISTRIBUTION**

In winding up the affairs of the Corporation, in the event of dissolution, if there be any balance of assets and funds of the Corporation after the payment or provision for all debts and the necessary expenses of liquidation, the board of directors shall distribute such remaining assets and funds pro rata among shareholders.

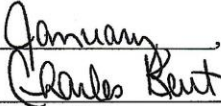
**ARTICLE X
AMENDMENT OF ARTICLES OF INCORPORATION**

The Corporation reserves the right to amend, alter, change or repeal any provision contained in these Articles of Incorporation in the manner now or hereafter prescribed by law, and all rights and powers conferred herein on members, directors or officers are subject to this reserved power.

**ARTICLE XII
AMENDMENT OF BYLAWS**

The members of the Corporation shall have the authority to adopt, amend, or repeal the Bylaws as provided in the Bylaws and permitted in Colo. Rev. Stat. § 7-130-201.

EXECUTED this 10th day of January, 2003, by the
undersigned incorporator.



Charles Kent

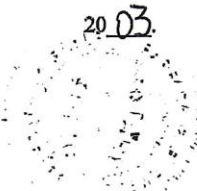
STATE OF COLORADO)
) ss.
COUNTY OF GARFIELD)

I hereby certify that Charles Kent, who is personally known to me to be the person whose name is subscribed to the foregoing Articles of Incorporation, appeared before me this day in person and swore upon oath to the truth of the facts therein stated and acknowledged that they signed and delivered said instrument of writing as his free and voluntary act.

Given under my hand and official seal this 10th day of January.

20 03

My commission expires: 11-13-06


[Signature]
Notary Public

THE UNDERSIGNED CONSENTS TO THE APPOINTMENT AS THE INITIAL REGISTERED AGENT OF THE MORRISANIA WATER SUPPLY COMPANY

[Signature]
Thomas W. Stuver

**BYLAWS
OF
THE MORRISANIA WATER SUPPLY COMPANY**

ARTICLE I

Section 1

The purpose of the Corporation shall be for the management of the water from the Battlement Creek Ditch and its lateral for the landowners whose properties are irrigated with water from these ditches. The Corporation shall manage, upgrade, maintain, repair, clean, and when necessary reconstruct the ditch and its lateral in the best interests of all members.

Section 2

Members of the Corporation shall be property owners who own or lease water shares or own water rights in Battlement Creek and whose properties are located within the lateral service area described in the Articles of Incorporation.

ARTICLE II

Section 1

The officers of the Corporation shall consists of a president, a vice-president, a secretary-treasurer, all of whom shall hold their respective offices for and during the term of the corporate year and until their successors shall have been duly elected and qualified. The president and the vice-president shall be members of the board of directors, but the secretary-treasurer may or may not be a member of the said board.

Section 2

All officers shall be elected by ballot at the annual meeting of the members. Each member

is entitled to one vote per share. A majority of votes cast at the meeting shall elect.

Section 3

The annual meeting of the members of the Corporation shall be held at the Morrisania Community Center, Parachute, Colorado on a date selected by the Board of Directors, but not later than December 15 of each year, for the purposes of electing new directors, fixing the annual assessment, and transacting such other business as may properly come before the meeting. Proper notice of the meeting shall be given by the secretary-treasurer.

Section 4

A majority of the voting shares shall constitute a quorum for the annual members meeting. If only a minority of the voting shares is present at any regular or special meeting of the membership, said minority shall have the power to adjourn the meeting to a date within 60 days according to law.

Section 5

Any member may be represented by proxy at any and all meetings of the members. All such proxies shall be in writing and shall be exhibited for inspection and decision of proper committee before the holders thereof shall be entitled to vote thereunder.

Section 6

The president shall preside at all meetings of the board of directors and of the members. The president shall sign all share certificates of the Corporation and all contracts, agreements, bonds and other instruments in writing made or entered into by the Corporation, and shall perform such other duties and exercise such powers as are incident to the office. The president may call special meetings of the board of directors at such times as deemed necessary. Upon the request of any two members of the board, the president must call a meeting within thirty-six hours.

Section 7

The vice president in the absence or the disability of the president, shall preside at all meetings of the board of directors and of the members and shall perform all the duties and exercise all the powers of the president.

