

**Water Supply Reserve Fund
Water Activity Summary Sheet
July 21-22, 2021
Consent Agenda Item 2(a)**

Applicant & Grantee: Lucky Penny Ranches, LLC
Water Activity Name: Aqua Fria Reservoir Rehabilitation
Water Activity Purpose: Agricultural, Nonconsumptive (Environmental) - Implementation
County: Jackson County
Drainage Basin: North Platte River
Water Source: Aqua Fria Reservoir
Amount Requested: \$75,000 North Platte Basin Account
\$75,000 Total Request

Matching Funds: **Basin Account Match** = \$25,000 (\$15,000 in-kind & \$10,000 cash)
• 25% of Total Project Cost (meets 25% min)

Staff Recommendation:
Staff recommends approval of up to \$75,000 from the North Platte Basin Account to help fund the project: Aqua Fria Reservoir Rehabilitation

Water Activity Summary: Lucky Penny Ranches, LLC operates a cattle ranch in the North Park Valley since 1995 that produces 1,300 to 1,500 tons of irrigated hay annually.

If approved, WSRF grant Funds will be used to address repair issues outlined by the State Engineer Office Dam Safety Inspection from September 2016. Additional expenses were incurred to permit, engineer and repair the access road during the 2019 and 2020 field seasons. The applicant states the engineering required by the State Engineers Office was more extensive than originally projected.

The applicant believes the proposed repairs will help ensure that the existing water right is maintained and that irrigated meadows continue to produce hay for sale and hay for consumption by the existing cattle operations in the North Park Valley. In addition, the repairs will help ensure a favorable nesting habitat for North Park Valley waterfowl. The water right supports meadows that are used by nesting waterfowl that would otherwise dry up too early for nesting bird success.

The applicant states this proposal will result in 730 acre feet of existing storage preserved, 700 acres of preserved habitat and 90 linear feet of pipe/canal built or improved.

Discussion: The reservoir rehab proposal is consistent with the North Platte Roundtable's Basin Implementation Plan, in particular, its objectives of maintaining storage in the Basin.

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

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

Evaluation Criteria: Staff has determined this activity satisfies the Evaluation Criteria.

Funding Sources/Match	Cash	In-Kind	Total	Status
Lucky Penny Ranches	\$10,000	\$15,000	\$25,000	Secured
Sub-Total Matching Funds	\$10,000	\$15,000	\$25,000	
WSRF North Platte Basin Account	\$75,000	\$0	\$75,000	Secured
Total Project Costs	\$85,000	\$15,000	\$100,000	

CWCB Project Manager: Cole Bedford



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Colorado Water Conservation Board
Water Supply Reserve Fund
Grant Application

Instructions

All WSRF grant applications shall conform to the current [2016 WSRF Criteria and Guidelines](#).

To receive funding from the WSRF, a proposed water activity must be recommended for approval by a Roundtable(s) **AND** the Colorado Water Conservation Board (CWCB). The process for Roundtable consideration and recommendation is outlined in the 2016 WSRF Criteria and Guidelines. The CWCB meets bimonthly according to the schedule on page 2 of this application.

If you have questions, please contact the WSRF Grant Program Manager (for all Roundtables):

Ben Wade
ben.wade@state.co.us
 303-866-3441 x3238 (office)
 1313 Sherman St., Rm 718
 Denver, CO 80203

WSRF Submittal Checklist (Required)

x	I acknowledge this request was recommended for CWCB approval by the sponsoring roundtable.
x	I acknowledge I have read and understand the 2016 WSRF Criteria and Guidelines .
x	I acknowledge the Grantee will be able to contract with CWCB using the Standard Contract . ⁽¹⁾
Application Documents	
x	Exhibit A: Statement of Work ⁽²⁾ (<i>Word – see Template</i>)
x	Exhibit B: Budget & Schedule ⁽²⁾ (<i>Excel Spreadsheet – see Template</i>)
x	Letters of Matching and/or Pending 3 rd Party Commitments ⁽²⁾
x	Map ⁽²⁾
x	Photos/Drawings/Reports
x	Letters of Support (<i>provided by Ty Wattenberg, North Platte Round Table</i>)
Contracting Documents ⁽³⁾	
x	Detailed/Itemized Budget ⁽³⁾ (<i>Excel Spreadsheet – see Template</i>)
x	Certificate of Insurance ⁽⁴⁾ (<i>General, Auto, & Workers' Comp.</i>)(<i>sent by Crossroads Insurance</i>)
x	Certificate of Good Standing ⁽⁴⁾
x	W-9 Form ⁽⁴⁾
x	Independent Contractor Form ⁽⁴⁾ (<i>If applicant is individual, not company/organization</i>)
x	Electronic Funds Transfer (ETF) Form ⁽⁴⁾

