



**COLORADO**

**Colorado Water  
Conservation Board**

Department of Natural Resources

1313 Sherman Street, Room 718  
Denver, CO 80203

P (303) 866-3441  
F (303) 866-4474

Jared Polis, Governor

Dan Gibbs, DNR Executive  
Director

Lauren Ris, CWCB Director

**TO:** Colorado Water Conservation Board Members

**FROM:** Ben Wade & Dori Vigil  
Grants Section

**DATE:** November 20, 2024

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

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### **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:**

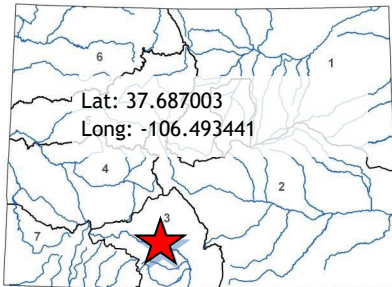
To provide the Board updates on the status of specific Water Supply Reserve Fund grant applications and projects, staff can provide a status report of the following information upon request:

- 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 Grant Application



LOCATION
<b>County:</b> Rio Grande
<b>Drainage Basin:</b> Rio Grande

DETAILS	
<b>Total Project Cost:</b>	\$481,866
<b>Total WSRF Grant Request:</b>	\$88,500
<b>Rio Grande Basin Account Request:</b>	\$48,500
<b>Statewide Account Request:</b>	\$40,000
<b>Recommended Amount:</b>	\$88,500
<b>Other CWCB Funding:</b>	\$0
<b>Other Funding Amount:</b>	\$393,366
<b>Applicant Match:</b>	\$0
<b>Project Type:</b> Design/Engineering	
<b>Water Use Type:</b> Agricultural	
<b>Statewide Category:</b> Aging Infrastructure	
<b>Measurable Result:</b> 60% engineered designs for three ditch diversion structures and for irrigation infrastructure improvements along six ditches along the Rio Grande.	

Water Supply Reserve funds would be used to support the Colorado Rio Grande Restoration Foundation in hiring a contractor to conduct on river diversion infrastructure and flood irrigation assessments and up to 60% design for both diversion and flood irrigation improvements on six ditches.

This planning and design project to upgrade agricultural infrastructure and wetland restoration along the Rio Grande River between the towns of South Fork and Del Norte. This portion of the river contains six major diversions delivering water through six ditch systems that irrigate about 3,500 acres throughout the floodplain. The Project will result in 60% designs for infrastructure improvements on three ditch diversions; upgrades on six ditch systems which irrigate wet meadows for wildlife habitat; and streambank stabilization, aquatic and riparian habitat enhancement, and wetland restoration.

The applicant expects the designs will help to protect riparian and wetland resources for federally threatened and endangered species and species of concern while improving the efficiency of water deliveries that have been in decline because of drought conditions.

The applicant has secured matching funds from private landowners, ditch water users, the US Bureau of Reclamation and Ducks Unlimited.

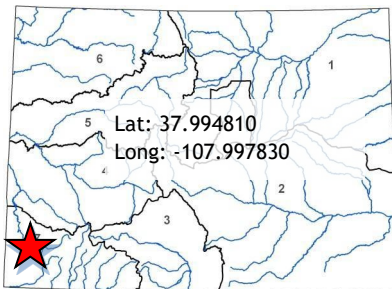
The project meets three of five Rio Grande Basin Implementation Plan goals to: maintain healthy watersheds that provide critical ecosystem services, support vibrant and resilient agriculture, and support adaptive and flexible water administration.

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

Funding Recommendation: Staff recommends approval of up to \$48,500 from the Rio Grande Basin Account and up to \$40,000 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
<b>County:</b> San Miguel
<b>Drainage Basin:</b> San Miguel

DETAILS	
<b>Total Project Cost:</b>	\$107,127
<b>Total WSRF Grant Request:</b>	\$91,058
<b>Southwest Basin Account Request:</b>	\$10,713
<b>Statewide Account Request:</b>	\$80,345
<b>Recommended Amount:</b>	\$91,058
<b>Other CWCB Funding:</b>	\$0
<b>Other Funding Amount:</b>	\$0
<b>Applicant Match:</b>	\$16,069
<b>Project Type:</b> Design/Engineering	
<b>Water Use Type:</b> Municipal	
<b>Statewide Category:</b> Drought Resiliency	
<b>Measurable Result:</b> 8-acre feet of new annual water supplies developed or conserved.	

Water Supply Reserve Funds would be used for the engineering, surveying and drilling of a new well near the San Miguel River, as well as for water quality and quantity testing, and well permitting.

The applicant is a non-covered entity averaging an annual demand of 2.81 acre-feet per year. The full buildout estimated annual demand is 3.68 acre-feet and 4.18 acre-feet during drought conditions. The existing water supply is being met by the Hastings Mesa Spring, but it is considered a junior water right and may be called out by more senior water rights during drought years.

One goal of the project is to provide a drought-resilient water supply for the Town of Sawpit. Three potential well locations have been identified. The new supply is estimated to be able to supply the applicant between 8.07 to 16.14 acre-feet, which would provide an adequate supply at their full build-out.

After the engineering phase is complete and construction estimates are refined, the applicant intends to seek funding from the CWCB or other funding sources to cover construction costs.

The project meets the following goals of the Southwest Basin Implementation Plan: A - balance all needs and reduce conflict; C1 - pursue projects to meet the current and future municipal demands; and C2 - provide safe drinking water to Southwest Colorado's citizens and visitors.

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

Funding Recommendation: Staff recommends approval of up to \$10,713 from the Southwest Basin Account and up to \$80,345 from the Statewide. Project approval is contingent upon the applicants' abilities to resolve issues and additional needs identified by staff.