



COLORADO

**Colorado Water
Conservation Board**

Department of Natural Resources

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TO: Colorado Water Conservation Board Members

FROM: Craig Godbout
Program Manager - Water Supply Reserve Fund Grant Program
Water Supply Planning Section

DATE: May 5, 2020

AGENDA ITEM: 12(a-d)

Staff Recommendation - Action Items: WSRF Grant Request:

A summary of staff's recommendation for each WSRF application is provided in the first component of the attached table. If applicable, the table also includes a breakdown of match amounts for applications that include a request for Statewide Account WSRF funds.

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, which are primarily outlined in the Criteria and Guidelines (C&G).
- 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.



COLORADO WATER CONSERVATION BOARD
Water Supply Reserve Fund - Balance Summary
APRIL 2020

4/15/2020

Fund Appropriation and Receipts				
Fiscal Year	Legislative Appropriation	Funds Received	Statewide Account	Basin Account
2006/2007	\$10,000,000	\$10,000,000	\$5,500,000	\$4,500,000
2007/2008	\$6,000,000	\$6,000,000	\$4,200,000	\$1,800,000
2008/2009	\$10,000,000	\$7,000,000	\$4,300,000	\$2,700,000
2009/2010	\$5,775,000	\$5,775,000	\$4,215,750	\$1,559,250
2010/2011	\$6,000,000	\$6,000,000	\$4,380,000	\$1,620,000
2011/2012	\$7,000,000	\$7,000,000	\$4,732,000	\$2,268,000
2012/2013	\$10,000,000	\$7,157,724	\$4,580,943	\$2,576,781
2013/2014	\$10,000,000	\$10,091,639	\$6,458,649	\$3,632,990
2014/2015	\$10,000,000	\$10,000,000	\$6,400,000	\$3,600,000
2015/2016	\$10,000,000	\$9,103,590	\$5,826,298	\$3,277,292
2016/2017	\$0	\$0	\$0	\$0
2017/2018	\$10,000,000	\$1,455,776	\$931,697	\$524,079
2017/2018 CF	\$0	\$7,000,000	\$4,480,000	\$2,520,000
2018/2019 CF	\$0	\$3,544,884	\$2,268,726	\$1,276,158
2019/2020	\$10,000,000	\$10,000,000	\$6,400,000	\$3,600,000
Interest	N/A	\$2,857,935	\$3,541,544	
(Prior Years Interest Adjustment 2007-2014 and FY2015, FY2016, FY2017)				\$0
FY 2018 Interest	N/A	\$ 376,467	\$376,467	\$0
FY 2019 Interest	N/A	\$ 431,589	\$431,589	\$0
FY 2020 Interest	N/A	\$ 368,502	\$368,502	\$0
TOTAL	\$104,775,000	\$104,163,106	\$69,392,165	\$35,454,551

Note: The WSRF is a Severance Tax "Tier II" program & CF Funding with 40% of funds distributed on July 1, 30% on January 1, and the final 30% on April 1.

In FY 2008/2009 the final 30% installment of \$3,000,000 was not received due to the State's budgetary shortfall.

In January 2012 interest for the program from its inception to date was credited directly to the Statewide Account.

Interest from January 2012 on is regularly calculated by the Treasury and credited to the Statewide Account.

Fund Distribution					
Basin	Approved Basin Grants	Total Basin Funds	Basin Account Balance	Approved State Grants	Statewide Account Balance
Arkansas	\$3,527,249	\$3,939,395	\$412,146	\$12,235,803	
Colorado*	\$3,649,079	\$3,939,395	\$290,316	\$6,508,889	
Southwest *	\$3,424,884	\$3,939,395	\$514,511	\$8,161,644	
Gunnison *	\$3,464,657	\$3,939,395	\$474,738	\$6,777,707	
Metro *	\$3,059,801	\$3,939,395	\$879,594	\$7,461,732	
North Platte	\$2,969,669	\$3,939,395	\$969,725	\$842,844	
Rio Grande*	\$3,763,048	\$3,939,395	\$176,347	\$12,879,635	
South Platte *	\$3,309,780	\$3,939,395	\$629,615	\$7,829,612	
Yampa/White	\$3,187,104	\$3,939,395	\$752,290	\$997,969	
TOTAL	\$30,355,272	\$35,454,551	\$5,099,283	\$63,695,834	\$5,696,331
TOTAL APPROVED GRANTS					\$94,051,105