(1) Click "Grant Agreements". For reference only/do not fill out or submit/required for contracting

(2) Required with application if applicable.

(3) Additional documentation providing a Detailed/Itemized Budget maybe required for contracting.

Applicants are encouraged to coordinate with the CWCB Project Manager to determine specifics.



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

Schedule		
CWCB Meeting	Application Submittal Dates	Type of Request
January	December 1	Basin Account; BIP
March	February 1	Basin/Statewide Account; BIP
May	April 1	Basin Account; BIP
July	June 1	Basin Account; BIP
September	August 1	Basin/Statewide Account; BIP
November	October 1	Basin Account/BIP

Desired Timeline	
Desired CWCB Hearing Month:	March 2021
Desired Notice to Proceed Date:	March 2021

Water Activity Summary	
Name of Applicant	Lucky Penny Ranches, LLC
Name of Water Activity	Aqua Fria Reservoir Rehabilitation
Approving Roundtable(s)	Basin Account Request(s) ⁽¹⁾
North Platte River Basin Round Table	\$75,000.00
Basin Account Request Subtotal	\$75,000.00
Statewide Account Request ⁽¹⁾	\$
Total WSRF Funds Requested (Basin & Statewide)	\$75,000.00
Total Project Costs	\$100,000.00

(1) Please indicate the amount recommended for approval by the Roundtable(s)



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Grantee and Applicant Information	
Name of Grantee(s)	Lucky Penny Ranches, LLC
Mailing Address	1096 CR 5 Coalmont, CO 80430
FEIN	84-1308611
Grantee's Organization Contact ⁽¹⁾	John Havart
Position/Title	Manager
Email	
Phone	970-723-4290
Grant Management Contact ⁽²⁾	<u>Sharon Havart</u>
Position/Title	Manager
Email	Shavart80430@yahoo.com
Phone	970-819-8381
Name of Applicant (if different than grantee)	
Mailing Address	
Position/Title	
Email	
Phone	

(1) Person with signatory authority

(2) Person responsible for creating reimbursement invoices (Invoice for Services) and corresponding with CWCB staff.

Description of Grantee
Provide a brief description of the grantee's organization (100 words or less).
Lucky Penny Ranches, LLC owns and operates a ranch in the North Park Valley. The individual owners, William Beck, John and Sharon Havart have run the cattle/hay ranch since 1995. The ranch is a working cattle ranch (400 to 450) as well as producing 1300 to 1500 tons of irrigated hay annually. The Lucky Penny Ranch has been a stable contributor to the North Park Valley community for over twenty two years.



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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
X	Private Individuals, Partnerships, and Sole Proprietors: are eligible for funding from the Basin Accounts but not for funding from the Statewide Account.
	Non-governmental organizations: broadly, any organization that is not part of the government
	Covered Entity: as defined in Section 37-60-126 Colorado Revised Statutes

Type of Water Activity (check one)	
	Study
X	Implementation

Category of Water Activity (check all that apply)		
X	Nonconsumptive (Environmental)	
	Nonconsumptive (Recreational)	
X	Agricultural	
	Municipal/Industrial	
	Needs Assessment	
	Education & Outreach	
	Other	Explain:

Location of Water Activity	
Please provide the general county and coordinates of the proposed activity below in decimal degrees . The Applicant shall also provide, in Exhibit C, a site map if applicable.	
County/Countries	Jackson County, Colorado
Latitude	40.630940
Longitude	-106.638749



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Water Activity Overview

Please provide a summary of the proposed water activity (200 words or less). Include a description of the activity and what the WSRF funding will be used for specifically (e.g. studies, permitting, construction). Provide a description of the water supply source to be utilized or the water body affected by the activity. 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, area of habitat improvements. 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, and Schedule.

