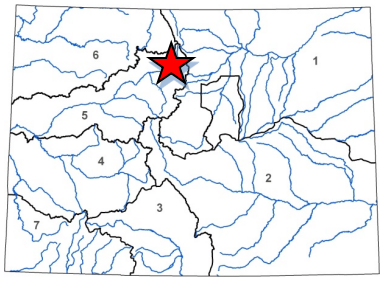
COLORADO
Colorado Water Conservation Board

Water Plan Grant Application

Windy Gap Bypass
Windy Gap Water Activity Enterprise
September 2021 Board Meeting



LOCATION	
County/Counties:	Grand
Drainage Basin:	Colorado

DETAILS	
Total Project Cost:	$25,591,890
Water Plan Grant Request:	$3,800,000
Recommended amount:	$3,800,000
Other CWCB Funding:	$3,221,500
Other Funding Amount:	$13,570,90
Applicant Match:	$5,000,000
Project Type(s): Construction	
Project Category(Categories): Environment and Recreation	
Measurable Result: 420 acre-feet of preserved or enhanced storage; 5,280 linear feet of restored or protected stream; 280 acres of restored or preserved habitat; 40+ miles of reconnected aquatic habitat	

The Windy Gap Bypass Project will construct a new connectivity channel from the confluence of the Colorado and Fraser Rivers above the reservoir to the Colorado River downstream of the dam, reconnecting the Colorado River and its habitat upstream and downstream of the Windy Gap Reservoir while maintaining Windy Gap Dam and pump plant operations. The project will also create fish passage at the Fraser River weir, linking additional habitat for native and sport fish species.

The project is expected to significantly improve aquatic habitat conditions, which have deteriorated after the construction of the Windy Gap Dam for transmountain diversions that supply water to Northern Colorado and the Front Range. The Project will further the Colorado River Habitat Restoration Project's goal to restore aquatic life through the designated gold medal trout fishery downstream of the reservoir. Sponsored by partners with very diverse interests and a long history of conflict, the project is the linchpin that connects regional restoration efforts in the headwaters of the Colorado River and provides a model for watershed cooperation to preserve river health while at the same time serving future water supply needs.

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Department of Natural Resources

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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 & Supply Projects	Matthew.Stearns@state.co.us
Conservation, Land Use Planning	Kevin.Reidy@state.co.us
Engagement & Innovation Activities	Ben.Wade@state.co.us
Agricultural Projects	Alexander.Funk@state.co.us
Water Sharing & ATM Projects	Alexander.Funk@state.co.us
Environmental & Recreation Projects	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	Windy Gap Water Activity Enterprise (Municipal Subdistrict, Northern Colorado Water Conservancy District) Project partners include Grand County, the Colorado River Water Conservation District, Middle Park Water Conservancy District, Upper Colorado River Alliance, Colorado Parks and Wildlife, and Trout Unlimited.
Name of Water Project	Colorado River Connectivity Channel (aka Windy Gap Bypass)

CWP Grant Request Amount	$ 3,800,000
Other Funding Sources: CWCB	$ 3,221,500 (existing grants)
Other Funding Sources: Various (see attached Funding Breakdown)	$ 13,570,390
Other Funding Sources _____	$
Applicant Funding Contribution	$ 5,000,000
Total Project Cost	$ 25,591,890

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Applicant & Grantee Information	
Name of Grantee(s) Windy Gap Water Activity Enterprise (a government-owned business within the meaning of Article X Section 20(2)(d) of the Colorado Constitution, organized pursuant to C.R.S. §37-45.1-101 et seq. and owned by the Municipal Subdistrict, Northern Colorado Water Conservancy District)	
Mailing Address	220 Water Ave. Berthoud, CO 80513
FEIN	23-7072612
Organization Contact	Jeff Drager, PE
Position/Title	Director of Engineering
Email	jdrager@northernwater.org
Phone	(970) 622-2333
Grant Management Contact	Jonathan Hernandez, PE
Position/Title	Project Analyst
Email	jhernandez@northernwater.org
Phone	(970) 622-2283, cell (970) 617-9337
Name of Applicant (if different than grantee)	Same as Above
Mailing Address	
Position/Title	
Email	
Phone	

Description of Grantee/Applicant

Provide a brief description of the grantee's organization (100 words or less).

