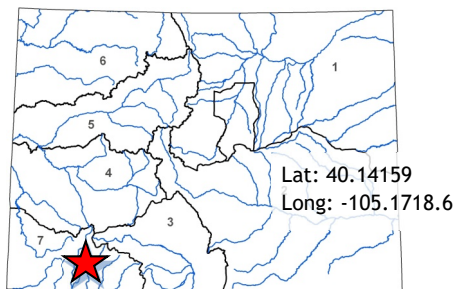




Florida Consolidated Ditch Co.
Florida Canal Diversion Rehabilitation
Phase II

March 2021 Board Meeting

Water Plan Grant Application



L O C A T I O N	
County/Countries:	La Plata
Drainage Basin:	Southwestern

D E T A I L S	
Total Project Cost:	\$1,200,000
Water Plan Grant Request:	\$125,000
Recommended Amount:	\$125,000
Other CWCB Funding:	\$450,000
Other Funding Amount:	\$25,000
Applicant Match:	\$600,000
Project Type(s): Construction; design and permitting	
Project Category(Categories): Agricultural	
Measurable Result:	Infrastructure rehabilitation

The Florida Canal Diversion Structure Rehabilitation Project is a multi-purpose project to enhance aquatic habitat, recreation, and agriculture and to provide construction services for the Florida Canal Diversion Structure (Diversion Structure) Rehabilitation Project (Project). The Diversion Structure delivers pre-Compact irrigation water rights to the Florida Canal headgate to irrigate 6,400 acres on the Florida Mesa. The diversion structure also provides water to Pastorius Reservoir, a Colorado Parks and Wildlife State Wildlife Area, and a popular recreational amenity in the region.

The Florida Diversion Structure and headgate is approximately 9 miles downstream of Lemon Reservoir on the Florida River and serves the Florida Canal. The structure, constructed around 1975, is composed of concrete, steel, and wood and exhibits significant deterioration. In early 2017, after a large release of water from Lemon Reservoir, portions of the timber-faced structure were damaged. Emergency repairs were installed in May 2017; however, these were temporary, and the Company is seeking a permanent solution that increases public safety by removing a dangerous low head dam, a more reliable source of water for Pastorius Reservoir, and enhances the aquatic habitat in the natural stream corridor by promoting fish passage and aquatic connectivity.

Colorado Water Plan funds will support final engineering design, environmental compliance, services during bidding, construction, and engineering services during construction to rehabilitate the current structure. Based on an existing, preliminary design, the rehabilitated structure will provide multiple benefits, including a more reliable structure to maintain deliveries of pre-compact water rights, enhance recreational safety for boaters, and improve wildlife habitat by promoting fish passage.

This project furthers several Colorado Water Plan critical action goals relating to agriculture, including encouraging multi-benefit irrigation infrastructure projects with significant regional and state impact. The project also supports collaboration, bringing a diverse group of stakeholders together to complete the project. In particular, Colorado Parks and Wildlife, the Southwestern Basin Roundtable, the Nature Conservancy, and other local stakeholders support the project.



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Colorado Water Conservation Board

Water Plan Grant Application

Instructions

To receive funding for a Water Plan Grant, applicant must demonstrate how the project, activity, or process (collectively referred to as “project”) funded by the CWCB will help meet the measurable objectives and critical actions in the Water Plan. Grant guidelines are available on the CWCB website.

If you have questions, please contact CWCB at (303) 866-3441 or email the following staff to assist you with applications in the following areas:

Water Storage Projects
Conservation, Land Use Planning
Engagement & Innovation Activities
Agricultural Projects
Environmental & Recreation
Projects

Matthew.Stearns@state.co.us
Kevin.Reidy@state.co.us
Ben.Wade@state.co.us
Alexander.Funk@state.co.us
Chris.Sturm@state.co.us

FINAL SUBMISSION: Submit all application materials in one email to

waterplan.grants@state.co.us

in the original file formats [Application (word); Statement of Work (word); Budget/Schedule (excel)]. Please do not combine documents. In the subject line, please include the funding category and name of the project.

Water Project Summary

Name of Applicant	Florida Consolidated Ditch Company	
Name of Water Project	Florida Canal Diversion Structure Rehabilitation Project Phase 2	
CWP Grant Request Amount		\$ 125,000
Other Funding Sources	<u>WSRF Statewide</u>	\$ 250,000
Other Funding Sources	<u>WSRF SW Basin Round Table</u>	\$ 25,000
Other Funding Sources	<u>Existing CWP Agricultural Projects</u>	\$ 125,000
Other Funding Sources	<u>Existing CWP Environmental and Recreation Projects</u>	\$ 50,000
Other Funding Sources	<u>Southwestern Water Conservation District</u>	\$ 25,000
Applicant Funding Contribution (CWCB Loan)		\$ 600,000
Total Project Cost		\$ 1,200,000



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Applicant & Grantee Information	
Name of Grantee(s)	Florida Consolidated Ditch Company
Mailing Address	P.O. Box 2138 Durango, CO 81301
FEIN	84-0204321
Organization Contact	Roger Cole
Position/Title	President
Email	floridaditch@gmail.com
Phone	(970) 749-9800
Grant Management Contact	Justin Catalano
Position/Title	Manager
Email	floridaditch@gmail.com
Phone	(970) 749-9800
Name of Applicant (if different than grantee)	
Mailing Address	
Position/Title	
Email	
Phone	
Description of Grantee/Applicant	
Provide a brief description of the grantee's organization (100 words or less).	
<p>The Florida Consolidated Ditch Company (FCDC) is composed of the Florida Farmers Ditch Company, the Florida Canal Company, the Florida Canal Enlargement Company, and the Florida Co-Operative Ditch Company. The FCDC is a mutual ditch company that provides water to 293 shareholders serving between 15,000 and 18,000 acres of irrigated Agriculture through the Florida Farmers Ditch, the Florida Canal, and the Florida Co-operative Ditch. Additionally, the FCDC provides water to Pastorius Reservoir, a State Wildlife Area. In total, the FCDC operates 86.5 miles of canals, ditches and laterals, and delivers approximately 43,250 acre-feet of water per year.</p>	



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Type of Eligible Entity (check one)	
	Public (Government): Municipalities, enterprises, counties, and State of Colorado agencies. Federal agencies are encouraged to work with local entities. Federal agencies are eligible, but only if they can make a compelling case for why a local partner cannot be the grant recipient.
	Public (Districts): Authorities, Title 32/special districts (conservancy, conservation, and irrigation districts), and water activity enterprises.
✓	Private Incorporated: Mutual ditch companies, homeowners associations, corporations.
	Private Individuals, Partnerships, and Sole Proprietors: Private parties may be eligible for funding.
	Non-governmental organizations (NGO): Organization that is not part of the government and is non-profit in nature.
	Covered Entity: As defined in Section 37-60-126 Colorado Revised Statutes .

Type of Water Project (check all that apply)	
	Study
✓	Construction
	Identified Projects and Processes (IPP)
✓	Other: Engineering design and environmental services

Category of Water Project (check the primary category that applies and include relevant tasks)		
	Water Storage - Projects that facilitate the development of additional storage, artificial aquifer recharge, and dredging existing reservoirs to restore the reservoirs' full decreed capacity and Multi-beneficial projects and those projects identified in basin implementation plans to address the water supply and demand gap.. <i>Applicable Exhibit A Task(s):</i>	
	Conservation and Land Use Planning - Activities and projects that implement long-term strategies for conservation, land use, and drought planning. <i>Applicable Exhibit A Task(s):</i>	
	Engagement & Innovation - Activities and projects that support water education, outreach, and innovation efforts. Please fill out the Supplemental Application on the website. <i>Applicable Exhibit A Task(s):</i>	
✓	Agricultural - Projects that provide technical assistance and improve agricultural efficiency. <i>Applicable Exhibit A Task(s): Task 3 – Construction and Engineering Services During Construction.</i>	
✓	Environmental & Recreation - Projects that promote watershed health, environmental health, and recreation. <i>Applicable Exhibit A Task(s): Task 3 - Construction, Engineering Services During Construction, and Post-Construction Reclamation Monitoring.</i>	
	Other	Explain:



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Location of Water Project

Please provide the general county and coordinates of the proposed project below in **decimal degrees**. The Applicant shall also provide, in Exhibit C, a site map if applicable.

County/Countries	La Plata County
Latitude	37.312869
Longitude	-107.772065

Water Project Overview

Please provide a summary of the proposed water project (200 words or less). Include a description of the project and what the CWP Grant funding will be used for specifically (e.g., studies, permitting process, construction). Provide a description of the water supply source to be utilized or the water body affected by the project, where applicable. Include details such as acres under irrigation, types of crops irrigated, number of residential and commercial taps, length of ditch improvements, length of pipe installed, and area of habitat improvements, where applicable. If this project addresses multiple purposes or spans multiple basins, please explain.

The Applicant shall also provide, in Exhibit A, a detailed Statement of Work, Budget, Other Funding Sources/Amounts and Schedule.

Phase 2 of the Florida Canal Rehabilitation Project (the Project) includes the final engineering design, environmental, services during bidding, construction, and engineering services during construction for repairs to the Florida Canal Diversion Structure (Diversion Structure). Phase 1 of the Project, consisting of preliminary design concepts and development of a CWCB loan feasibility study is complete, and the Florida Consolidated Ditch Company (FCDC) is ready to secure additional funding for Phase 2 construction of the Project.

The Diversion Structure delivers pre-Compact irrigation water rights to the Florida Canal headgate for irrigation of approximately 6,400 acres on the Florida Mesa. The current Diversion Structure is a low head dam that impedes upstream fish and aquatic organism passage. Phase 1 of the project explored conceptual design alternatives to incorporate multi-purpose components into the rehabilitation of the Diversion Structure including:

- Provide a more reliable Diversion Structure to protect pre-compact water rights decreed for irrigation.
- Reduce drowning hazard potential and increase river safety.
- Provide a more reliable source of water for Pastorius Reservoir, a CPW State Wildlife Area.
- Enhance the aquatic habitat in the natural stream corridor by promoting fish passage and aquatic connectivity.
- Reduce the amount of sediment and debris entering the canal to reduce operations and maintenance costs and disturbances to the river from these activities.

