



C O L O R A D O
**Colorado Water
Conservation Board**
Department of Natural Resources

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TO: Colorado Water Conservation Board Members

FROM: Ben Wade & Dori Vigil, Grants Section

CC: Jeannine Shaw, Grants Section Chief

DATE: January 26, 2026

AGENDA ITEM: Agenda Item #9a-b, Water Supply Reserve Fund, Grant Funding
Recommendations

Staff Recommendation - Action Items: WSRF Grant Requests:

A summary of staff's recommendations 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:

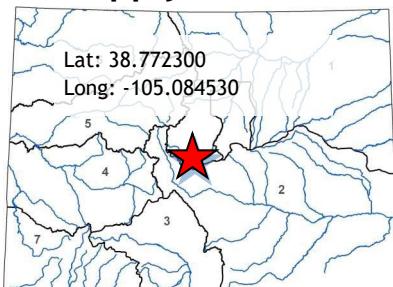
- List of completed WSRF projects;
- List of WSRF projects in progress; and
- List of WSRF projects in the contracting and procurement process.





**Replacement of Raw Water Transmission Main from
Bison Park/Reservoir No.1 to County Road 81
City of Victor**
January 2026 Board Meeting - 9a

Water Supply Reserve Fund Grant Application



DETAILS	
Total Project Cost:	\$3,519,315
Total WSRF Recommended Amount:	\$125,000
Arkansas Basin Account Request:	\$125,000
Match Commitment:	\$3,394,315
Grant to Match Ratio:	4%-96%
Project Type:	Construction
Major Water Use Type:	Municipal
Measurable Result:	16,400 feet of pipe built or improved; 1,032

LOCATION
County: Teller
Basin: Arkansas

The City of Victor is in Teller County on the western slope of Pikes Peak. With a population of approximately 379, the city manages a water and sewer utility that serves people within and outside of city limits. Untreated water is also supplied to the local SSR Mining Company, which constitutes the primary industrial revenue stream. The City's core water and distribution infrastructure consists of two reservoirs managed by the city and situated on the southern slope of Pikes Peak.

The City of Victor will use WSRF funding for the replacement of 16,400 linear feet of raw water main. The existing pipeline is over 100 years old and has multiple identified leaks, resulting in a daily loss of water resources. The transmission line is at high risk for continued service disruption, as evidenced by a catastrophic main failure in March 2024 that temporarily impaired service across the entire system. Although a temporary repair was completed, the age of the line makes its replacement critical for maintaining water delivery to the residents of Victor and surrounding areas. The city received a WSRF grant in July 2024 for the design and engineering phase which is well underway.

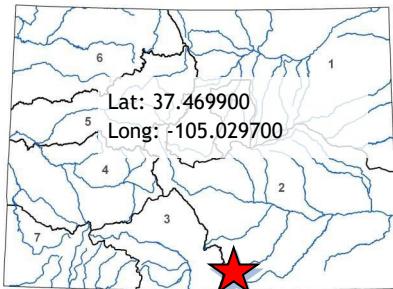
This construction will run from Bison Park Reservoir (Reservoir #1)—the City's primary water storage facility—to County Road 81, connecting to the 10-way distribution valve. Replacement of this infrastructure will help mitigate ongoing water leaks that negatively affect additional downstream users and ensure the long-term reliability of the water system.

The project meets two goals of the Arkansas Basin Implementation Plan including: Meeting the municipal supply gap in each county within the basin; 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 \$125,000 from the Arkansas Basin Account.

Water Supply Reserve Fund Grant Application



LOCATION
County: Huerfano
Basin: Arkansas

DETAILS	
Total Project Cost:	\$891,531
Total WSRF Recommended Amount:	\$114,800
Arkansas Basin Account Request:	\$114,800
Match Commitment:	\$776,731
Grant to Match Ratio:	13%-87%
Project Type:	<i>Design & Construction</i>
Major Water Use Type:	Municipal
Measurable Result:	47-acre feet of existing storage preserved or enhanced.

The Huerfano County Water Conservancy District provides 45-acre feet annually to its commercial, agricultural and residential water users.