Northern Colorado Water Conservancy District (Northern Water) is a public agency created in 1937 to contract with the federal government to build the Colorado-Big Thompson Project. The Municipal Subdistrict was organized as a subdistrict of Northern Water pursuant to the Water Conservancy Act in order to develop a water supply known as the Windy Gap Project. Today twelve municipalities, two water districts, and one power provider make up the Municipal Subdistrict.

The Municipal Subdistrict owns the following water activity enterprises: the Windy Gap Water Activity Enterprise (WG Enterprise) and the Windy Gap Firming Project Water Activity Enterprise (WGFP Enterprise). The WG Enterprise was created in 1993 to operate the Windy Gap Project and owns all assets of the Windy Gap Project. All 15 participants of the Subdistrict are in the WG Enterprise. The WGFP Enterprise was formed in 1999 for the purpose of constructing the Chimney Hollow Reservoir project which will provide dedicated east slope storage for Windy Gap Project water. Only the 12 entities that will benefit from the WGFP are part of the WGFP Enterprise.

This Project will make modification to existing WG Enterprise assets. Accordingly, the WG Enterprise is the grantee and applicant for this water plan grant request.

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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
	Other

	Category of Water Project (check the primary category that applies and include relevant tasks)	
	Water Storage & Supply - Projects that facilitate the development of additional storage, artificial aquifer recharge, and dredging existing reservoirs to restore the reservoirs' full decreed capacity, multi-beneficial projects, water sharing agreements, Alternative Transfer Methods, and those projects identified in basin implementation plans to address the water supply and demand gap. *Applicable Exhibit A Task(s):* ***Note:*** *For Water Sharing Agreements or ATM Projects - please include the supplemental application available on the CWCB's website.*	
	Conservation and Land Use Planning - Activities and projects that implement long-term strategies for conservation, land use, water efficiency, and drought planning. *Applicable Exhibit A Task(s):*	
	Engagement & Innovation - Activities and projects that support water education, outreach, and innovation efforts. *Applicable Exhibit A Task(s):*	
	Agricultural - Projects that provide technical assistance and improve agricultural efficiency. *Applicable Exhibit A Task(s):*	
✓	Environmental & Recreation - Projects that promote watershed health, environmental health, and recreation. *Applicable Exhibit A Task(s): All Tasks*	
	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/Counties	Grand
Latitude	N40° 6' 17.99"
Longitude	E105° 58' 52.95"

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.
The Colorado River Connectivity Channel Project, aka Windy Gap Bypass, (Project) will construct a new connectivity channel from the confluence of the Colorado and Fraser Rivers above the reservoir to the Colorado River downstream of the dam, reconnecting the Colorado River and its habitat upstream and downstream of the Windy Gap Reservoir while maintaining Windy Gap Dam and pump plant operations. The project will also create fish passage at the Fraser River weir, linking additional habitat for native and sport fish species. The project is expected to significantly improve aquatic habitat conditions which have deteriorated after the construction of the Windy Gap Dam for transmountain diversions that supply water to Northern Colorado and the Front Range. Evaluation of the feasibility of the Project was required as part of the CWCB approved Fish and Wildlife Enhancement Plan for the Windy Gap Firming Project. The Project will further the Colorado River Habitat Restoration Project's goal to restore aquatic life through the designated gold medal trout fishery downstream of the reservoir. Sponsored by partners with very diverse interests and a long history of conflict, the project is the linchpin that connects regional restoration efforts in the headwaters of the Colorado River and provides a model for watershed cooperation to preserve river health while at the same time serving future water supply needs. Requested CWP Grant funds will be used for the construction (Task 3) phase of the Project, which is expected to begin in the Spring of 2022. Funding for the project is coming from a multitude of sources including federal dollars, state dollars, county dollars, conservationist, land owners, and entities under Northern Water's umbrella. As of this application there exists a funding gap for the construction of the project. NRCS has means to increase its costs share but cannot commit or do so until after the Watershed Plan Environmental Assessment (Task 1) and Finding of No Significant Impact (FONSI) is complete (end of 2021). This water plan grant requests represents the delta between the current funding gap and an anticipated NRCS increase. It is understood that a water plan grant approval at this point would be conditioned on the project being fully funded, and our request is to allow a 1-year conditional approval.