Section 8

The secretary-treasurer shall be the custodian of all the funds and records and shall keep true and accurate accounts of the Corporation's receipts and disbursements. The secretary-treasurer may be required to give a bond or bonds for the faithful performance of duties. The secretary-treasurer shall submit a report of accounts to the board of directors when required to do so, shall pay out the funds as authorized by the board of directors, sign all checks and orders for payments of moneys except as hereinafter otherwise provided, and be custodian of the seal of the Corporation and shall affix the same, with a signature in attestation thereof, to all share certificates and to all contracts, agreements and other instruments in writing, made or entered into by the Corporation. The secretary-treasurer shall keep reports of all meetings of the board of directors and of the members and such other records as are required by law to be kept or may be directed by the board of directors, and notify all members of the board of directors of all board meetings, unless the president or vice-president agrees to give such notice, but the secretary-treasurer shall give written notice of all meetings of the members and shall perform such other duties as are incident to the office.

Section 9

In case of absence of the secretary-treasurer, a secretary *pro tem* shall be appointed by the president to keep records of the meeting.

Section 10

The design of the seal for the Corporation shall be as follows: The words "THE MORRISANIA WATER SUPPLY COMPANY", and the word "COLORADO" around the margin of a circle containing the word "SEAL".

ARTICLE III

Section 1

All five members of the board of directors shall be members of the Corporation and shall be elected by ballot at the annual meeting. A majority of the shares represented at said meeting shall elect. Voting shall be noncumulative. The board of directors shall exercise general supervision over the affairs, management, officers and employees, and shall provide for the compensation of such officers and employees and may change the same from time to time as the said board shall deem proper and expedient.

Section 2

The signatures of the secretary-treasurer and one other person who is a board member shall be binding and conclusive evidence of the ratification or authorization by the Corporation of any and all action or actions of the board at such meeting.

Section 3

All vacancies in the board of directors or among the officers of the Corporation shall be filled by election by the remaining board members at any regular or special meeting of the board, except that the vice president shall become president without such election.

Section 4

The board of directors shall have power to appoint a supervisor who shall have such powers

and duties as the board of directors may deem necessary, and to provide as compensation for the same, such salary and allowance as said board shall deem proper.

Section 5

It shall be the duty of the board of directors to see that the ditches are maintained in good condition to prevent washing of soil and loss of water by seepage, by constructing flumes, lining ditches with concrete or other durable material, or installing pipe and constructing division boxes of a permanent nature and to take whatever steps they deem necessary to accomplish this purpose at a cost not to exceed the amount of assessment voted by the members for this purpose.

Section 6

If any person or persons, not regularly authorized by the board of directors, shall divert water from any waterway at any point other than that established by the board of directors, or shall move or tamper with any device regularly established for the division of water, or obstruct or change in a manner the flow of water as established by the board of directors, or shall use water so diverted, then it shall be the duty of the board of directors to prosecute such person or persons to the full extent of the law.

Section 7

The Corporation may make an assessment on the shares thereof, to be levied pro rata on the shares payable in money, labor, or both, for the purpose of keeping the property of the Corporation in good repair and for the payment of any indebtedness or interest thereon and for any other lawful purpose.

Section 8

Whenever notice of any meeting of the members is required by any provision hereof, such

notice shall be given in writing by the secretary-treasurer and mailed to the last known address of each member at least five (5) days prior to the date of such meeting.

ARTICLE IV

Section 1

A certificate of shares of the Corporation shall be transferable upon the books of the Corporation only upon the surrender of such certificate, properly endorsed by the member(s). In case of loss or destruction of a certificate, or the refusal to surrender an original certificate, a duplicate may be issued by the Corporation upon receipt of affidavit setting forth such facts, and approved by the board of directors. Shares issued by the Corporation under its prior incorporations shall be recognized as shares of this Corporation.

Section 2

No assessment on shares in this Corporation shall be made unless the question of making such assessment shall be first submitted to the members of the Corporation at an annual meeting or at a special meeting called for that purpose. A majority of the shares issued and outstanding, represented by the member, either in person or by proxy, voting thereon shall have voted in favor of making such assessment. If the members fail to hold any such meeting or fail to make or authorize any assessment by the first day of April in any year, then the directors shall have power to make any such assessment at any regular or special meeting called therefore for that year. Further, in the case of the making of any such levy, the members of record on the books of the Corporation shall have written notice by the secretary-treasurer of the total amount of assessment and the dates set for the payment.