Note: Only includes grants approved by CWCB

* Comments reflect adjustments to balances

Water Supply Reserve Fund Applications for Consideration at the May 2020 CWCB Board Meeting													
Agenda Item	Basin	Applicant/Grantee	Name of Water Activity	Basin(s) Account Request	Statewide Account Requests	Total Request	Non-WSRF Cash Match	Non-WSRF In-Kind Match	Non-WSRF Total Match	Statewide Match (Basin & Non-WSRF)	Total Project Costs	Staff Recommendations	PM
12(a)	Colorado	Trout Unlimited	Canyon Creek Fish Passage Project	\$20,700	\$0	\$20,700	\$169,106	\$13,819	\$182,925	n/a	\$203,625	Staff recommends approval of up to \$20,700 from the Colorado Basin Account	Chris Sturm
12(b)	Colorado	Grand Valley Ditch Company	Davis Point Pipeline Project	\$25,000	\$0	\$25,000	\$121,543	\$28,500	\$150,043	n/a	\$175,043	Staff recommends approval of up to \$25,000 from the Colorado Basin Account	Alex Funk
12(c)	Southwest	Town of Sawpit Water Activity Enterprise	Water Supply Plan and Water System Analysis	\$25,000	\$0	\$25,000	\$12,500	\$0	\$12,500	n/a	\$37,500	Staff recommends approval of up to \$25,000 from the Southwest Basin Account	Craig Godbout
12(d)	South Platte	Colorado Agricultural Water Alliance	Outreach and Capacity Building for Ag Water Projects	\$17,750	\$0	\$17,750	\$32,234	\$0	\$32,234	n/a	\$49,984	Staff recommends approval of up to \$17,750 from the South Platte Basin Account	Ben Wade
Totals				\$88,450	\$0	\$88,450							

Basin	Basin Account Requests	Statewide Account Requests	Total Requests	Current Basin Account Balances	Remaining Basin Account Balances (if all requests approved)	Current Statewide Account Balance	Remaining Statewide Account Balance (if all requests approved)
Arkansas Basin	\$0	\$0	\$0	\$412,146	\$412,146		
Colorado Basin	\$45,700	\$0	\$45,700	\$290,316	\$244,616		
Gunnsion Basin	\$0	\$0	\$0	\$474,738	\$474,738		
Metro	\$0	\$0	\$0	\$879,594	\$879,594		
North Platte	\$0	\$0	\$0	\$969,725	\$969,725	\$5,696,331	\$5,696,331
Rio Grande	\$0	\$0	\$0	\$176,347	\$176,347		
Southwest	\$25,000	\$0	\$25,000	\$514,511	\$489,511		
South Platte	\$17,750	\$0	\$17,750	\$629,615	611865		
Yampa/White/Green	\$0	\$0	\$0	\$752,290	\$752,290		
Water Supply Reserve Fund Total Requests	\$88,450	\$0	\$88,450	\$5,099,282	\$ 5,010,832		

**Water Supply Reserve Fund
Water Activity Summary Sheet
May 20, 2020
Agenda Item 12(a)**

Applicant & Grantee: Trout Unlimited
Water Activity Name: Canyon Creek Fish Passage Project
Water Activity Purpose: Environmental/Recreation/Implementation
County: Garfield
Drainage Basin: Colorado
Water Source: Canyon Creek
Amount Requested: \$20,700 Colorado Basin Account
Matching Funds: Applicant Match = \$182,925 (cash & in-kind)

- 8.8 times the Basin Account request (meets 25% min)

Staff Recommendation:
Staff recommends approval of up to \$20,700 from the Colorado Basin Account to help fund the project titled: Canyon Creek Fish Passage Project.

