



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 1, 2024

AGENDA ITEM: Agenda Item #9a-c, 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 providing the CWCB with additional information, clarifications, or modifications in the scope of work. 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, verify that the water activity meets the eligibility requirements and also verifies that the applicant was an eligible entity to receive funding which are primarily outlined in the Grant Guidelines.
- 2) 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.

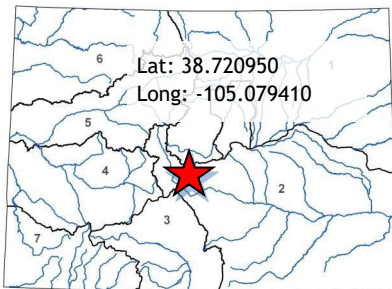


Water Supply Reserve Fund Applications for Consideration at the July 2024 CWCB Board Meeting															
Agenda Item	Statewide Project Category	Basin	Applicant/Grantee	Name of Water Activity	Basin(s) Account Request	Statewide Account Requests	RT Recommend- ed Amount	Non-WSRF Cash Match	Non-WSRF In-Kind Match	Non-WSRF Total Match	Statewide Match (Basin & Non-WSRF)	WSRF Total Project Costs	Basin Only Request Match % (min 25%)	Statewide Match % (Basin min 10%/applicant Match min 15% vs Total Project Cost)	PM
Agenda Item 9a	Aging Infrastructure	Arkansas	City of Victor	Pipeline Repair/Replacement Engineering Evaluation & Design Project	\$40,000	\$176,000	\$216,000	\$144,000	\$0	\$144,000	\$184,000	\$360,000	N/A	51%	Joshua Godwin (but Kirk will PM)
Agenda Item 9b	Aging Infrastructure	Arkansas	Deweese-Dye Ditch & Reservoir Company	Irrigation Safety & Efficiency Project	\$42,000	\$272,224	\$314,224	\$104,741	\$0	\$104,741	\$146,741	\$418,965	N/A	35%	Matt Stearns
Director's Report	Aging Infrastructure	Arkansas	Purgatoire River Water Conservancy District	Chilili Ditch Diversion Infrastructure Replacement - Design Phase	\$3,120	\$23,400	\$26,520	\$4,680	\$0	\$4,680	\$7,800	\$31,200	N/A	25%	Joshua Godwin
Agenda Item 18c	Aging Infrastructure	Arkansas	High Line Canal Company	Rocky Ford Highline Canal Diversion Final Design	\$15,000	\$97,000	\$112,000	\$37,500	\$0	\$37,500	\$52,500	\$149,500	N/A	35%	
Consent Agenda 1a	Aging Infrastructure	Colorado	Thompson Glen Ditch	Thompson Glen Ditch Improvement Project	\$44,472	\$44,472	\$88,944	\$40,000	\$0	\$40,000	\$84,472	\$128,944	N/A	66%	Zach Salin
Director's Report	N/A	Gunnison	Arch Ditch Association	Arch Ditch Automation	\$35,000	\$0	\$35,000	\$13,000	\$5,000	\$18,000	N/A	\$53,000	33.96%	N/A	Zach Salin
Agenda Item 9c	Drought Resiliency	North Platte	Jackson County Water Conservancy District	Radiometer for Improved Cloud Seeding	\$20,000	\$150,000	\$170,000	\$30,000	\$0	\$30,000	\$50,000	\$200,000	N/A	25%	Andrew
Consent Agenda 1b	Aging Infrastructure	Rio Grande	Conejos Water Conservancy District	Las Mesitas Ditch Pipeline Project	\$23,695	\$55,286	\$78,981	\$136,313	\$0	\$136,313	\$160,008	\$215,294	N/A	74%	Zach Salin
					\$223,287.00	\$818,382	\$1,041,669								
				Basin	Basin Account Requests	Statewide Account Requests	Total Requests								