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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	
420 AF	Existing Storage Preserved or Enhanced (acre-feet)	
5,280 LF	Length of Stream Restored or Protected (linear feet)	
	Efficiency Savings (indicate acre-feet/year OR dollars/year)	
280 AC	Area of Restored or Preserved Habitat (acres)	
	Quantity of Water Shared through Alternative Transfer Mechanisms or water sharing agreement	
	Number of Coloradans Impacted by Incorporating Water-Saving Actions into Land Use Planning	
	Number of Coloradans Impacted by Engagement Activity	
40+ miles	Other	Explain: Aquatic habitat reconnected

Water Project Justification
Provide a description of how this water project supports the goals of Colorado's Water Plan, the Analysis and Technical Update to the Water Plan, 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;)
This project supports the CWP goal [Chapter 6.6, p. 6-157] to implement environmental and recreational projects that: • Protect and enhance local and statewide economic values • Improve conditions of streams, lakes, wetlands, and riparian areas to promote self-sustaining fisheries and functional riparian and wetland habitat to promote long-term sustainability and resiliency • Maintain watershed health by protecting or restoring watersheds that could affect critical infrastructure and/or environmental and recreational areas, and • Provide multi-purpose benefits. The Colorado River is a significant source of revenue to Grand County's recreation industry and related businesses. The project is expected to significantly improve reaches of the river that are currently designated Gold Medal Trout fisheries, but which have declined over the years, risking the potential loss of this valuable designation. Moreover, the project will open-up almost two stream miles for public fishing, including a mile of newly created stream. These improvements, which also include the addition of 280 acres of new floodplain, will not only benefit Grand County's economy, but they will also make the river and its aquatic habitat more resilient in the face of increased water diversions, wildfires, and climate change. By creating a channel around

Windy Gap Reservoir, the project will also protect this municipal water supply structure from the impacts of sediment and debris from up-basin forest fires.

The Project supports the goals and themes of the Colorado River Basin Roundtable BIP and helps address its specified measurable outcomes and long-term needs for the basin, as follows:

- The project supports the BIP's goal to "[p]rotect and restore healthy streams, rivers, lakes and riparian areas." [BIP at p. 43].
- It helps address the BIP's identified vulnerability of "[p]otential loss of "Gold Medal" fishing status and the related benefits of attracting anglers worldwide. [BIP at 44].
- It furthers the measurable outcome identified in the BIP, to "[i]mprove habitat conditions in all identified prioritized reaches in exchange for harm caused by existing or additional water development." [BIP at p. 47].
- And it furthers the BIP's stated long-term need to "[e]nsure that new water activities do not further degrade stream and riparian health or become an impediment to restoration and recovery efforts. [BIP at p. 47].

The project helps address the specific needs for Grand County identified in the BIP, which states: "[t]he protection and restoration of the Fraser and the Colorado Rivers are critical needs for Grand County." [BIP at p. 88].

The Colorado River Connectivity Channel (a.k.a. the Windy Gap Bypass) is specifically identified in the BIP as a top-priority project. [See BIP Table 18 at p. 129], and is being currently identified by the roundtable's as a Wildly Important Goal (WIG).

While the Connectivity Channel project is not a water development project, as contemplated in the CWP's Water Plan Framework for State of Colorado Support for a Water Project (CWP, Section 9.4, pp. 9-43 to 9-44), it is an enhancement project for the Windy Gap Firming Project (WGFP). The WGFP has been approved by the U.S. Bureau of Reclamation, U.S. Army Corps of Engineers, Grand County, Colorado Parks and Wildlife, and endorsed by former Gov. John Hickenlooper and has support from several conservation groups such as Trout Unlimited. The WGFP aligns with the objectives of the Colorado Water Plan which identifies additional water storage among the measures needed to meet the state's future demands.

Faced with significant opposition from west slope entities and conservation groups, the Connectivity Channel project cleared a pathway for conflict resolution. The same entities that opposed the project are partners in the effort to build the Connectivity Channel. By supporting the Connectivity Channel project, the CWCB is supporting these types of efforts into the future, as contemplated by the Colorado's Water Plan Framework for State of Colorado Support for a Water Project.

The Project leverages significant federal dollars. NRCS has committed over $5 million for the Project and is expected to contribute an additional $4.4 million once the NEPA process is completed. It has also leveraged private funding in the amount of $1 million.

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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.

Colorado River Aquatic Resources Investigations Federal Aid Project F-237R-18, Division of Wildlife, R. Barry Nehring (2011) (evaluates impacts of Windy Gap Reservoir on downstream aquatic life and concludes reconnecting the river is necessary to restore lost aquatic habitat).