The Grant Funds will be used to address the repair issues outlined by the SEO's Dam Safety Inspection (09/28/2016). Additional expenses were incurred to permit, engineer and repair the access road during the 2019 and 2020 field seasons. Also, the engineering required by the Colorado State Engineers Office was more extensive than originally projected. These repairs will help ensure that the existing water right is maintained and that irrigated meadows (up to 700 acres) continue to produce North Park Valley hay for sale and hay for consumption by the existing cattle operations. In addition, the repairs will help ensure a favorable nesting habitat for North Park Valley waterfowl. This specific water right supports meadows that are used by nesting waterfowl that would otherwise dry up too early for nesting bird success.

Measurable Results

To catalog measurable results achieved with WSRF funds please provide any of the following values.

	New Storage Created (acre-feet)	
	New Annual Water Supplies Developed or Conserved (acre-feet), Consumptive or Nonconsumptive	
730af	Existing Storage Preserved or Enhanced (acre-feet)	
	Length of Stream Restored or Protected (linear feet)	
	Efficiency Savings (indicate acre-feet/year OR dollars/year)	
700	Area of Restored or Preserved Habitat (acres)	
90	Length of Pipe/Canal Built or Improved (linear feet)	
	Other	Explain:



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Water Activity Justification

Provide a description of how this water activity supports the goals of [Colorado's Water Plan](#), the most recent [Statewide Water Supply Initiative](#), and the respective [Roundtable Basin Implementation Plan and Education Action Plan](#) ⁽¹⁾. 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).

For applications that include a request for funds from the Statewide Account, the proposed water activity shall be evaluated based upon how well the proposal conforms to Colorado's Water Plan criteria for state support (CWP, Section 9.4, pp. 9-43 to 9-44;) (Also listed pp. 4-5 in [2016 WSRF Criteria and Guidelines](#)).

The Aqua Fria Dam Rehabilitation Project will:

- 1) Continue to provide water under an existing water right to be consumptively used for the production of hay/cattle operations. No new or expanded consumptive use is anticipated.
- 2) Continue the support of non-consumptive use, wildlife habitat.
- 3) Increase water retention/storage capabilities of the dam.
- 4) Continue the existing water right with associated return flows and recharge components.
- 5) Continue to support the sustainability of ranching by providing irrigation water to the meadows.
- 6) Address those concerns as identified in the September 28, 2016 Engineer's Inspection Report, Office of the State Engineer, Division of Water Resources, Dam Safety Branch.

(1) Access Basin Implementation Plans or Education Action Plans from Basin drop down menu.



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Matching Requirements: Basin Account Requests

Basin (only) Account grant requests require a 25% match (cash and/or in-kind) from the Applicant or 3rd party and shall be accompanied by a **letter of commitment** as described in the 2016 WSRF Criteria and Guidelines (submitted on the contributing entity's letterhead). Attach additional sheet if necessary.

Contributing Entity	Amount and Form of Match (note cash or in-kind)
Lucky Penny Ranches, LLC	\$10,000 cash
Lucky Penny Ranches, LLC	\$15,000 in-kind labor, equipment
Total Match	\$ 25,000
If you requested a Waiver to the Basin Account matching requirements, indicate the percentage you wish waived.	No waiver requested

Matching Requirements: Statewide Account Requests

Statewide Account grant requests require a 50% match as described in the 2016 WSRF Criteria and Guidelines. A minimum of 10% match shall be from Basin Account funds (cash only). A minimum of 10% match shall be provided by the applicant or 3rd party (cash, in-kind, or combination). The remaining 30% of the required match may be provided from any other source (Basin, applicant, or 3rd party) and shall be accompanied by a **letter of commitment**. Attach additional sheet if necessary.

Contributing Entity	Amount and Form of Match (note cash or in-kind):
Total Match	\$
If you requested a Waiver to the Statewide Account matching, indicate % you wish waived. (Max 50% reduction of requirement).	