Arkansas Basin	\$100,120.00	\$568,624.00	\$668,744.00
Colorado Basin	\$44,472.00	\$44,472.00	\$88,944.00
Gunnsion Basin	\$35,000.00	\$0.00	\$35,000
Metro	\$0.00	\$0.00	\$0
North Platte	\$20,000.00	\$150,000.00	\$170,000
Rio Grande	\$23,695.00	\$55,286.00	\$78,981.00
Southwest	\$0.00	\$0.00	\$0
South Platte	\$0.00	\$0.00	\$0
Yampa/White/Green	\$0.00	\$0.00	\$0
Water Supply Reserve Fund Total Requests	\$223,287.00	\$818,382.00	\$1,041,669



Water Supply Reserve Grant Application



LOCATION
County: Teller
Drainage Basin: Arkansas

DETAILS	
Total Project Cost:	\$360,000
Total WSRF Grant Request:	\$216,000
Arkansas Basin Account Request:	\$40,000
Statewide Account Request:	\$176,000
Recommended Amount:	\$216,000
Other CWCB Funding:	\$0
Other Funding Amount:	\$0
Applicant Match:	\$144,000
Project Type: Design/Engineering	
Water Use Type: Municipal	
Statewide Category: Aging Infrastructure	
Measurable Result: 14,000 linear feet of pipe built	

A large portion of the applicant's raw water supply is delivered from storage at Victor Reservoir No. 2 and Bison Park Reservoir to the municipal treatment plant through two pipelines. Both pipelines have sections that are over a hundred years old and they are experiencing leaks in several areas including a significant pipe failure in early 2024. The applicant relies on this water supply for domestic use as well as its mining industry.

The applicant will use WSRF funds to assist in hiring an engineering consultant to evaluate the aging system, recommend repair or replacement options, prioritize phased replacement of the pipelines, and prepare the engineering design necessary to fully estimate the cost of replacement. The current estimate ranges between \$3.5 to \$4 million dollars for the full pipe replacement.

The applicant believes the project will help maximize the beneficial use of their water rights without having to seek another permanent source of supply that could have the potential to impact agricultural water rights in the basin. The applicant also states the project can help ensure the reservoirs can remain a vital asset to the region that promotes recreational and environmental benefits to the communities in the Beaver Creek drainage.

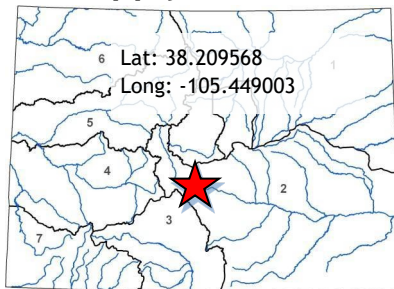
The project aligns with the Arkansas Basin Implementation Plan goals of meeting the municipal supply gap and supporting regional infrastructure development for cost-effective solutions to local water supply gaps.

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

Funding Recommendation: Staff recommends approval of up to \$40,000 from the Arkansas Basin Account and up to \$176,000 from the Statewide Account. Project approval is contingent upon the applicants' abilities to resolve issues and additional needs identified by staff.



Water Supply Reserve Grant Application



LOCATION
Counties: Custer, Fremont
Drainage Basin: Arkansas

DETAILS	
Total Project Cost:	\$418,965.41
Total WSRF Grant Request:	\$314,224
Arkansas Basin Account Request:	\$42,000
Statewide Account Request:	\$272,224
Recommended Amount:	\$314,224
Other CWCB Funding:	\$0
Other Funding Amount:	\$12,610.85
Applicant Match:	\$92,130.56
Project Type: Construction/Implementation	
Water Use Type: Agricultural	
Statewide Category: Aging Infrastructure	
Measurable Result: 4,441-acre feet of existing storage preserved or enhanced; 142,560 linear feet of stream restored or protected; 654-acre feet of restored or preserved habitat.	