Section 3

The Corporation may refuse to deliver water to any member who has not paid all assessments on shares owned by the member within six (6) months of the due date of the last payment of such assessment.

Section 4

The Corporation shall have a perpetual lien upon any shares and the water rights represented by the same for any and all assessments until the same are fully paid.

Section 5

The Corporation may pursue the following remedies in the event an assessment or any installment thereof on any share(s) is not paid within six (6) months of the due date of the last payment of such assessment:

a) An action may be maintained in the name of the Corporation to recover any installment which shall remain due and unpaid for the period of twenty (20) days after personal demand therefor or, if personal demand is not made, within thirty (30) days after a written or printed demand has been deposited in the post office properly addressed to the last known post office address of the delinquent member.

b) Declare a forfeiture to the Corporation of the share(s) on which an assessment or installment thereof is delinquent, provided that demand has been made for the amount due thereon either in person or by written or printed notice duly mailed to the last known address of the member at least thirty (30) days prior to the time the forfeiture is to take effect.

c) Provide for the sale of the share(s) on which an assessment or installment thereof is delinquent, the terms and manner of which sale shall be determined by the board of directors,

provided that demand has been made for the amount due thereon either in person or by written or printed notice duly mailed to the last known address of the member at least thirty (30) days prior to the time sale is to take effect. The proceeds of any such sale, if over and above the amount due on said shares, if any, shall be paid to the delinquent former member.

d) Legal costs and any other fees shall be paid by the delinquent member.

Section 6

The Corporation may purchase and acquire any of its outstanding shares, provided that such purchase of or payment for its own shares does not make the Corporation insolvent.

Section 7

When any shares of the Corporation have been purchased by the Corporation or are the subject of a contract of purchase by the Corporation, the Corporation may use its funds and levy and collect assessments on the remaining shares in the manner provided by law for the payment of any other indebtedness, and in the manner provided in these Bylaws for levying any assessment, for the purpose of paying the purchase price of the share(s) so purchased.

Section 8

The Corporation shall have the first right to purchase any shares of the Corporation at the same price any member has been offered from another person in an arm's length transaction, unless the sale of the share by the member is to be to the same person who has purchased the land of the member on which the water or water right evidenced by the shares has been used and is appurtenant. Upon failure of the Corporation to purchase the share(s) within thirty (30) days of the offer of sale by the member to the Corporation, the seller shall give all other members of the Corporation, upon actual notice the second opportunity to buy the share(s) under the foregoing terms. Members have

an additional thirty (30) days from the failure or refusal of the Corporation to buy, in which to purchase the shares. These above rights to buy shall apply also to any shares(s) upon which any member has permitted or suffered a judgment lien or attachment.

Section 9

The water rights represented by shares in the Corporation shall be attached to the land upon which the water is used and may pass, convey or transfer only with the land. No transfer of the water rights represented by the shares in the Corporation from one tract of land to another shall be made or permitted except by and upon resolution and approval of the board of directors.

Section 10

No fractional shares shall be issued or allowed by the Corporation. Upon request by a member, the Corporation may issue joint ownership of shares, but under no circumstances shall there be a split of shares which results in a fraction of a share.

ARTICLE V

Section 1

Points of delivery are to remain as each existed as of April 17, 1977. Any request for change or alteration of point of delivery or diversion may be considered by the board of directors upon the written request of a member. The board shall approve such change or alteration provided that the interests of no other member are harmed thereby and that the member requesting such change or alteration shall pay the cost thereof.

Section 2

In the event there is a dispute regarding the unauthorized use of waste water from the ditches maintained by the Corporation, the dispute shall be presented to the board of directors, and the board of directors shall have the duty to resolve the dispute. In the case of a dispute of this nature, no vote or action by a majority of the members shall be necessary, and the board of directors shall have full authority to take whatever steps they deem necessary to resolve the dispute.