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Related Studies

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

Access to Aqua Fria is by existing 2-track road/trail through Forest Service property which did require a permit. (FS-7700-48 OMB No. 0596-0016). This access permit will need to be renewed as part of the 2021 activities. The road/trails is very marginal even by ATV standards. Aqua Fria Reservoir is outside the Zerkel Wilderness Boundary.

The access road had been permitted and improved by the previous grant.

Previous CWCB Grants

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

- 1) Lucky Penny Ranches, LLC
- 2) Aqua Fria Reservoir Rehabilitation Project in the North Platte River Basin
- 3) North Platte Basin Roundtable
- 4) November 29, 2017
- 5) WSRF Grant – POGG1 2018-565

Tax Payer Bill of Rights

The Tax Payer Bill of Rights (TABOR) may limit the amount of grant money an entity can receive. Please describe any relevant TABOR issues that may affect the applicant.

None Known

March 24, 2021

Mr. Ben Wade

CWCB

Water Supply Planning Section

Ben,

The North Platte Basin Roundtable voted unanimously to approve Lucky Penny Ranches' application for the Aqua Fria Reservoir enlargement for the amount of \$75,000, to come from the North Platte Basin Account funds.

This project is in alignment with Water Plan and BIP goals and objectives and will help maintain storage in the Basin.

If you have any questions please call me at 970-723-4498.

Sincerely,

Ty Wattenberg

North Platte Basin Roundtable Chair

Colorado Water Conservation Board

Attn: Ben Wade

1312 Sherman St., Room 721 Denver, CO 80203

ben.wade@state.co.us

Dear CWCB Board Member,

This letter represents a commitment by Lucky Penny Ranches, LLC to provide \$25,000 in cash and in-kind services in matching support for a CWCB WSRF Grant project entitled Aqua Fria Dam Rehabilitation – Part 2 Project.

In-kind services will include the use of Lucky Penny Ranch equipment, hauling of material, and other construction services. The support will be provided from 7/1/2021 to 11/1/2022.

Sharon Harvat

Sharon Harvat

Lucky Penny Ranches, LLC

970-2723-4290

Sharvat80430@yahoo.com



Last Update: March 17, 2020

<https://cwcb.colorado.gov/>

<u>Colorado Water Conservation Board</u>	
Water Supply Reserve Fund	
<u>Exhibit A - Statement of Work</u>	
Date:	March 30, 2021
Water Activity Name:	Aqua Fria Reservoir Rehabilitation, North Park Basin
Grant Recipient:	LUCKY PENNY RANCHES, LLC
Funding Source:	CWCB-WSRF AND INKIND CONTRIBUTIONS
Water Activity Overview: (Please provide brief description of the proposed water activity (no more than 200 words). Include a description of the overall water activity and specifically what the WSRF funding will be used for. (PLEASE DEFINE ALL ACRONYMS).)	
<p>The project objectives are to repair damages to the Aqua Fria dam structure and replace worn out water facilities associated with the water conveyance system. Completion of the associated repairs will result in downstream water rights preservation, perpetuation of existing recreational uses, maintenance of the natural environment, continued aquifer recharge within the Beaver Creek water shed, continued sediment trapping, and a general preservation of downstream health. The continued rehabilitation activities will also address those concerns as identified in the September 28, 2016 Engineer's Inspection Report, Office of the State Engineer, Division of Water Resources, Dam Safety Branch.</p> <p>Funds obtained from the Water Supply Reserve Fund (WSRF) and matching funds will be used to cover the associated costs with repairs and upgrades.</p>	
Objectives: (List the objectives of the project. (PLEASE DEFINE ACRONYMS).)	
<p>Aqua Fria Dam Rehabilitation objectives are to repair damages to the dam face as well as installing a stream gauge for flow discharge monitoring per those concerns identified in the September 28, 2016 Engineer's Inspection Report, Office of the State Engineer, Division of Water Resources, Dam Safety Branch.</p>	