Water Activity Summary: WSRF Funds, if approved will assist Trout Unlimited to obtain permits, design and install a new set of concrete baffles in the existing box (east) culvert that covers Canyon Creek under Interstate 70 near Chacra, Colorado, as well as construct a short wall in the upstream mouth of the west culvert to focus all flow into the east side during low flow conditions. The creek is largely blocked at its mouth to the Colorado River by two large (300 LF) concrete box culverts that convey the creek under Interstate 70. As part of the original Interstate 70 construction in the late 70's, the culverts did employ a fish baffle system. Those baffles however, were constructed from large timbers and have eroded away over time. The result is very few fish make it upstream to spawn, leaving a large basin (56 square miles) effectively unused. This project's objectives are to remedy this situation. More specifically, the projects objectives are as follows:

- Open the Canyon Creek drainage to spawning cold water fish
- Increase knowledge of fish passage design
- Increase wild fish population size in Canyon Creek and the Colorado River mainstem
- Improve Local Economy
- Increase Community Awareness and Collaboration

Discussion: This effort will assist the Colorado Basin Roundtable meet the Goals and Measurable Outcomes as highlighted in the Colorado Basin Implementation Plan to *Protect and Restore Healthy Streams, Rivers, Lakes and Riparian Areas*, and *Develop Local Water Conscious Land Use Strategies*.

Issues/Additional Needs: The applicant must first secure funding from the Colorado Water Plan Grant Program (July 2020) prior to entering into a grant contract with the state, or provide an alternate means of funding; otherwise, there are no issues or additional needs.

Eligibility Requirements: The application meets requirements of all eligibility components.

Evaluation Criteria: n/a

Funding Sources/Match	Cash	In-kind	Total	Status
Trout Unlimited	\$13,819	\$12,437	\$26,256	Secured
Wright Water Engineers	\$0	\$1,382	\$1,382	Secured
USFWS Nat Fish Passage Program	\$53,475	\$0	\$53,475	Secured
CWCB Water Plan Grant (July 2020)	\$101,812	\$0	\$101,812	Pending
Sub-total Matching Funds	\$169,106	\$13,819	\$182,925	
WSRF Colorado Basin Account	\$20,700	\$0	\$20,700	Secured
Total Project Costs	\$189,806	\$13,819	\$203,625	

CWCB Project Manager: Chris Sturm

**Water Supply Reserve Fund
Water Activity Summary Sheet
May 20, 2020
Agenda Item 12(b)**

Applicant & Grantee: Grand River Ditch Company
Water Activity Name: Davis Point Piping Project
Water Activity Purpose: Agricultural & M&I/Implementation
County: Garfield
Drainage Basin: Colorado
Water Source: Colorado River
Amount Requested: \$25,000 Colorado Basin Account
Matching Funds: Applicant Match = \$150,043 (cash & in-kind)

- 6 times the Basin Account request (meets 25% min)

Staff Recommendation:
Staff recommends approval of up to \$25,000 from the Colorado Basin Account to help fund the project titled: Davis Point Piping Project.

Water Activity Summary: WSRF Funds, if approved will assist the Grand River Ditch Company install approximately 835 feet of 48-inch diameter pipe in an existing deteriorating open ditch which has experienced significant leakage caused by formation of large holes. The objective of this project is to reduce ditch seepage and improve water delivery to the existing users. Engineering of the pipeline and related structures, such as a concrete inlet box, a concrete outlet box, and a concrete structure for water control will be performed by NRCS. Funding for the construction of the concrete structures will be provided by matching funds. Temporary “fixes” have included installation of bentonite/cement products to fill and seal the holes.