ARTICLE V

Section 1

These Bylaws may be altered, amended or repealed at any meeting of the members by a majority vote of the shares of this Corporation.

pursuant to the Resolution adopted on January 10, 2003.
DULY ~~ADOPTED~~ this 10 day of October, 20 07.

signed
WTS

By

Becky Warner
~~Charles Kent, President~~

Vice President Pro/tem

ATTEST:

By

Judy Spanglin
~~Janis Broderick, Secretary~~

APPENDIX G

LETTERS OF SUPPORT

Tom Jankovsky
District 1

John Martin, Chair
District 2

Mike Samson, Chair Pro Tem
District 3



August 5, 2021

The Colorado River Water Conservation District
P. O. Box 1120
Glenwood Springs, CO 81602

RE: Support letter for Morrisania Water Supply Company for Partnership Funds

Dear Mr. Andy Mueller, Manager

The Garfield County Board of Commissioners fully supports the Morrisania Water Supply Company's, (Company) application to the Colorado River Water District's Community Funding Partnership Program. The Company's project hopes to provide more productive agriculture, infrastructure improvements and conservation and efficiency efforts. Due to the aging infrastructure, the Company is requesting funds for upgrades.

The Company supplies irrigation and stock water to the Morrisania Ranch subdivision on Battlement Mesa. The Company serves 65 families on 880 acres in the subdivision created in the early 1900's. The water supply is delivered from Battlement Creek via the Battlement Ditch. The Company's water rights total 14.67 cfs, in various rights, all pre-Compact.

Through partnerships with the NRCS (EQIP), the Bookcliff Conservation District, the Colorado Water Conservation District and the Ag Water Network, the Company continues researching funding for their improvements: replace the head gate, install approximately 2,000 feet of pipeline to replace the remaining open ditch and repair numerous boxes. To date, the EQIP Program has allocated \$148,496 and the Bookcliff District has allocated \$5,000. The Bookcliff District has also provided a ditch inventory, engineering and weed control for the Company at no cost to the Company.

The total cost for the head gate replacement and pipe installation is estimated at \$584,000. The Company is requesting \$250,000 from the River District's Community Funding Partnership Program.

Construction is anticipated to begin after summer irrigation in 2022. This will allow time for the Company to organize its funding and engineering in order to assure the shareholders and landowners of a most efficient outcome.

108 8th Street, Suite 101 • Glenwood Springs, CO 81601
Office: 970-945-5004 • Fax: 970-945-7785

We support the project and respectfully request the Colorado River District to approve the Morrisania Water Supply Company's funding request. Should you have any questions, please contact Kevin Batchelder, Garfield County Manager, at 970.945.5004 or Kbatchelder@garfield-county.com.

Sincerely,



John Martin



Mike Samson



Tom Jankovsky



**Bookcliff, Mount Sopris &
South Side Conservation Districts**

258 Center Drive, Glenwood Springs, CO 81601
970-404-3439

Colorado River Water Conservation District
PO Box 1120
Glenwood Springs, CO 81601

RE: Support letter for Morrisania Water Supply Company for Partnership Funds

Dear Mr. Mueller, Manager

Please see the attached letter of support from the Bookcliff, Mount Sopris and South Side Conservation Districts for the Morrisania Water Supply Company. The Morrisania Water Supply Company resides in the Bookcliff Conservation District however, they have participated in programs that are administered by the GarPit Association of Conservation Districts which includes all three districts. Considering that, the letter of support was/will be brought to all three boards. The timing has not allowed for a vote from the South Side Conservation District Board. Once we have that vote I will provide the letter of support with all three board president's signatures.

Sincerely,

Emily Schwallier,
District Manager
Bookcliff, Mount Sopris and South Side Conservation Districts



818 Taughenbaugh Blvd., Suite 101 P.O. Box 1478
Rifle, Colorado 81650-1478
Tel: (970) 625-5461
Web: www.wdwd.org Email: water@wdwd.org

August 24, 2021

The Colorado River Water Conservation District
P. O. Box 1120
Glenwood Springs, CO 81602

RE: Letter of Support for Morrisania Water Supply Company for Partnership Funds

Mr. Andy Mueller, Manager

The West Divide Water Conservancy District is in full support of the Morrisania Water Supply Company's, (Company) application to the Colorado River Water District's Community Funding Partnership Program.

We support the project and respectfully request the Colorado River District to approve the Morrisania Water Supply Company's funding request. Should you have any questions, please contact Sam Potter, President, West Divide Water Conservancy District, at 970.625.2882.

Sincerely,

Sam Potter, President
West Divide Water Conservancy District

Directors Samuel B. Potter Kelly Cooley Richard L. McNeill Bruce E. Wampler Dan R. Harrison