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Tasks
Provide a detailed description of each task using the following format: (PLEASE DEFINE ACRONYMS)
<u>Task 1 – Aqua Fria Dam Rehabilitation</u>
Description of Task: The Aqua Fria Dam Rehabilitation will of three primary activities. <ol style="list-style-type: none"> 1) Remove a large amount of vegetative debris and sediment at the dam face so rehabilitation activities can progress. 2) Repair the dam face. Large sections of the dam face have deteriorated over the years, and rocks have fallen and need to be replaced to re-armour the dam for future years. The Dam face will be resealed with a Shotcrete or Gunitite concrete layering system. 3) Install a downstream discharge monitoring weir.
Method/Procedure: <ol style="list-style-type: none"> 1) Vegetative debris will be mechanically removed from the dam face and reservoir by using a mini excavator equipped with clamping jaws. Sediment along the dam face will also be removed. 2) Shotcrete or Gunitite the dam face in multiple layers. 3) Install flow monitoring V notch weir in downstream flow.
Grantee Deliverable: (Describe the deliverable the grantee expects from this task) The Lucky Penny Ranches, LLC anticipates receiving funds from the WSRF to help pay for the dam rehabilitation activities.
CWCB Deliverable: (Describe the deliverable the grantee will provide CWCB documenting the completion of this task) Lucky Penny Ranches, LLC will develop a project completion report for submittal to the Colorado Water Conservation Board (CWCB) upon successful project completion

Budget and Schedule

Exhibit B - 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. A separate excel formatted Budget is required for engineering costs to include rate and unit costs.

Reporting Requirements

Progress Reports: The grantee 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



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<https://cwcb.colorado.gov/>

Reporting Requirements

have occurred and any corrective action taken to address these issues. The CWCB may withhold reimbursement until satisfactory progress reports have been submitted.

Final Report: At completion of the project, the grantee shall provide the CWCB a Final Report on the grantee'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.

Payments

Payment will be made based on actual expenditures, must include invoices for all work completed and must be on grantee's letterhead. 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.

The CWCB will pay the last 10% of the entire water activity 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 water activity and purchase order or contract will be closed without any further payment. Any entity that fails to complete a satisfactory Final Report and submit to CWCB within 90 days of the expiration of a purchase order or contract may be denied consideration for future funding of any type from CWCB.

Performance Requirements

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

(b) Accountability: Per the 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 the 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.

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COLORADO
 Colorado Water
 Conservation Board
 Department of Natural Resources

Colorado Water Conservation Board

Water Supply Reserve Fund

EXHIBIT B - BUDGET AND SCHEDULE - Direct & Indirect (Administrative) Costs

Date: November 24, 2020

Water Activity Name: AQUA FRIA RESERVOIR REHABILITATION , NORTH PARK BASIN

Grantee Name: LUCKY PENNY RANCHES, LLC

<u>Task No.</u> ⁽¹⁾	<u>Description</u>	<u>Start Date</u> ⁽²⁾	<u>End Date</u>	<u>Matching Funds</u> (cash & in-kind) ⁽³⁾	<u>WSRF Funds</u> (Basin & Statewide combined) ⁽³⁾	<u>Total</u>
1	AQUA FRIA DAM REHABILITATION	<u>30-Sep-21</u>	<u>30-Nov-21</u>	\$25,000	75,000	\$100,000
Total				\$25,000	\$75,000	\$100,000