The applicant is a ditch and reservoir company that was incorporated in 1896 and serves 725 shareholders to irrigate 1,500 acres of various crops including hay, orchards and vineyards in Fremont County, Canon City, and Lincoln Park.

The DeWeese-Dye Ditch water comes from the Grape Creek drainage in the Westcliffe and South Colony area of Custer County, southwest of Cañon City, and is stored in DeWeese Reservoir. The applicant manages about seven miles of open ditches, pipes, tunnels, and siphons and provides water for three small reservoirs located in Lincoln Park. The reservoir and creek are also popular for water-based recreation and provide critical habitat for fish and wildlife both at the reservoir and along 27 miles of the stream on private and public lands, including a Bureau of Land Management Wilderness Study Area.

The reservoir and ditch system is 100-years old and in need of repair to protect safety, health, and habitat and deliver water to crops, wildlife, the environment, and land. This project is a multi-phased project. WSRF funds will be used in Phase 1 of the project to repair the dam outlet. Phase 2 work includes piping the open ditches and repair and update the aging gates and valves.

The applicant states they have prioritized the repair of the dam outlet pipe first because of the potential safety, operational, and ecological impacts of leaving the aging dam infrastructure unaddressed. If fully implemented, the applicant believes the overall project will increase efficiency, reduce health and safety concerns, and support fish and wildlife habitat.

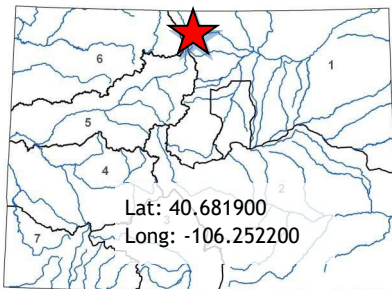
The project aligns with priorities in the Arkansas Basin Implementation Plan including increasing water storage to the full intended capacity of the reservoir, meeting present and future water supply gaps by maximizing the use of native and imported water, and stakeholders taking actions to maintain current water supplies.

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

Funding Recommendation: Staff recommends approval of \$42,000 from the Arkansas Basin Account and up to \$272,224 from the Statewide 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: Jackson
Drainage Basin: North Platte

DETAILS	
Total Project Cost:	\$200,000
Total WSRF Grant Request:	\$170,000
North Platte Basin Account Request:	\$20,000
Statewide Account Request:	\$150,000
Recommended Amount:	\$170,000
Other CWCB Funding:	\$0
Other Funding Amount:	\$0
Applicant Match:	\$30,000
Project Type: Construction/Implementation	
Water Use Type: Agricultural	
Statewide Category: Drought Resiliency	
Measurable Result: 3,500 acre feet of new storage created	

The applicant has been involved in two previous cloud seeding projects to improve snowpack in the North Platte Basin. Both projects received past WSRF funding in March 2018 & March 2021. The applicant has also been supporting a ground-based seeding program along with an aerial seeding program for the past three and six years respectively. The aerial seeding program is a joint project with the State of Wyoming and according to analysis of the *Never Summer Cloud Seeding Program*, the program has contributed



between 3,000 to 4,000 acre-feet annually to the snowpack water equivalent in Jackson County. While the applicant believes the aerial cloud seeding program has been successful, they also state it has been costly.

Moving forward, the applicant is going to shift their focus to the ground seeding program which they believe will increase the effectiveness of cloud seeding by using WSRF funds to help purchase a Microwave Radiometer. The applicant states radiometers have been used throughout Colorado to determine the best combination of water content in clouds and temperature to use a cloud seeding generator. Grant funds would also help the applicant with the set-up, maintenance costs over a four-year period.

The project aligns with the North Platte Basin Implementation Plan.

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

Funding Recommendation: Staff recommends approval of up to \$20,000 from the North Platte Basin Account and \$150,000 from the Statewide Account. Project approval is contingent upon the applicant's abilities to resolve issues and additional needs identified by staff.