The Project loan feasibility study estimates the cost for the FCDC to repair and replace the existing diversion structure in-kind is \$700,000. The total cost of the loan feasibility study's preferred Project alternative, to meet the multipurpose goals of the Project, is \$1,200,000. It is estimated that the additional cost of rehabilitating the diversion structure to meet the multi-purpose goals of increased structure safety and instream habitat enhancement is approximately \$500,000 (see attached **Table 1**). The FCDC is applying for additional CWP grant funding to help cover the cost of these additional benefits. The CWP funding request is to help fund construction of the preferred alternative to meet the multi-purpose objectives of Phase 1. The FCDC submitted the loan application to CWCB for review



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and approval at CWCB's September 2020 Board meeting and it was approved by the board. A copy of the Laon Approval Letter is provided as part of Exhibit A.

Measurable Results

To catalog measurable results achieved with the CWP Grant funds, please provide any of the following values as applicable:

	New Storage Created (acre-feet)	
	New Annual Water Supplies Developed or Conserved (acre-feet), Consumptive or Nonconsumptive	
	Existing Storage Preserved or Enhanced (acre-feet)	
60,720 (protected)	Length of Stream Restored or Protected (linear feet)	
	Efficiency Savings (indicate acre-feet/year OR dollars/year)	
48.8 (preserved)	Area of Restored or Preserved Habitat (acres)	
	Quantity of Water Shared through Alternative Transfer Mechanisms	
	Number of Coloradans Impacted by Incorporating Water-Saving Actions into Land Use Planning	
	Number of Coloradans Impacted by Engagement Activity	
12,284	Other	Explain: (acre-feet) average annual irrigation water diverted by Florida Canal protected.

Water Project Justification

Provide a description of how this water project supports the goals of [Colorado's Water Plan](#), the most recent [Statewide Water Supply Initiative](#), and the applicable Roundtable [Basin Implementation Plan](#) and [Education Action Plan](#). The Applicant is required to reference specific needs, goals, themes, or Identified Projects and Processes (IPPs), including citations (e.g. document, chapters, sections, or page numbers).

The proposed water project shall be evaluated based upon how well the proposal conforms to Colorado's Water Plan Framework for State of Colorado Support for a Water Project (CWP, Section 9.4, pp. 9-43 to 9-44;)

Goals of the Southwest Basin Roundtable Basin Implementation Plan (BIP) that are in line with the Florida Canal Diversion Structure Rehabilitation Project include the following:

1. Balance all needs and reduce conflict: Supporting specific and unique new IPPs including, but not limited to environmental, agricultural, and compact compliance needs (p.11 & 12, BIP).
2. Pursue a high success rate for identified specific, unique, and multi-purpose IPPs to meet identified gaps and to address all water needs and values (p.12, BIP).
3. Meet recreational and environmental water needs (p.11, BIP).
4. Maintain watershed health by protecting and/or restoring watersheds that could affect critical infrastructure and/or environmental and recreational areas (p.12, BIP).
5. Maintain agriculture water needs: Implement efficiency measures to maximize beneficial use and production – Implement projects in order to help preserve agriculture and open space values, and to help address municipal, environmental, recreational, and industrial



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needs...Implement strategies that encourage continued agricultural use and discourage permanent dry-up of agricultural lands (p.11 & 13, BIP).

6. Plan and preserve water supply options for all existing and new uses and values. Promote dialogue, foster cooperation and resolve conflict among water interests in every basin and between basins for the purpose of implementing solutions to Southwest Colorado and the entire state of Colorado's water supply challenges (p.11 & 18, BIP).
7. Protect, maintain, monitor and improve the condition and natural function of streams, lakes, wetlands, and riparian areas to promote self-sustaining fisheries, and to support native species and functional habitat in the long term, and adapt to changing conditions (p.16, BIP).
8. Maintain, protect and enhance recreational values and economic values to local and statewide economies derived from recreational water uses, such as fishing and boating, among others (p.15, BIP).
9. Comply with Colorado River Compact and manage risk: Preserve Southwest Basin's ability to develop Colorado River compact entitlement to meet our water supply gaps, and protect 100% of pre-compact water rights in the Southwest Basin Area (p.11 & 18, BIP).

Several subcategories identified in the Statewide Water Supply Initiative 2010 (SWSI) that are in line with the Florida Canal Diversion Structure Rehabilitation Project:

1. Special Value Waters – CWCB ISF Water Rights (p.258, Appendix C, SWSI).
2. The Florida River is mapped in the category of having 2-3 environmental and recreational subcategory uses in SWSI 2010 (p. 260, Appendix C, SWSI).
3. Meet agricultural demands (p.ES-28, SWSI).
4. Optimize existing and future water supplies by: maximizing use of existing and new in-basin supplies (p.ES-28, SWSI).
5. Promote cost-effectiveness by: providing viable financing mechanisms, including local, state, and federal funding/financing (p.ES-28, SWSI).
6. Protect cultural values by maintaining open space (p.ES-28, SWSI).
7. Provide operational flexibility and coordinated infrastructure (p.ES-28, SWSI).
8. Comply with all applicable laws and regulations, meet all applicable compact obligations, and protect water rights including the right of water right owners to market their water, while recognizing some institutional changes may be needed to implement certain strategies (p.ES-28, SWSI).

Goals of the Colorado Water Plan (CWP) that are in line with the Florida Canal Diversion Structure Rehabilitation Project:

1. Colorado's Water Plan promotes statewide cooperation for water supply planning through protecting Colorado's ability to fully develop compact entitlements...Colorado will focus planning efforts on maintaining healthy systems and avoiding a Colorado River Compact deficit, rather than focusing on its response to compact curtailment (p.8-3, CWP).
2. Encourage multi-partner, multipurpose, cooperative projects through financial incentives and technical support (p.8-3, CWP).
3. Project proponents that demonstrate a commitment to collaboration through involving multiple participants and consulting with a broad set of local stakeholders and local governments before or early in the regulatory process (p. 9-43 & 9-44, CWP).



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4. Project proponents demonstrate sustainability through avoiding adverse effects to environmental and recreational interests, mitigating economic and social impacts on agricultural and rural communities, and maximizing the use of water resources through firming the yield of existing supplies, and improving or modernizing aging infrastructure (p.9-44, CWP).
5. Maintain agricultural viability, which will maintain Colorado's agricultural productivity, support rural economies, and food security through grants, loans, and technical support to update and improve Colorado's aging infrastructure for long-term maintenance needs, especially where improvements provide multiple benefits (p.10-10, CWP).
6. Enhance environmental and recreational economic values through near-term projects and methods that support economically important water-based recreation, consider the net environmental benefit, and evaluate the water quality impacts of water quantity management approaches (p.10-12, CWP).

The Florida Canal Diversion Structure Rehabilitation Project (Project) is in line with the goals and findings listed above in the BIP, SWSI and CWP:

- The Project is a specific and unique multi-purpose project (new IPP) that will address multiple consumptive and non-consumptive needs on the Florida Mesa and within the Florida River watershed. The Project will protect pre-Compact water rights entitlement by rehabilitating the Diversion Structure allowing for reliable delivery of pre-Compact water rights through the Florida Canal.
- The Project will promote sustainability and watershed health through improving aging infrastructure that maintains open space and provides recreational opportunities throughout La Plata County. More specifically, the Project increase the reliability of water supply to Pastorius Reservoir, which is an important State Wildlife Area with recreational opportunities including fishing, non-motorized boating, hunting, hiking, and wildlife viewing. Rehabilitation of the Diversion Structure firms up agricultural irrigation supply and promotes agricultural viability and productivity, as well as providing increased drought resistance for the Florida Mesa during dry years.
- Non-consumptive environmental and recreational needs will be addressed through restoration of the Diversion Structure. The Project will replace the existing low head dam with a structure that is safer for river users. The Florida River is an important fishery in the Southwest Basin as the CWCB holds two ISF water rights that extend from below Lemon Dam downstream to the Confluence with the Animas River. The reach where the Project is located is identified as special value waters in SWSI because of the CWCB ISF water rights. The Project will provide connectivity for a reach of The Florida River that is approximately 11.5 miles by providing a fish passage as part of the project design and implementation. Pastorius Reservoir is a State Wildlife Area that relies on water delivered from the Florida River, and is an important state recreation area.
- Multiple entities and stakeholders were involved during Phase 1 to collaborate efforts and provide technical support. These stakeholders will continue with their involvement including The Nature Conservancy, Trout Unlimited, Colorado Parks and Wildlife, the Florida Water Conservancy District, and the Florida Consolidated Ditch Company (FCDC) (**see Exhibit A, Table 2**).
- The FCDC is planning on taking out a CWCB loan to fund the project. The Project will promote cost effectiveness by providing viable financing mechanisms, including private, local, and state funding and financing. In addition, flow enhancement alternatives and concepts were evaluated to potentially augment the ISF water rights and assist in financing the project as part of Phase 1.



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IPPs relevant to the Project:

- Ditch Company Improvement and Efficiency Projects (Multi-Basin IPP No. 4-MB)
- Florida Water Conservancy District – Irrigation system efficiency improvements by the Florida Mesa
- Ditch Companies that would firm up agricultural delivery and provide additional water supply for those other uses in Lemon Reservoir through the reduction of losses in the delivery system (IPP No. 4-A).

Florida Consolidated Ditch Companies: Florida Canal Diversion Structure and headgate repair (IPP No. 36-A).

Related Studies

Please provide a list of any related studies, including if the water project is complementary to or assists in the implementation of other CWCB programs.