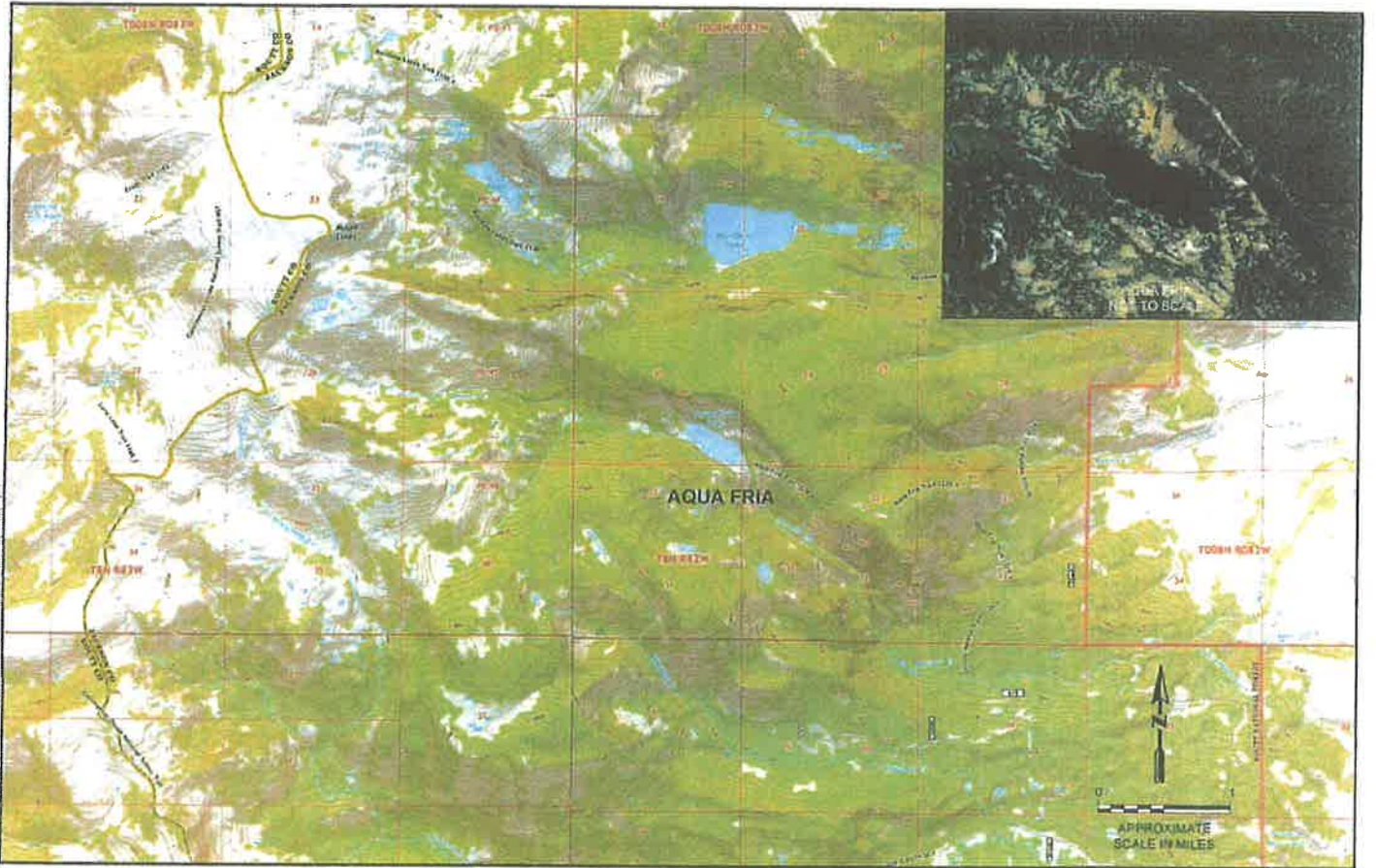
(1) The single task that include costs for Grant Administration must provide a labor breakdown (see Indirect Costs tab below) where the total WSRF Grant contribution towards that task does not exceed 15% of the total WSRF Grant amount.

(2) Round values up to the nearest hundred dollars.

• Additional documentation providing a Detailed/Itemized Budget may be required for contracting. Applicants are encouraged to coordinate with the CWCB Project Manager to determine specifics.

The CWCB will pay the last 10% of the entire water activity budget when the Final Report is completed to the satisfaction of the CWCB staff project manager. Once the Final Report has been accepted, the final payment has been issued, the water activity and purchase order (PO) or contract will be closed without any further payment. Any entity that fails to complete a satisfactory Final Report and submit to the CWCB with 90 days of the expiration of the PO or contract may be denied consideration for future funding of any type from the CWCB.

• Additionally, the applicant shall provide a progress report every 6 months, beginning from the date of contract execution



Date: 4/27/2017 11:17:44 AM | R: Unknown | Area File: Data/Commissions/4445/4445A/4445A1/4445A1_01_Silver_Fire

PROJECT:	TAG:	DATE:	DRAWN BY:
375200	001-01	4/28/17	ST

PREPARED BY:

TELESTO
ANALYTICAL CORPORATION

**FIGURE 1
 AQUA FRIA LOCATION MAP**

PREPARED FOR:

**HARVAT
 FAMILY**