The Sheep Mountain Augmentation Facility (SMAF) was completed in 2021 and is the primary feature of the Huerfano Basin Regional Augmentation Program, a key component of local water management efforts. The facility has aged more rapidly than anticipated, incurring damage from unanticipated level fluctuations, high winds, and wave runup, which caused significant ballast erosion, particularly on the east slopes. Erosion has created bare spots exposing the liner and threatening the geomembrane's structural integrity. This damage risks water loss through seepage, diminishing storage capacity, and leading to more extensive and costly future repairs for the district.

WSRF funding will be used for construction including repairing the exposed geotextile layer; riprap installation for enhanced protection against wave action and wind; and adding rock bedding layers above the existing liner, below the geotextile layer to prevent future punctures to the liners and geotextile. The district believes the repairs will help them achieve long-term stability and water storage functionality for SMAF.

The project meets the goal in the Arkansas Basin Implementation Plan of performing infrastructure enhancements that address aging infrastructure modernization, drought resilience, reducing water loss, and ensuring adaptive operations.

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

Funding Recommendation: Staff recommends approval of up to \$114,800 from Arkansas Basin Account.

Water Supply Reserve Fund Applications for Consideration at the January 2026 CWCB Board Meeting

Agenda Item	Basin	Applicant/Grantee	Name of Water Activity	Basin RT Recommended Amount	Non-WSRF Cash Match	Non-WSRF In-Kind Match	Non-WSRF Total Match	Total Project Costs	Basin Only Request Match % (min 25%)	Special Flood Hazard Area/Regulatory Floodplain?	PM	Grants Portal ID
Agenda Item - 9a	Arkansas	City of Victor	Replacement of Raw Water Transmission Main from Bison Park (reservoir #1) to County Road 81	\$125,000	\$3,394,315.00	\$0	\$3,394,315.00	\$3,519,315.00	96.45%	No	Kirk	App-02938
Director's Report	Arkansas	Custer County Conservation District	Aldrich Ditch Diversion & Fish Passage Improvement	\$5,931	\$105,000.00	\$0	\$105,000.00	\$110,931.00	94.65%		Zach	App-02927
Agenda Item - 9b	Arkansas	Huerfano County Water Conservancy District	SMAF Reservoir Ballast Repairs	\$114,800	\$776,731.00	\$0	\$776,731.00	\$891,531.00	87.12%		Joshua	App-02955
Director's Report	Arkansas	TN Bar Cattle Company	Sunnyside Ditch Pipeline	\$20,000	\$85,000.00	\$20,000	\$105,000.00	\$125,000.00	84.00%		Joshua	App-02842
Director's Report	Colorado	Blue River Watershed Group	Blue River Water Quality Monitoring Dashboard & GIS Resources	\$30,600	\$5,950.00	\$5,950	\$11,900.00	\$42,500.00	28.00%		Andrea Harbin Monahan	App-02959
Director's Report	Colorado	Eagle River Watershed Council dba Eagle River Coalition	Homestake Valley Stream Crossings Project	\$35,000	\$33,000.00	\$0	\$33,000.00	\$68,000.00	48.53%		Ben	App-02949
Director's Report	Colorado	Middle Colorado Watershed Council	Grand Tunnel Ditch Flume Replacement	\$15,000	\$5,000.00	\$0	\$5,000.00	\$20,000.00	25.00%		Ben	App-02912
Director's Report	Colorado	RiversEdge West	Strengthening Riparian Restoration Collaboration in the Grand Valley	\$20,000	\$6,666.67	\$0	\$6,666.67	\$26,666.67	25.00%		Steve Reeves	App-02957
Director's Report	Colorado	Town of De Beque	De Beque River Park Engineering Project	\$50,000	\$423,735.00	\$0	\$423,735.00	\$473,735.00	89.45%			App-02952
Director's Report	Gunnison	Grand Mesa Water Conservancy District	Cabin Reservoir Outlet Pipe Replacement	\$12,000	\$15,000.00	\$1,000	\$16,000.00	\$28,000.00	57.14%	No	Ben	App-02781
				\$428,331.00	\$4,850,397.67	\$26,950	\$4,381,046.00	\$4,646,777.00				

Basin	Total Requests
Arkansas Basin	\$265,731.00
Colorado Basin	\$150,600.00
Gunnison Basin	\$12,000.00
Metro	\$0.00
North Platte	\$0.00
Rio Grande	\$0.00
Southwest	\$0.00
South Platte	\$0.00
Yampa/White/Green	\$0.00
Water Supply Reserve Fund Total Requests	\$428,331.00