- Florida Project Water Conservation and Management Plan.
- Florida Canal Diversion Structure Rehabilitation Project – CWCB Loan Feasibility Study

Previous CWCB Grants, Loans or Other Funding

List all previous or current CWCB grants (including WSRF) awarded to both the Applicant and Grantee. Include: 1) Applicant name; 2) Water activity name; 3) Approving RT(s); 4) CWCB board meeting date; 5) Contract number or purchase order; 6) Percentage of other CWCB funding for your overall project.

- 1) Florida Consolidated Ditch Company, 2) Ditch Loss, Hydropower, and Monitoring Improvement Program, 3) Southwest Basin Roundtable, 4) March 17, 2009.
- 1) Florida Consolidated Ditch Company, 2) Canal Seepage Reduction Project, 3) Southwest Basin Roundtable, 4) November 17, 2009.
- 1) Florida Consolidated Ditch Company, 2) Canal Seepage Reduction Project, 3) Southwest Basin Roundtable, 4) September 15, 2010.
- 1) Florida Consolidated Ditch Company, 2) Hess Lateral Improvement Project 3) Southwest Basin Roundtable 4). September 17, 2015.
- 1) Florida Consolidated Ditch Company, 2) Florida Canal Diversion Structure Rehabilitation Project: Phase 1, 3) Southwest Basin Roundtable, 4) March 22, 2018
- 1) Florida Consolidated Ditch Company, 2) Florida Canal Diversion Structure Rehabilitation Project: Phase 2, 3) San Juan/Dolores, 4) March 22, 2018



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Taxpayer Bill of Rights	
The Taxpayer Bill of Rights (TABOR) may limit the amount of grant money an entity can receive. Please describe any relevant TABOR issues that may affect your application.	
Not applicable to FCDC	

Submittal Checklist	
X	I acknowledge the Grantee will be able to contract with CWCB using the Standard Contract .
Exhibit A	
X	Statement of Work ⁽¹⁾
X	Budget & Schedule ⁽¹⁾ (Exhibit B)
X	Overall Funding Approach (Table 1)
X	Engineer's statement of probable cost (projects over \$100,000) (Table 2)
X	Letters of Matching and/or Pending 3 rd Party Commitments ⁽¹⁾
Exhibit C	
X	Map (if applicable) ⁽¹⁾
X	Photos/Drawings/Reports
X	Letters of Support (Optional)
	Certificate of Insurance (General, Auto, & Workers' Comp.) ⁽²⁾
	Certificate of Good Standing with Colorado Secretary of State ⁽²⁾
	W-9 ⁽²⁾
	Independent Contractor Form ⁽²⁾ (If applicant is individual, not company/organization)
Engagement & Innovation Grant Applicants ONLY	
	Engagement & Innovation Supplemental Application ⁽¹⁾

(1) Required with application.

(2) Required for contracting. While optional at the time of this application, submission can expedite contracting upon CWCB Board approval.



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Colorado Water Conservation Board

Water Plan Grant - Exhibit A

Statement Of Work

Date:	October 30, 2020
Name of Grantee:	Florida Consolidated Ditch Company
Name of Water Project:	Florida Canal Diversion Structure Rehabilitation Project Phase 2
Funding Source:	Agricultural and Environmental & Recreation

Water Project Overview:

Phase 2 of the Florida Canal Rehabilitation Project (the Project) includes the final engineering design, environmental, services during bidding, construction, and engineering services during construction for repairs to the Florida Canal Diversion Structure (Diversion Structure). Phase 1 of the Project, consisting of preliminary design concepts and development of a CWCB loan feasibility study is complete, and the Florida Consolidated Ditch Company (FCDC) is ready to secure additional funding for Phase 2 construction of the Project.

The Diversion Structure delivers pre-Compact irrigation water rights to the Florida Canal headgate for irrigation of approximately 6,400 acres on the Florida Mesa. The current Diversion Structure is a low head dam that impedes upstream fish and aquatic organism passage. Phase 1 of the project explored conceptual design alternatives to incorporate multi-purpose components into the rehabilitation of the Diversion Structure including:

- Provide a more reliable Diversion Structure to protect pre-compact water rights decreed for irrigation.
- Reduce drowning hazard potential and increase river safety.
- Provide a more reliable source of water for Pastorius Reservoir, a CPW State Wildlife Area.
- Enhance the aquatic habitat in the natural stream corridor by promoting fish passage and aquatic connectivity.
- Reduce the amount of sediment and debris entering the canal to reduce operations and maintenance costs and disturbances to the river from these activities.

The Project loan feasibility study estimates the cost for the FCDC to repair and replace the existing diversion structure in-kind is \$700,000. The total cost of the loan feasibility study's preferred Project alternative, to meet the multipurpose goals of the Project, is \$1,200,000. It is estimated that the additional cost of rehabilitating the diversion structure to meet the multi-purpose goals of increased structure safety and instream habitat enhancement is approximately \$500,000 (see attached **Table 1**). The FCDC is applying for additional CWP grant funding to help cover the cost of these additional benefits. The CWP funding request is to help fund construction of the preferred alternative to meet the multi-purpose objectives of Phase 1. The FCDC submitted the loan application to CWCB for review and approval at CWCB's September 2020 Board meeting and it was approved by the board.



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Project Objectives:

Primary project objectives for Phase 2 of the project include:

- Provide more permanent long-term repair to the Florida Canal Diversion Structure.
- Provide a more reliable Diversion Structure to protect pre-compact water rights decreed for irrigation, and firm agricultural irrigation supply.
- Provide a more reliable source of water for Pastorius Reservoir, a Colorado Parks and Wildlife (CPW) State Wildlife Area.
- Promote river safety while enhancing the aquatic habitat in the natural stream corridor by promoting fish passage and aquatic connectivity.
- Reduce the amount of sediment and debris entering the canal to reduce operations and maintenance costs and disturbances to the river from these activities.

Tasks

Task 1 – Engineering Design and Environmental Services

Description of Task: Engineering Design and Environmental Services

Prepare Design Drawings, Contract Documents, Technical Specifications, and Reclamation Plan suitable to solicit bids from qualified general Contractors.

Provide assistance with dewatering and stormwater permitting for the project. Environmental work associated with impacts to New Mexico Jumping Mouse, implementation of best management practices for Mouse avoidance, and monitoring before, during and after the project.

Method/Procedure:

Prepare 40 percent and 80 percent level design of the diversion facility. Incorporate comments from CWCB and CPW staff at the 40 percent level and 80 percent level. Prepare issued for bid level design drawings, reclamation plan, Contract Documents and Technical Specifications.

Other items include final hydraulic modeling for La Plata County Floodplain submittal, final velocity profiles for fish passage review, and diversion structure water delivery over the design flow range. Coordination with CPW, The Nature Conservancy, landowner and the CWCB at the 40 percent and 80 percent design level.

Coordination and submittals of design related information for FEMA permitting and other regulatory agencies as identified.

Hire field biologist to assist with meeting requirements for endangered species act during final design, bidding, and construction of the project.

Deliverable:

Sets of drawings at 40 percent and 80 percent level for final review and comment. Development of issued for bid level design drawings, reclamation plan, Contract Documents and Technical Specifications.

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Tasks
Task 2 – <u>Engineering Services During Bidding</u>
Description of Task: Engineering Services During Bidding
<p>Engineering services during bidding including a pre-bid meeting, answering contractor questions, issuing potential addendums, and holding a public bid opening.</p>
Method/Procedure:
<p>Develop and publish bid advertisement in online format to solicit bids from qualified Contractors. Hold a pre-bid meeting at the project site with bidders. Provide written responses to Contractor questions during the bidding period. Issue addendum documentation as necessary. Hold a public bid opening to announce bids received for the project</p>
Deliverable:
<p>Pre-bid meeting minutes, documentation answering contractor questions, addendum documentation, and bidding documents from qualified local contractors. Bid tab summary of all Contractor Bids received for the Project.</p>



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Tasks
<u>Task 3 – Construction, Engineering Services During Construction, and Post-Construction Reclamation Monitoring</u>
Description of Task: Active construction, engineering services during construction, and post-construction reclamation monitoring.
<p>Construction of the Diversion Structure Rehabilitation Project and geotechnical testing services.</p> <p>Engineering services during construction include regular onsite observation, coordination of weekly progress meetings, answering contractor requests for information, and reviewing Contractor Pay Applications.</p> <p>The FCDC and Engineer to monitor post construction condition of stream restoration and reclamation plan in coordination with Landowner.</p>
Method/Procedure:
<p>Contractor to construct the Diversion Structure Rehabilitation Project in general conformance with the Drawings, Contract Documents and Technical Specifications.</p> <p>Engineer to perform onsite observation of contractor progress, responds to Contractor requests for information, develop and distribute weekly progress meeting minutes during construction, review contractor pay application requests.</p> <p>Post construction Assumes quarterly site visits following reclamation plan installation to review, document, and address issues that arise during the reclamation period. Coordination with Contractor during warranty period to address any issues that arise.</p>
Deliverable:
<p>Weekly construction progress meeting minutes, responses to Contractor requests for information, engineer reviewed Contractor pay applications.</p> <p>Reclamation plan progress documentation including photographs and site visit notes.</p>

Budget and Schedule
This Statement of Work shall be accompanied by a combined Budget and Schedule that reflects the Tasks identified in the Statement of Work and shall be submitted to CWCB in excel format.

Reporting Requirements
Progress Reports: The applicant shall provide the CWCB a progress report every 6 months, beginning from the date of issuance of a purchase order, or the execution of a contract. The progress report shall describe the status of the tasks identified in the statement of work, including a description of any major issues that have occurred and any corrective action taken to address these issues.

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Reporting Requirements

Final Report: At completion of the project, the applicant shall provide the CWCB a Final Report on the applicant's letterhead that:

- Summarizes the project and how the project was completed.
- Describes any obstacles encountered, and how these obstacles were overcome.
- Confirms that all matching commitments have been fulfilled.
- Includes photographs, summaries of meetings and engineering reports/designs.