The Ditch is approximately 14 miles long, and serves 144 users, including the Town of Silt. The users are approximately 77% agricultural. The Grand River Ditch provides water to irrigate 1,508 acres of land plus 246 acres utilized in gravel production from augmented shares. Irrigated acreage within the service area is primarily used for hobby farms, nursery trees, hemp production, cattle ranching and to grow hay and forage crops. Hay crops are used as cattle and horse feed, or are sold. Other uses include the raw water irrigation system employed by the Town of Silt, as well as use for extraction of a couple of gravel pits.

Discussion: The Davis Point Pipeline Project is consistent with the Colorado Basin Roundtable’s Basin Implementation Plan, in particular, its objectives of sustaining agriculture and maintaining existing infrastructure for the maximum utilization of the associated water rights

Issues/Additional Needs: The applicant must first secure funding from the Colorado Water Plan Grant Program (July 2020) prior to entering into a grant contract with the state, or provide an alternate means of funding; otherwise there are no issues or additional needs.

Eligibility Requirements: The application meets requirements of all eligibility components.

Evaluation Criteria: n/a

Funding Sources/Match	Cash	In-kind	Total	Status
Grand River Ditch Company	\$0	\$5,000	\$5,000	Secured
NRCS-EQIP	\$59,043	\$0	\$59,043	Secured
NRCS-Environmental & Installation Assistance	\$0	\$23,500	\$23,500	Secured
CWCB Water Plan Grant (July 2020)	\$62,500	\$0	\$62,500	Pending
Sub-total Matching Funds	\$121,543	\$28,500	\$150,043	
WSRF Colorado Basin Account	\$25,000	\$0	\$25,000	Secured
Total Project Costs	\$146,543	\$28,500	\$175,043	

CWCB Project Manager: Alex Funk

**Water Supply Reserve Fund
Water Activity Summary Sheet
May 20, 2020
Agenda Item 12(c)**

Applicant & Grantee: Town of Sawpit Water Activity Enterprise
Water Activity Name: Water Supply Plan and Water System Analysis
Water Activity Purpose: M&I Needs Assessment
County: San Miguel
Drainage Basin: Southwest
Water Source: Hasting Mesa Springs
Amount Requested: \$25,000 Southwest Basin Account
Matching Funds: Applicant Match = \$12,500 (cash)

- 50% of the Basin Account request (meets 25% min)

Staff Recommendation:
Staff recommends approval of up to \$25,000 from the Southwest Basin Account to help fund the project titled: Water Supply Plan and Water System Analysis.

Water Activity Summary: WSRF Funds, if approved will assist the Town of Sawpit update their Water Supply Plan and perform a Water System Analysis for upgrades to its public water supply system and plan for future growth. The proposed work includes the following tasks:

1. Water Supply Inventory.
2. Water Demands Assessment.
3. Water System Analysis.
4. Analysis of Future Potable Water Taps.
5. Water Services Cost Analysis and Rate Structure Development.
6. Development of Water Conservation Measures.
7. Investigate the Possibility of a New Well and Pump House.
8. Recommendations for Adoption of a Water Code.
9. Reporting.
10. Administration.

Sawpit's water system currently serves 23 active taps and has potential to serve six additional taps within its incorporated boundary. In 2008, Sawpit completed a detailed look at the infrastructure and possible system improvements. Upgrades in 2008 included replacement of the chlorination system and springbox, and replacement/enlargement of the Sawpit's water storage tank. In 2010, Sawpit replaced approximately 2,370-feet of water distribution lines and installed 26 water meters and service reconnections. Once this study and others are completed, Sawpit would seek grant and/or loan including from the CWCB funding or other funding sources to implement the recommended and affordable findings of the study and investigate the water right from existing springs and a potential new well as a redundant water source for the Town.