The CWCB will pay out the last 10% of the budget when the Final Report is completed to the satisfaction of CWCB staff. Once the Final Report has been accepted, and final payment has been issued, the purchase order or grant will be closed without any further payment.

Payment

Payment will be made based on actual expenditures and must include invoices for all work completed. The request for payment must include a description of the work accomplished by task, an estimate of the percent completion for individual tasks and the entire Project in relation to the percentage of budget spent, identification of any major issues, and proposed or implemented corrective actions.

Costs incurred prior to the effective date of this contract are not reimbursable. The last 10% of the entire grant will be paid out when the final deliverable has been received. All products, data and information developed as a result of this contract must be provided to CWCB in hard copy and electronic format as part of the project documentation.

Performance Measures

Performance measures for this contract shall include the following:

(a) Performance standards and evaluation: Grantee will produce detailed deliverables for each task as specified. Grantee shall maintain receipts for all project expenses and documentation of the minimum in-kind contributions (if applicable) per the budget in Exhibit B. Per Water Plan Grant Guidelines, the CWCB will pay out the last 10% of the budget when the Final Report is completed to the satisfaction of CWCB staff. Once the Final Report has been accepted, and final payment has been issued, the purchase order or grant will be closed without any further payment.

(b) Accountability: Per Water Plan Grant Guidelines full documentation of project progress must be submitted with each invoice for reimbursement. Grantee must confirm that all grant conditions have been complied with on each invoice. In addition, per Water Plan Grant Guidelines, Progress Reports must be submitted at least once every 6 months. A Final Report must be submitted and approved before final project payment.

(c) Monitoring Requirements: Grantee is responsible for ongoing monitoring of project progress per Exhibit A. Progress shall be detailed in each invoice and in each Progress Report, as detailed above. Additional inspections or field consultations will be arranged as may be necessary.

(d) Noncompliance Resolution: Payment will be withheld if grantee is not current on all grant conditions. Flagrant disregard for grant conditions will result in a stop work order and cancellation of the Grant Agreement.



COLORADO

**Colorado Water
Conservation Board**

Department of Natural Resources

Colorado Water Conservation Board

Water Plan Grant - Exhibit B

Budget Template Instructions

**** Please select the most appropriate budget template for your project from the worksheet tabs below. A general budget template is provided, as well as templates for studies, construction, and engineering projects.****



Water Plan Grant - Exhibit B

Budget and Schedule

Project End Date: Substantial Completion: 3/31/2023 Post Reclamation Monitoring: 9/30/2024

Task No.	Task Description	Task Start Date	Task End Date	Grant Funding Request	Match Funding	Total
1	Engineering Design and Environmental Services - Prepare Design Drawings, Contract Documents, Technical Specifications, and Reclamation Plan suitable to solicit bids from qualified general Contractors.	1/1/2022	6/1/2022		\$145,000	\$145,000
2	Engineering Services During Bidding - Holding a Pre-bid meeting, answering contractor questions, issuing potential addendums, and holding a public bid opening.	7/1/2022	9/30/2022		\$12,000	\$12,000
3	Construction and Engineering Services During Construction and Post Construction Reclamation and Monitoring Services - Regular onsite observation, coordination of weekly progress meetings, answering contractor requests for information, and reviewing Contractor pay applications. See attached Table 2 for a Planning Level Opinion of Probable Construction Costs.	10/1/2022	Substantial Completion: 3/31/2023 Post Reclamation Monitoring: 9/30/2024	\$125,000	\$918,000	\$1,043,000
						\$0
						\$0
						\$0
						\$0
						\$0
						\$0
						\$0
						\$0
						\$0
						\$0
Total				\$125,000	\$1,075,000	\$1,200,000



Colorado Water Conservation Board
Water Plan Grant - Detailed Budget Estimate
Fair and Reasonable Estimate

Prepared Date:
Name of Applicant:
Name of Water Project:

EXAMPLE A: Study or Project Coordination

Task 1 - [TASK NAME]

Sub-task	Item	Hourly Rate	# Hours	Sub-total	Item Cost	Item Quantity	Sub-total	Total	CWCB Funds	Matching Funds
Focus Groups										
	Participant Stipend			\$ -	\$ 50.00	20.00	\$ 1,000.00	\$ 1,000.00	\$ 250.00	\$ 750.00
	Catering			\$ -	\$ 15.00	20.00	\$ 300.00	\$ 300.00	\$ 75.00	\$ 225.00
	Feedback Survey			\$ -	\$ 0.50	20.00	\$ 10.00	\$ 10.00	\$ 2.50	\$ 7.50
	Staff Time	\$ 40.00	10	\$ 400.00				\$ 400.00	\$ 100.00	\$ 300.00
Develop Exhibit										
	Exhibit Designer	\$ 50.00	100	\$ 5,000.00			\$ -	\$ 5,000.00		
	Staff Time Project Manager	\$ 50.00	30	\$ 1,500.00			\$ -	\$ 1,500.00		
	Staff Time Administrative	\$ 35.00	20	\$ 700.00			\$ -	\$ 700.00		
	Film Production (filming, editing, production)			\$ -	\$ 5,000.00	1.00	\$ 5,000.00	\$ 5,000.00		
				\$ -			\$ -	\$ -		
				\$ -			\$ -	\$ -		
TOTAL								\$ 13,910.00		
Other Direct Costs (see below)								\$ 2,469.00		
OVERALL TOTAL								\$ 16,379.00		

Other Direct Costs

Item:	Copies & Printing (Black & White)	Copies & Printing (Color)	Materials and Final Report Production Lump Sum	Lodging and Meals Per Diem	Travel Expenses (Airfare and Car Rental) Lump Sum	Mileage Miles	Total
Units:	No.	No.					
Unit Cost:	\$0.10	\$0.50		\$ 100.00		\$0.535	
Project Initiation	150	100		2		400	\$479
Report, Conclusions and Recommendations	150	150	\$ 1,900	0		0	\$1,990
Total Units:	300	250	1,900	2	0	400	
Total Cost:	\$30	\$125	\$1,900	\$200	\$0	\$214	\$2,469



COLORADO

Colorado Water
Conservation Board

Department of Natural Resources

Colorado Water Conservation Board

Water Plan Grant - Detailed Budget Estimate

Fair and Reasonable Estimate

Prepared Date:

Name of Applicant:

Name of Water Project:

EXAMPLE C: Construction

Task 1 - Construction

Sub-task	Unit	Quantity	Unit Cost	Total Cost	CWCB Funds	Matching Funds
Mobilization	LS	1	\$ 50,000	\$ 50,000	\$ 10,000	\$ 40,000
Coffer Dam	EA	1	\$ 100,000	\$ 100,000	\$ 20,000	\$ 80,000
Cut	CY	20,000	\$ 4	\$ 80,000	\$ 16,000	\$ 64,000
Fill	CY	18,000	\$ 8	\$ 144,000	\$ 28,800	\$ 115,200
Erosion Control	LS	1	\$ 40,000	\$ 40,000	\$ 8,000	\$ 32,000
18-inch HDPE	LF	500	\$ 50	\$ 25,000	\$ 5,000	\$ 20,000
18-inch Valve	EA	1	\$ 10,500	\$ 10,500	\$ 2,100	\$ 8,400
Etc...						

Task 2 - ?

TOTAL				\$ 449,500.00	\$ 89,900	\$ 359,600
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Colorado Water Conservation Board

Water Plan Grant - Detailed Budget Estimate

Fair and Reasonable Estimate

Prepared Date:
Name of Applicant:
Name of Water Project:

EXAMPLE B: Engineering

Task 1 - Engineering						Subcontracts					
Sub-task	Water Consultants					Subcontracts			Project Total	CWCB Funds	Matching Funds
	Senior Principal Engineer	Senior Water Resources Engineer/Consultant	Water Resources Engineer	Geologist/ Water Resources Analyst	Subtotal	Geotechnical Lump sum	Environmental and Cultural Resources Lump Sum	(Other)			
	\$ 190	\$ 160	\$ 130	\$ 100							
	Estimated Hours					Cost per					
Project Initiation / Stakeholder identification	12	32		16	\$ 9,000			\$ -	\$9,000		
Water Rights Evaluation	24	24	80	30	\$ 21,800			\$ 12,000	\$33,800		
Geotechnical	24			36	\$ 8,160	\$ 27,000		\$ 27,000	\$35,160		
Permitting		32		40	\$ 9,120			\$ -	\$9,120		
Survey	4	24		8	\$ 5,400			\$ -	\$5,400		
Design of XXX	160	60	100		\$ 12,640			\$ -	\$12,640		
Preparation of construction documents (bid docs, specs)	40	10	30								
Project Management	20	30		24	\$ 11,000			\$ -	\$11,000		
Report, Conclusions, & Recommendations	40	54	16	40	\$ 22,320			\$ 3,000	\$30,820		
Task 2 - ?											
TOTAL									\$146,940		

Table 2
Planning Level Opinion of Probable Cost for Florida Canal Diversion Rehabilitation Project
Alternative No. 4 Newbury Riffle and Cross-Vane Structure
Florida Consolidated Ditch Company

Projected Project Costs for Informational Purposes Only	Planning Level Estimated Engineering / Environmental / Services During Bidding and Construction					
	Engineering Design					\$60,000
	Reclamation Plan Development					\$10,000
	Services During Bidding					\$12,000
	Environmental					\$75,000
	Engineering Services During Construction					\$80,000
	Post Construction Reclamation and Monitoring Services					\$31,000
	Planning Level Estimated Final Engineering / Environmental / Services During Bidding and Construction					\$268,000
	Planning Level Construction Cost Estimate					
	Description	Cost per Unit	Unit	Reference	Quantity (±)	Cost
	Mobilization / Demobilization					
	10% of Permits, Earthwork and Special Construction Costs	\$70,000	LS		1	\$70,000
	Permits					
	Stormwater Permit Compliance	\$20,000	LS	1	1	\$20,000
	Dewatering Permit Compliance	\$10,000	LS	4	1	\$10,000
	Earthwork					
	Grouted Newbury Riffle Structure	\$450	SY	2	300	\$135,000
	Grouted Cross Vane Structures	\$15,000	EA	2	5	\$75,000
	Scour Hole Fill Material	\$50	CY	2	200	\$10,000
	Earthwork	\$10	CY	2	1600	\$16,000
	Stream Bank Restoration / Stabilization	\$500	LF	2	300	\$150,000
	Special Construction					
	Sheet Pile Wall	\$70	SQFT	2	600	\$42,000
	Grouted Rock Anchors	\$850	EA	3	100	\$85,000
	Waste Gate	\$10,000	EA		1	\$10,000
	Concrete Spill Structure w/ Bar Grate	\$1,250	CY		60	\$75,000
	Open Channel Return to River	\$1,250	CY	2	10	\$13,000
	Construction Subtotal					\$711,000
	30% Contingency					\$213,300
	Planning Level Construction Cost Estimate Including Contingency					\$924,300
	Planning Level Estimated Total Construction / Engineering and Environmental Services					\$1,192,300
	Planning Level Estimated Total Construction / Engineering and Environmental Services (Rounded)					\$1,200,000

¹ Estimated at 2.5% of Earthwork and Concrete Work costs.

² Urban Drainage and Flood Control District Bid Tabs

³ RS Means 2019: 10' Long 1" Diameter drilled and grouted rock bolts

⁴ Assumes using Florida Canal in conjunction with a temporary return to river downstream of work area for dewatering

⁵ Estimated at eight design sheets at 10K per sheet.

⁶ Assume bids open for 1 month @15 hours per week

⁷ Assume 5 month construction schedule @20 hours per week

Table 1
Florida Consolidated Ditch Company
Florida Canal Diversion Structure Rehabilitation Phase 2 Funding Sources and Approach for Preferred Alternative

Description of Services	Engineering, Permitting, and Construction	CWCBC					SWCD	Total Grant Funds	Matching Funds	Total Cash Funds	Total Project Cost
		Colorado Water Plan	WSRF		Colorado Water Plan (Awarded)				CWCB Loan/FCDC Cash ⁽⁵⁾		
		CWP Agricultural and Environmental & Recreational Projects ⁽¹⁾	Statewide Account ⁽²⁾	Southwestern Basin Roundtable ⁽²⁾	CWP Agricultural Projects ⁽³⁾	CWP Environmental & Recreational Projects ⁽³⁾	Southwestern Water Conservation District ⁽⁴⁾				
Phase 2 - Final Design, Environmental, Services During Bidding, Construction, Engineering Services During Construction	\$1,200,000	\$125,000	\$250,000	\$25,000	\$125,000	\$50,000	\$25,000	\$600,000	\$600,000	\$1,200,000	\$1,200,000
% of total =	100%	10%	21%	2%	10%	4%	2%	50%	50%	100%	100%

Notes:

- (1) CWCBC staff currently recommend applying for \$125,000 in grant monies from the CWP Agricultural Projects Funding Category and the Environmental and Recreational Projects Funding Category. CWP grant application is due December 1, 2020.
- (2) Southwestern Basin Roundtable approved funding for \$25,000 during July 23, 2020 meeting. Statewide Account request of \$250,000 recommended for approval at September, 2020 CWCBC Board Meeting.
- (3) Approved by CWCBC Board on condition of loan approval. Loan approved during September, 2020 Board Meeting.
- (4) Pending application to Southwestern Water Conservation District November 2020.
- (5) CWCBC Loan approval granted during September, 2020 CWCBC Board Meeting.

Estimated Total Project Cost of Alternatives Evaluated for Loan Feasibility Study	
Loan Feasibility Study Alternatives	Total Project Cost
Newbury Riffle and Cross-Vane Structure (Preferred Alternative No. 4)	\$1,200,000
Repair and Replace in Kind (Alternative No. 2)	\$700,000
Difference	\$500,000



COLORADO

Colorado Water Conservation Board

Department of Natural Resources
1313 Sherman Street, Room 718
Denver, CO 80203

September 21, 2020

Justin Catalano, Manager
Florida Consolidated Ditch Company
691 CR 233 Unit B1A
Durango, CO 81301
floridaditch@gmail.com

Re: Florida Canal Diversion Replacement Project - Loan Approval

Dear Mr. Catalano:

I am pleased to inform you that on September 17, 2020 the Colorado Water Conservation Board approved your funding request for the Florida Canal Diversion Replacement Project as described in the application and approved Loan Feasibility Study titled "Florida Canal Diversion Structure Rehabilitation Project, CWCB Loan Feasibility Study" dated July 2020. The Board approved a loan not to exceed \$757,500 (\$750,000 for Project costs and \$7,500 for the 1% service fee). The loan terms shall be 1.30% per annum for 30 years. The Board also approved Water Supply Reserve Fund (WSRF) grant of up to \$275,000 for costs related to the Florida Canal Diversion Replacement Project.

The Board also approved a WSRF Grant for \$275,000. This grant along with all previous approved funding for the Project will be available for disbursement at a prorated amount throughout the Project.

I have attached the updated Board memo dated September 18, 2020, that includes the Board's approval. After the Board approves the funding there are a few steps that remain in the process including:

Contracting: An executed contract must be in place before funds can be disbursed for eligible project expenses. Peg Mason, Loan Contracts Manager, will contact you to initiate the contracting process. She can be reached at (303) 866-3441 x3227.

Design/Construction: You must adhere to the CWCB Design and Construction Administration Procedures including an invitation to the Prebid, Preconstruction and Bid Opening meetings. Matthew Stearns, P.E., will be the Project Manager for this phase of the process and will work with you on the disbursements of your loan funds. He can be reached at (303) 866-3441 x3257.

On behalf of the Board, I would like to thank you for your interest in a loan from the CWCB.

Sincerely,

Kirk Russell, P.E., Chief
Finance Section

Attachment: Updated Board Memo





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

Rebecca Mitchell, CWCB Director

TO: Colorado Water Conservation Board Members

FROM: Matthew Stearns, P.E., Project Manager
Kirk Russell, P.E., Finance Section Chief

DATE: September 16-17, 2020, Board Meeting (Updated September 18, 2020)

AGENDA ITEM: 20a. Water Project Loan/Grant
Florida Consolidated Ditch Company – Florida Canal Diversion Replacement

**Staff Recommendation for CWCB Loan: (Board approved Staff Recommendation
September 17, 2020)**

Staff recommends the Board approve a loan not to exceed \$757,500 (\$750,000 for Project costs and \$7,500 for the 1% service fee) to the Florida Consolidated Ditch Company for costs related to the Florida Canal Diversion Replacement Project, from the Severance Tax Perpetual Base Fund. The loan terms shall be 30 years at a blended interest rate of 1.30% per annum. Security for the loan shall be in compliance with CWCB Financial Policy #5.

**Staff Recommendation for WSRF Grant: (Board approved Staff Recommendation
September 17, 2020)**

Staff recommends approval of up to \$250,000 from the Statewide Fund and \$25,000 from the Southwest Basin Fund to the Florida Consolidated Ditch Company for costs related to the Florida Canal Diversion Replacement Project.

Introduction:

The Florida Consolidated Ditch Company (Company) is applying for a loan and a Water Supply Reserve Fund (WSRF) grant for the Florida Canal Diversion Replacement (Project). The Florida Canal delivers water to shareholders for irrigation in La Plata County. The diversion structure was showing significant deterioration by 2017, when Lemon Reservoir released a large volume of water due to the good water year, and was subsequently damaged. While emergency repairs were installed soon after, they are temporary in nature and a long-term solution is needed. The long-term solution is rehabilitation of the structure that incorporates removal of a dangerous low-head dam and inclusion of in-stream fish passage improvements. The total Project cost is estimated to be \$1,200,000. The Company is requesting a loan for approximately 63% of the Project cost and a WSRF grant for approximately 23% of the Project cost. The Project has previously received approval of two Water Plan Grants at the May 2018 Board Meeting for \$175,000, or approximately 14% of the current Project cost. In addition, the company is seeking a grant from the Southwestern Water Conservation District. See attached Project Data Sheet for a location map and Project summary.



Background:

The Company diverts natural streamflow and storage water from the Florida River to approximately 18,000 acres of irrigated farmland in La Plata County by means of two diversions; one is the Florida Canal, and the other is the Florida Farmers Ditch. Specifically, the Florida Canal diverts an average of 10,254 AF of water a year for irrigation, including water from Lemon Reservoir, and it provides water to Pistorius Reservoir, a Colorado Parks and Wildlife State Wildlife Area.

As part of the U.S. Bureau of Reclamation (USBR) Florida Project, Lemon Reservoir provides “Project Water” that is used to regulate streamflow in the Florida River, and provides irrigation water on the Florida Mesa. This irrigation water is used in the service area of the Company and the Florida Water Conservancy District (District), which operates the Florida Project. Despite “Project Water” users receiving water from the Company, they are not shareholders and instead, the District pays the Company for delivery. The Florida River also contains two instream flow water rights near the Project, between Lemon Reservoir and the confluence of the Florida and the Animas Rivers.

The Florida Canal is controlled by a diversion structure and headgate approximately 9 miles downstream of Lemon Reservoir on the Florida River. The structure, constructed around 1975, is composed of concrete, steel, and wood, and is exhibiting significant deterioration. In early 2017, after a large release of water from Lemon Reservoir, portions of the timber-faced structure were damaged. Emergency repairs were installed in May 2017; however, these were temporary in nature and the Company is seeking a permanent solution that increases public safety by removing a dangerous low head dam, provides a more reliable source of water for Pistorius Reservoir, and enhances the aquatic habitat in the natural stream corridor by promoting fish passage and aquatic connectivity.