Discussion: The Project conforms with SWBRT BIP Goals: C: Meet municipal and industrial water needs specifically C2: Provide safe drinking water to Southwest Colorado's citizens and visitors; and D1: Maintain, protect and enhance recreational values, to local and statewide economies derived from recreational water uses such as fishing, boating, hunting, wildlife watching, camping and hiking by capacity to support these activities at the General Mercantile Store in Sawpit.

Issues/Additional Needs: The applicant must first submit an Estimated Detailed Budget prior to entering into a grant contract with the state; otherwise, there are no issues or additional needs.

Eligibility Requirements: The application meets requirements of all eligibility components.

Evaluation Criteria: n/a

Funding Sources/Match	Cash	In-kind	Total	Status
Town of Sawpit Water Activity Enterprise	\$12,500	\$0	\$12,500	Secured
Sub-total Matching Funds	\$12,500	\$0	\$12,500	
WSRF Southwest Basin Account	\$25,000	\$0	\$25,000	Secured
Total Project Costs	\$37,500	\$0	\$37,500	

CWCB Project Manager: Craig Godbout

**Water Supply Reserve Fund
Water Activity Summary Sheet
May 20, 2020
Agenda Item 12(d)**

Applicant & Grantee: Colorado Ag Water Alliance
Water Activity Name: Outreach and Capacity Building for Ag Water Projects
Water Activity Purpose: Education/Implementation
County: Weld, Morgan, Washington, Larimer, Boulder, Yuma, Phillips and Sedgewick
Drainage Basin: South Platte
Water Source: South Platte and tributaries
Amount Requested: \$17,750 South Platte Basin Account
Matching Funds: Applicant Match = \$32,234 (cash)
 • 180% of the Basin Account request (meets 25% min)

Staff Recommendation:

Staff recommends approval of up to \$17,750 from the South Platte Basin Account to help fund the project titled: Outreach and Capacity Building for Ag Water Projects.

Water Activity Summary: WSRF Funds, if approved will assist the Colorado Ag Water Alliance (CAWA) conducting outreach to farmers and ranchers throughout the state. The WSRF funding, will go to cover part of the costs for outreach in the South Platte and Republican River Basins. This outreach includes three components:

- 1) 3 regional workshops that involve 50-100 attendees with an agenda of speakers. The subject matter covers water quality issues, ditch inventories, and how to find and secure grants for irrigation projects.
- 2) At least 20 presentations to ditch companies on Regulation 85 and water quality issues impacting agriculture in the basin.
- 3) Presenting at 4 meetings for agricultural organizations

CAWA is working to provide producers the knowledge and skills to taken an active role in water stewardship in their communities. The workshops and outreach revolve around getting agricultural producers to participate in “community discourse and decision processes about water at the state, regional and local levels.” Ultimately, the goal is to increase the amount of producers who are “demonstrating sustainable water behaviors

Discussion: The South Platte Basin Roundtable and Metro Roundtable Education Action Plan 2016-2018 calls for the long-term goal of hosting events focused on agriculture (page 1) and the South Platte BIP calls for “Improving public understanding about the goals, needs, and plans of the state and the South Platte Basin will help to improve public acceptance of the need for innovative water rate structures, energetic conservation measures, and more integrated land use and water supply planning (S-15).

Issues/Additional Needs: None.

Eligibility Requirements: The application meets requirements of all eligibility components.

Evaluation Criteria: n/a

Funding Sources/Match	Cash	In-kind	Total	Status
CWCB Water Plan Grant	\$12,734	\$0	\$12,734	Secured
Walton Family Foundation	\$15,000	\$0	\$15,000	Secured
CDPHE	\$4,500	\$0	\$4,500	Secured
Sub-total Matching Funds	\$32,234	\$0	\$32,234	
WSRF South Platte Basin Account	\$17,750	\$0	\$17,750	Secured
Total Project Costs	\$49,984	\$0	\$49,984	

CWCB Project Manager: Ben Wade