At the March 2018 Board Meeting, the Company was awarded a WSRF grant for \$99,000 to prepare the Feasibility Study, acquire the easement, and review environmental and cultural permitting needs. This combined with other grant funds and Company contributions, helped the Company to fund an interdisciplinary development of the project. In particular, the Company has coordinated with the landowner, US. Fish and Wildlife Service, and Colorado Parks and Wildlife to develop a multi-beneficial outcome project. The Project is supported by the State Engineer’s Office, Dam Safety Branch as it will remove a dangerous low-head dam, and by Colorado Parks and Wildlife as it will provide adult fish passage .

The Company is seeking a Water Project Loan and a WSRF grant, in addition to two Water Plan Grants from the Agricultural, and the Environmental and Recreation categories approved at the May 2018 Board meeting. The Company also has a pending application for a grant from the Southwestern Water Conservation District. This funding package will allow the Company to replace the existing diversion structure for the benefit of all shareholders and “Project Water” users.

Borrower – Florida Consolidated Ditch Company

The Company was established in 2014 with the consolidation of the four original Florida Mesa canal companies. These companies were the Florida Farmers Ditch Company, the Florida Canal Company, the Florida Canal Enlargement Company, and the Florida Cooperative Ditch Company, with shares of these companies consolidated into Class A; Class B and Class B Deeded; Class C; and Class D shares in the Company respectively. Class B deeded shares are the same as Class B shares, but without voting rights. In total, there are currently 293 shareholders with 6,200 shares. The company is a nonprofit

corporation in good standing with the Colorado Secretary of State and its 7-member Board of Directors exercise the corporate powers of the Company.

Revenues are primarily generated through assessments on shareholders and payments from the District for "Project Water." An annual budget, including assessments, is set at the annual shareholder meeting by a majority vote of shareholders with voting rights, with each share providing one vote. Payment of assessments are enforced by the Board of Directors through a 1% per month charge on delinquent assessments and a water shut off until payment is received in full, or in the case of nonpayment, by sale of the shares.

Loan Feasibility Study:

Peter Foster, P.E. of Wright Water Engineers, Inc. prepared the Loan Feasibility Study titled "Florida Canal Diversion Structure Rehabilitation Project, CWCB Loan Feasibility Study" dated July 2020. The feasibility study was prepared in accordance with CWCB guidelines and includes an analysis of alternatives, preliminary engineering design, construction cost estimates, with financial statements provided by the Company.

Water Rights:

The Company owns and operates two canals: the Florida Canal, which diverts water under the Florida Canal (Share B) and Florida Canal Enlargement (Share C) water rights, and the Florida Farmers Ditch, which diverts water under the Florida Farmers Ditch (Share A) and Florida Co-operative Ditch (Share D) water rights. Water delivered to Pastorius Reservoir is decreed under the Florida Canal water rights. Water rights related to the Project diversion structure are summarized in Table 1.

TABLE 1: PROJECT WATER RIGHTS

Name (Share)	Amount	Appropriation Date	Adjudication Date	Water Court Case No.
Florida Canal (B)	24 CFS	9/29/1888	11/8/1923	CA1751
Florida Canal (B)	16 CFS	3/9/1893	11/8/1923	CA1751
Florida Canal (B)	970 AF	5/29/1911	11/8/1923	CA1751
Florida Canal (C)	31 CFS	3/13/1907	11/8/1923	B-1751
Florida Canal (C)	40 CFS	3/13/1907	11/8/1923	CA1751

Project Description:

The purpose of the Project is to repair the diversion structure to maintain historical diversions into the Florida Canal, while reducing sediment and debris entering the headgate. The Company is also interested in improving public safety, enhancing the natural stream corridor, and enhancing fish passage and connectivity. The following alternatives were analyzed:

Alternative 1 - No Action: This alternative would require more regular monitoring and ongoing emergency repairs to the diversion structure. In the event of a catastrophic failure, the irrigation water supply for 8,000 acres would be interrupted, causing a significant impact to the local economy.

Alternative 2 - Repair Existing Structure: This alternative would involve buttressing the existing structure and constructing a new diversion structure immediately downstream of the existing

structure. While the Company would be able to maintain historic diversions, the dangers of the low head dam would remain, and it would continue to function as a fish barrier. The total project cost for this alternative is estimated to be \$700,000. Selecting this option would make it ineligible for the grants the Company has already, or is attempting, to secure.

Selected Alternative 3 - Replace the Existing Structure: This alternative will construct a combination of Newbury riffles and cross vane structures downstream of the existing diversion structure. Newbury riffles create a series of riffle runs and step-pools acting in a similar fashion to a fish ladder; however, they require more stream length to accomplish this. Cross vane structures can be installed closer together than Newbury riffles because they focus stream flows to the center of the channel with a small drop, but can still facilitate fish passage. This combination of riffles and structures provides a safer recreational environment, promotes fish passage while meeting the structural footprint requirements of the landowner, and is aesthetically pleasing. The total cost for this alternative is estimated to be \$1,200,000 as shown in Table 2. While this alternative is the most expensive, it meets the objectives of the project while providing multi-beneficial outcomes.

TABLE 2: ESTIMATED PROJECT COST

Task	Total
Engineering Design	\$60,000
Reclamation Plan Development and Post Construction Monitoring	\$41,000
Bidding and Construction Administration	\$92,000
Environmental	\$75,000
Construction	\$711,000
Contingency (23%)	\$221,000
TOTAL	\$1,200,000

Permitting: The Company's engineer expects the project will not require a 404 permit due to agricultural water use exemptions. In addition, while the project is not required to obtain a permit under the Endangered Species Act for the New Mexico meadow jumping mouse, the Company and its engineer are coordinating with the U.S. Fish and Wildlife Service to develop Best Management Practices to avoid any potential for impact. The Company will need to obtain a floodplain development permit from the County. The selected contractor will need to obtain a construction dewatering permit and construction stormwater discharge permit prior to construction. The Company is also in the final stages of negotiations with the landowner to obtain an easement for the Project. In lieu of requesting compensation, the landowner requested a reclamation plan and monitoring.

Schedule: Final design is planned for early 2022 with construction expected to occur in late 2022 through early 2023. Post construction reclamation and performance monitoring is expected to continue in 2023 and 2024.

Water Supply Reserve Fund

Applicant & Grantee: Florida Consolidated Ditch Company
Water Activity Name: Florida Canal Diversion Structure Replacement, Phase 2
Water Activity Purpose: Agricultural/E&R-Implementation
County: La Plata
Drainage Basin: Southwest
Water Source: Florida River

At the July 2020 Southwest Basin Roundtable meeting, the Roundtable recommended approval of the Florida Canal Diversion Structure Replacement, Phase 2 application request for the following Basin and Statewide Funds:

Amount Requested/Source of Funds: \$25,000 Southwest Basin Account
\$250,000 Statewide Account
\$275,000 Total Request

Matching Funds: Basin Fund Match = \$25,000 = 10% of statewide grant request (meets 10% min);
Non-Statewide Fund Match: \$950,000 = 380% of statewide grant request (meets 50% min);
Applicant & 3rd party match: \$925,000 = 370% of statewide grant request (meets 10% min)

Discussion: This project supports both the agricultural, and environmental & recreation objectives of the Water Plan. The Project falls under IPP 4-MB of the Southwest Basin's Implementation Plan. It also meets a Measurable Goal or Outcome of the Southwest Basins BIP to maintain Agricultural Water Needs, Meet Environmental Water Needs, and Comply with Colorado River Compact and Manage Risk.

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

Eligibility Requirements: The application meets requirements of all eligibility components: General Eligibility, Entity Eligibility, Water Activity Eligibility, and Eligibility Based on Match Requirements.

Evaluation Criteria: This activity has undergone review and staff has determined it satisfies the Evaluation Criteria outlined in Colorado's Water Plan, Section 9.4. Please refer to Basin Roundtable Chair's Recommendation Letter and the Application for a detailed response.

Funding Source	Cash	In-kind	Total	Status
CWCB Water Project Loan	\$750,000	\$0	\$750,000	
Colorado Water Plan Grants (2018)	\$175,000	\$0	\$175,000	Secured
Sub-total	\$925,000	\$0	\$925,000	
WSRF Southwest Account	\$25,000	\$0	\$25,000	
WSRF Statewide Account	\$250,000	\$0	\$250,000	
Total Project Costs	\$1,200,000	\$0	\$1,200,000	

CWCB Loan Program

Financial Analysis:

Table 3 provides a summary of the Project's financial aspects. The Company qualifies for a blended interest rate of 1.30% for a 30-year term (Ownership: 94% Agricultural, 6% Mid Municipal, <1% Commercial) per CWCB Financial Policy #7 (Lending Rate Determination.)

TABLE 3: FINANCIAL SUMMARY

Total Project Cost	\$1,200,000
Water Plan Grants Secured (Agriculture and Environmental and Recreation)	\$175,000
Water Supply Reserve Fund grant	\$275,000
CWCB Loan Amount	\$750,000
CWCB Loan Amount (Including 1% Service Fee)	\$757,500
CWCB Annual Loan Payment	\$30,655
CWCB Annual Loan Obligation (1 st Ten Years)	\$33,721
Number of Shares (Class B, Class B deeded, and Class C) ⁽¹⁾	3,200
Annual Loan Obligation per Share	\$11
Current Total Assessment per Share	\$110

(1) The Company anticipates that all 6,200 shareholders will be assessed to pay back the loan since all shareholders will benefit; however, since this will be decided by a vote of shareholders in November, only the Florida Canal water rights shareholders are shown.

Loan/Grant Payment: The District plans to apply for a Water Plan Grant in December 2020. If the grant is approved, it will go toward the Project costs and reduce the loan amount needed to complete this Project.

Creditworthiness: The Company has one existing loan with CWCB not to exceed \$1,085,750 approved by the Board in May 2017 for the Hess Lateral Improvement Project. No disbursements have been made from this loan; however, the annual loan obligation is estimated to be \$51,871. The Company has no other debt.

TABLE 4: FINANCIAL RATIOS

Financial Ratio	Prior Years	Future w/ Projects ¹
Operating Ratio (revenues/expenses) weak: <100% - average: 100% - 120% - strong: >120%	102% (average) \$490K/\$481K	100% (average) \$567K/\$567K
Debt Service Coverage Ratio (revenues-expenses)/debt service weak: <100% - average: 100% - 120% - strong: >120%	N/A	100% (average) <u>\$567K-\$481K</u> \$85.6.0K
Cash Reserves to Current Expenses weak: <50% - average: 50% - 100% - strong: >100%	18% (weak) \$84.4K/\$481K	15% (weak) \$84.4K/\$567K
Annual Operating Cost per Acre-Foot (43,000 AF) ² weak: >\$20 - average: \$10 - \$20 - strong: <\$10	\$11 (average) \$481K/43.0K AF	\$13 (average) \$567K/43.0K AF

(1) Costs associated with the Hess Lateral loan are included in the Future w/ Projects ratios but not considered in the Prior Years Ratios as they have not withdrawn any loan funds to date.

(2) Annual Operating Cost per Acre-Foot is based on the diversions by the Company as a whole.

Collateral: Security for this loan will be a pledge of assessment revenues backed by a rate covenant and the Project itself (Florida Canal diversion structure). This security is in compliance with the CWCB Financial Policy #5 (Collateral).

cc: Justin Catalano, Manager, Florida Consolidated Ditch Company
Jennifer Mele, Colorado Attorney General's Office

Attachment: Water Project Loan Program - Project Data Sheet



COLORADO

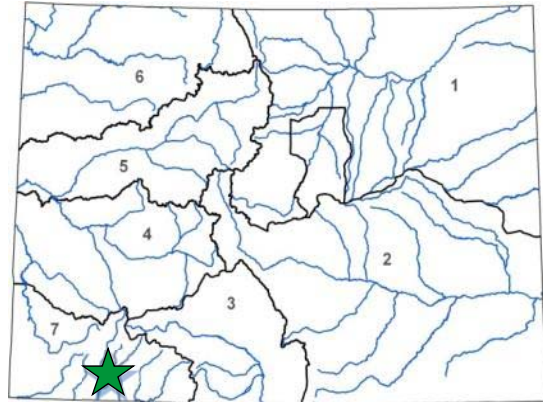
Colorado Water
Conservation Board
Department of Natural Resources

Florida Canal Diversion Replacement

Florida Consolidated Ditch Company

September 2020 Board Meeting

L O A N D E T A I L S	
Project Cost:	\$1,200,000
CWCB Loan (with 1% Service Fee):	\$757,500
Loan Term and Interest Rate:	30 years @ 1.30%
Funding Source:	Severance Tax PBF & WSRF & WPG
B O R R O W E R T Y P E	
Agriculture	Municipal Commercial
94%	0% Low - 6% Mid - 0% High <1%
P R O J E C T D E T A I L S	
Project Type:	Diversion Structure Replacement
Average Annual Diversions:	10,254 AF



The Company is a non-profit mutual ditch company established in 2014 out of the four original Florida Mesa canal companies. It owns and operates both the Florida Farmers Ditch and the Florida Canal, serving 293 shareholders and supporting approximately 16,000 acres of primarily pasture grass and hay production. The Florida Canal has pre-compact water rights totaling 80 cfs.

L O C A T I O N	
County:	La Plata
Water Source:	Florida River
Drainage Basin:	San Juan/Dolores
Division:	7 District: 30

The existing diversion structure was constructed around the turn of the century, and currently diverts both natural streamflow and Lemon Reservoir storage water to shareholders and Project Water Users. In 2017, the timber face of the structure began to fail after a release from Lemon Reservoir and was temporarily repaired. Since then the Company has pursued a long-term solution that incorporates multi-beneficial outcomes, including removal of a dangerous low head dam and incorporation of in-stream fish passage components. Current funding for the Project will come from the CWCB loan, \$275,000 in requested WSRF grant funds, and \$175,000 in previously approved Water Plan grant funds. The Company also plans to request an additional Water Plan grant in March and a Southwestern Water Conservation District grant in November to reduce the loan to 50% of project costs. Construction is expected to begin in the fall of 2022.

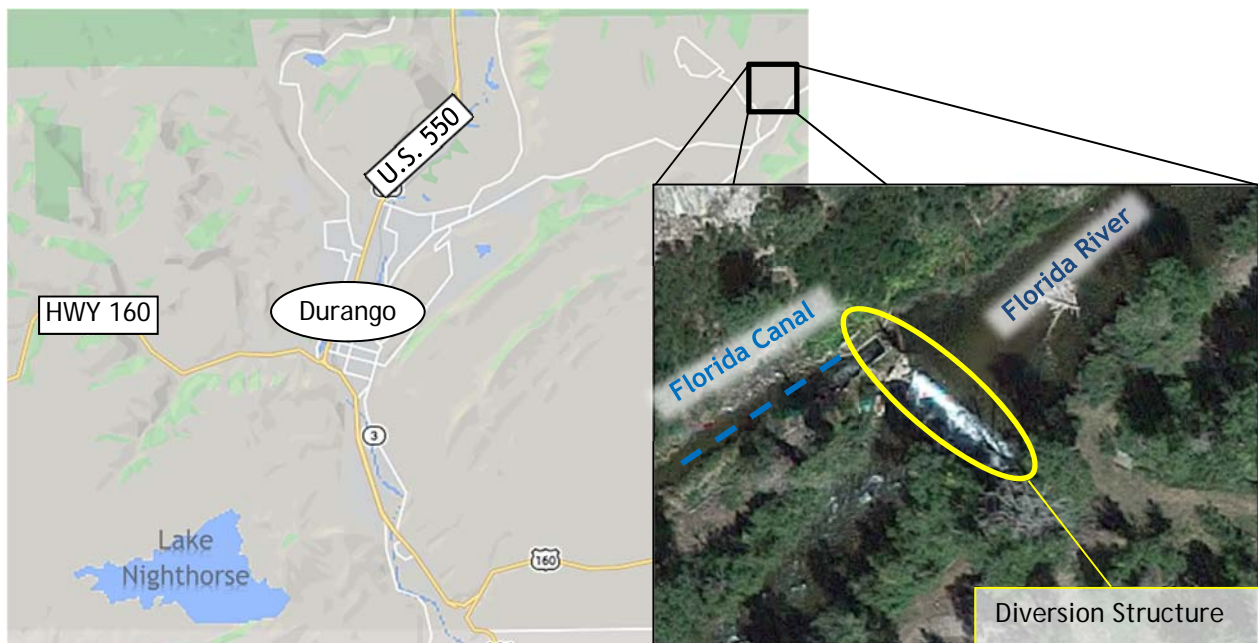


Photo 1: Florida Canal Diversion Structure - Pre-Failure

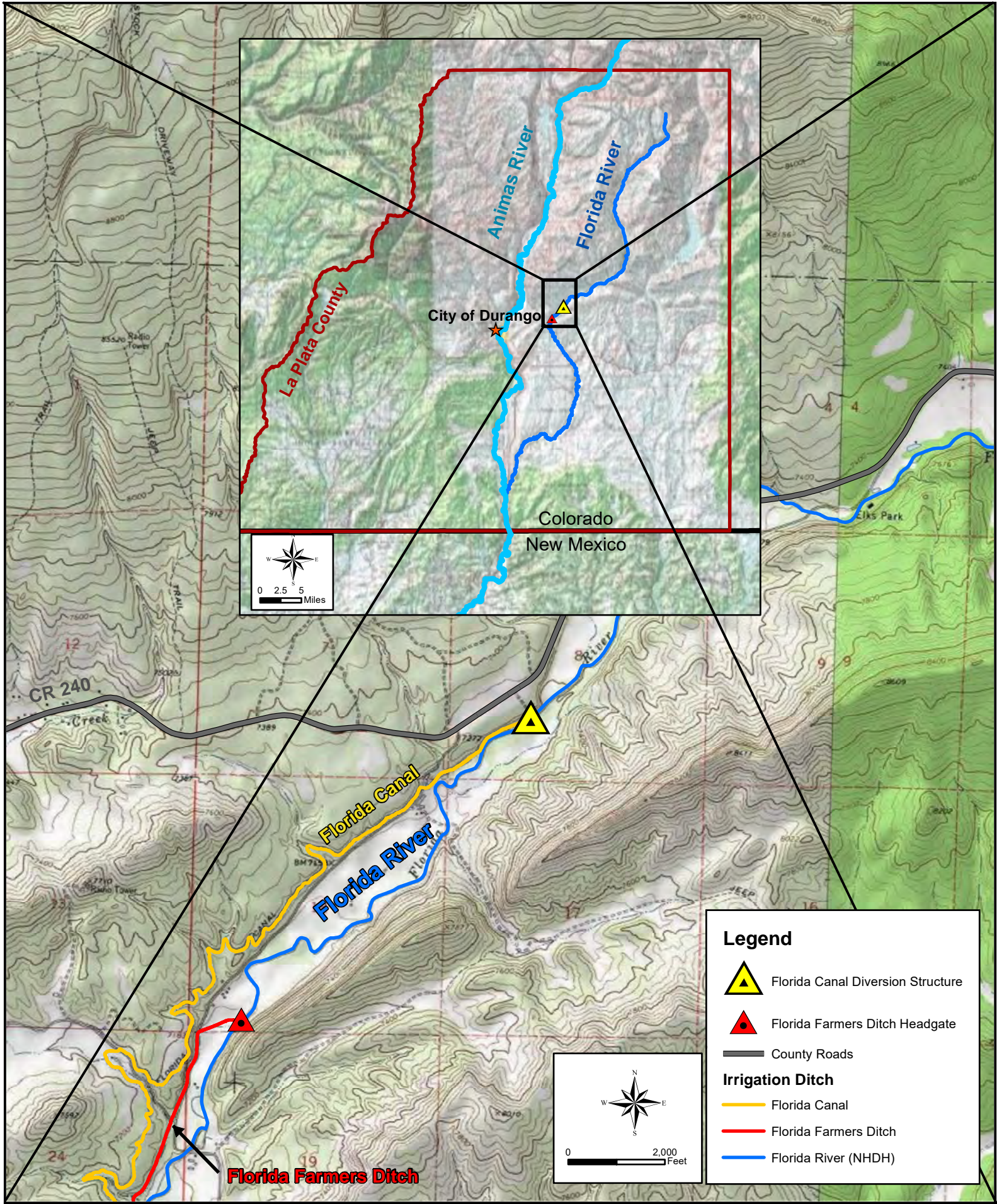


Photo 2: Florida Canal Diversion Structure - Emergency Repair



Photo 3: Florida Canal Diversion Structure - Emergency Repair 2





Document Path: P:\061-110\140 Florida Canal Diversion Dam\05 Mapping\Florida Canal Diversion Structure - Location Map.mxd



COLORADO

Parks and Wildlife

Department of Natural Resources

Area 15
151 E 16th Street
Durango, CO 81301
P 970-375-6770 | F 970-382-6672

July 7, 2020

Craig Godbout, Program Manager
Water Supply Reserve Fund
1313 Sherman St.
Room 718
Denver, CO 80203

Re: Florida Canal Diversion Structure Rehabilitation Project; Phase 2

Dear Craig,

Colorado Parks and Wildlife (CPW) would like to express our support for the subject project. The applicant, the Florida Consolidated Ditch Company, is diligently pursuing a rehabilitation project to modernize an aging, diversion structure (the Florida Canal) on the Florida River in La Plata County. The applicant's objective is to provide a multi-purpose project that not only satisfies the original purpose (to provide pre-compact irrigation water to its shareholders), but one that also restores stream connectivity and removes a significant recreational hazard on a natural stream.

The applicant has sought input from CPW throughout the design phase of the project. CPW has appreciated the opportunity to advocate for a design that will restore over 11 miles of connectivity for native fish, salmonids and the aquatic macroinvertebrates that occupy this reach but have long-been fragmented in the watershed due to the significant low-head dam and physical barrier of the current structure. This is a unique opportunity to rebuild an important, senior agricultural diversion structure while also meeting multiple objectives defined by the Southwest Basins Roundtable and the Colorado Water Plan.

The Florida Canal also delivers water to sustain a popular recreational fishery and waterfowl hunting at the Pastorius State Wildlife Area managed by CPW. CPW values the benefits that would accrue to the natural environment of the Florida River, the reliable irrigation and recreational water supply for the residents of La Plata County, the removal of a recreation hazard. We recommend the CWCB and the Southwest Basins Roundtable consider fully funding the proposed project for the important reasons stated.

Thank you for the opportunity to express our support for the project. If you have any questions about the affected fisheries or the benefits of the proposed project on the natural environment, please do not hesitate to contact me.



Sincerely,

MR Thorpe #997

Matt Thorpe
Area Wildlife Manager- Durango

cc: Cory Chick, SW Regional Manager; Mike Preston, Southwest Basins Roundtable Chair

SOUTHWEST BASINS ROUNDTABLE

July 24, 2020

Mr. Craig Godbout
Water Supply Planning Section
Colorado Water Conservation Board
1580 Logan Street, Suite 600
Denver, Colorado 80203

RE: Florida Consolidated Ditch Company
WSRF Grant Request

Dear Mr. Godbout,

The Southwest Basins Roundtable approved funding of \$25,000 from the Southwest Basins Roundtable account for the Florida Consolidated Ditch Company's Florida Canal Diversion Structure Rehabilitation Project, Phase 2. In addition, we are recommending that the Colorado Water Conservation Board approve their request for \$250,000 from the Statewide account. This application was considered fully and approved by the Southwest Basins Roundtable at the July 23, 2020 meeting. There was a quorum of members present at the meeting.

The replacement of the Florida Canal Diversion Structure is a critical project for this basin by replacing an aging diversion structure that has a history of failures resulting in an inability to divert flows. This project will protect pre-Compact water rights while providing improved fish passage and connectivity, enhance the natural corridor, and promote safety.

The proposed project falls under IPP 4-MB of the Southwest Basins Implementation Plan. It also meets a Measurable Goal or Outcome of the Southwest Basins BIP to Maintain Agricultural Water Needs, Meet Environmental Water Needs and Comply with Colorado River Compact and Manage Risk.

The completed Grant Application will be forwarded directly to you by the applicant. Please contact the applicant directly or me at 970-563-0320, etolen@laplawd.org, if you have questions or wish to discuss this application in more detail.

Sincerely,



Edward Tolen
Southwest Basins Roundtable Chair

C/O La Plata Archuleta Water District
PO Box 1377
Ignacio, Colorado 81137

Florida Water Conservancy District

1523 CR 243
Durango, Colorado 81301
970-247-5332

09 JULY 2020

Directors:

Philip Craig, President
Charles McCoy, Vice President
Terry Palmer, Secretary/Treasurer
Gary Zellitti
Walter Hill

Nancy Agro, Attorney

John Ey, Superintendent

Mike Preston
Southwest Basin Roundtable Chair
Dolores Water Conservancy District
P.O. Box 1150
60 S. Cactus
Cortez, CO 81321

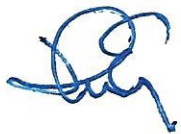
Dear Mr. Preston,

The Florida Water Conservancy District is pleased to offer our support for the Florida Consolidated Ditch Company's Florida Canal Diversion Structure Rehabilitation Project Phase II. The Florida Canal Diversion structure is an important part of the Florida Consolidated Ditch Company's irrigation delivery system and improvements to this aging infrastructure will help preserve longstanding agricultural practices and delivery of pre-Compact water rights in Southwest Colorado.

We recommend the Southwest Basin Roundtable consider funding this important project.

Thank you for your time and consideration.

Sincerely,



John Ey
Superintendent



La Plata County
Colorado

Board of County Commissioners

Clyde Church, Chair • Gwen Lachelt, Vice Chair • Julie Westendorff, Commissioner

1101 East 2nd Ave
Durango, CO 81301
(970) 382-6219

July 28, 2020

Mr. Mike Preston
Southwest Basin Roundtable
841 East Second Ave.
Durango, CO 81301

Dear Mr. Preston:

The Board of County Commissioners is pleased to offer our support for the Florida Consolidated Ditch Company's *Florida Canal Diversion Structure Rehabilitation Project Phase II*. The Florida Consolidated Ditch Company has demonstrated strong leadership in crafting a multiple purpose project that includes important agricultural water use and safety considerations, as well as consideration for environmental and fishery uses on the Florida River.

La Plata County recognizes this project as an important opportunity to improve aging infrastructure that will preserve longstanding agricultural practices and protect pre-Compact water rights and open space in La Plata County. In addition, this project will improve connectivity on the Florida River to ensure habitat and recreational use at the Pastorius Reservoir State Wildlife Area and improve irrigation system deliveries.

We recommend the Southwest Basin Roundtable and the Southwest Water Conservation District consider funding this important project.

Thank you for your time and consideration.

Sincerely,

LA PLATA COUNTY
BOARD OF COUNTY COMMISSIONERS

Clyde Church
Chair

Gwen Lachelt
Vice Chair

Julie Westendorff
Commissioner



The Nature Conservancy in Colorado
1109 Oak Drive
Durango, CO 81301

tel (970) 375-0183

nature.org/colorado

July 8, 2020

Chairman Mike Preston
Southwest Basin Roundtable

Dear Mike:

On behalf of The Nature Conservancy, I am pleased to offer our support for the Florida Consolidated Ditch Company's *Florida Canal Diversion Structure Rehabilitation Project: Phase 2 Construction*. The Florida Consolidated Ditch Company has shown strong leadership in crafting a multiple purpose project that includes important agricultural water use, pre-Compact water rights protection, and safety considerations, as well as consideration for environmental and fishery uses (including fishery and recreational uses at the Pastorius Reservoir State Wildlife Area) on the Florida River. We are thrilled to participate in a project that meets so many goals and measurable outcomes of the Southwest Basin Roundtable's Basin Implementation Plan and Colorado's Water Plan. The Nature Conservancy is a committed partner on this project, and we strongly encourage the Southwest Basin Roundtable to fully support the project.

Thank you for your time and consideration.

Sincerely,

A handwritten signature in purple ink that reads "Celene Hawkins". The signature is written in a cursive, flowing style.

Celene Hawkins
Western Colorado Water Project Director

SOUTHWEST BASINS ROUNDTABLE

C/O La Plata Archuleta Water District
PO Box 1377
Ignacio, Colorado 81137

November 11, 2020

Mr. Alexander Funk
Interstate, Federal & Water Information Section
Colorado Water Conservation Board
1580 Logan Street, Suite 600
Denver, Colorado 80203

RE: Florida Consolidated Ditch Company
Colorado Water Plan Grant Request- Letter of Support

Dear Mr. Funk,

The Southwest Basins Roundtable would like to provide this letter of support for the Florida Consolidated Ditch Company's grant request from the Colorado Water Plan Grant fund for Phase 2 of the Florida Canal Rehabilitation Project. This project was considered at the Roundtable's July 2020 meeting and approved for WSRF funding as well as a letter of support for a Water Plan grant.

The project will provide a more reliable diversion structure to protect pre-compact water rights, increase river safety, enhance the aquatic environment above the diversion, and reduce the maintenance operations that disturbs the river.

The proposed project falls under IPP 4-MB of the Southwest Basins Implementation Plan. It also meets a Measurable Goal or Outcome of the Southwest Basins BIP to Maintain Agricultural Water Needs, Meet Environmental Water Needs and Comply with Colorado River Compact and Manage Risk.

Please give their application your favorable consideration. If you have any questions, please feel free to contact me at 970-563-0320 or etolen@laplawd.org.

Sincerely,

Edward Tolen
Southwest Basins Roundtable Chair