Windy Gap Firming Project Fish and Wildlife Enhancement Plan, adopted by the Colorado Wildlife Commission and the CWCB pursuant to C.R.S. 37-60-122.2 (2011) (provides for evaluation of Bypass and implementation of the Colorado River Habitat Restoration Project)

Moffat Collection System Project Fish and Wildlife Enhancement Plan, adopted by the Colorado Wildlife Commission and the CWCB pursuant to C.R.S. 37-60-122.2 (2011) (see above)

TetraTech's *Final Report, Windy Gap Reservoir Modification Study* (February 2015) and *Supplemental Report for the Windy Gap Reservoir Modification Study* (June 2017).

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.

Water Plan Grant contract CTGG1 2021-2091 was awarded to the Municipal Subdistrict and provides $735,213 to Task 2 (Final Design & Permitting).

The state legislature appropriated $2.2 million from the severance tax perpetual base fund for the CWCB to make a grant to the Municipal Subdistrict for this Project (see §39-29-109(2)(a)(I.5)(XII) C.R.S.). That grant contract has not yet been contracted but is reflected in the attached budgets for Task 3 (Construction)

Trout Unlimited (TU) received a water plan grant (CTGG1 2019-2233) which provides $286,287 to Task 2 (Final Design & Permitting).

Between the three grants above, the percentage of CWCB funding for the Project is currently 12.6% ($3,221,500/$25,591,890). With a full award of $3.8 M under this application, total CWCB funds for the Project will be 27% ($7,021,500/$25,591,890).

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.

Receiving CWCB grants may carry the potential for the Windy Gap Water Activity Enterprise to fall out of TABOR Enterprise status for the fiscal year in which funds are received. The Municipal Subdistrict is aware of this potential and does not anticipate adverse impacts should that occur.

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Submittal Checklist	
X	I acknowledge the Grantee will be able to contract with CWCB using the Standard Contract.
X	Statement of Work(1)
X	Budget & Schedule(1)
X	Engineer's statement of probable cost (projects over $100,000)
X	Letters of Matching and/or Pending 3rd Party Commitments(1)
X	Map (if applicable)(1)
	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)
Water Sharing Agreements and Alternative Transfer Methods ONLY	
	Water Sharing Agreements and Alternative Transfer Methods 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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ENGAGEMENT & INNOVATION GRANT FUND SUPPLEMENTAL APPLICATION

Introduction & Purpose

Colorado's Water Plan calls for an outreach, education, public engagement, and innovation grant fund in Chapter 9.5.

The overall goal of the Engagement & Innovation Grant Fund is to enhance Colorado's water communication, outreach, education, and public engagement efforts; advance Colorado's water supply planning process; and support a statewide water innovation ecosystem.

The grant fund aims to engage the public to promote well-informed community discourse regarding balanced water solutions statewide. The grant fund aims to support water innovation in Colorado. The grant fund prioritizes measuring and evaluating the success of programs, projects, and initiatives. The grant fund prioritizes efforts designed using research, data, and best practices. The grant fund prioritizes a commitment to collaboration and community engagement. The grant fund will support local and statewide efforts.

The grant fund is divided into two tracks: engagement and innovation. The Engagement Track supports education, outreach, communication, and public participation efforts related to water. The Innovation Track supports efforts that advance the water innovation ecosystem in Colorado.

Application Questions

*The grant fund request is referred to as "project" in this application.

Overview (answer for both tracks)
In a few sentences, what is the overall goal of this project? How does it achieve the stated purpose of this grant fund (above)?
Who is/are the target audience(s)? How will you reach them? How will you involve the community?
Describe how the project is collaborative or engages a diverse group of stakeholders. Who are the partners in the project? Do you have other funding partners or sources?

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Describe how you plan to measure and evaluate the success and impact of the project?
What research, evidence, and data support your project?
Describe potential short- and long-term challenges with this project.

Please fill out the applicable questions for either the Engagement Track or Innovation Track, unless your project contains elements in both tracks. If a question does not relate to your project, just leave it blank. Please answer each question that relates to your project. Please reference the relevant documents and use chapters and page numbers (Colorado's Water Plan, Basin Implementation Plan, PEPO Education Action Plan, etc.).

Engagement Track
Describe how the project achieves the education, outreach, and public engagement measurable objective set forth in Colorado's Water Plan to "significantly improve the level of public awareness and engagement regarding water issues statewide by 2020, as determined by water awareness surveys."
Describe how the project achieves the other measurable objectives and critical goals and actions laid out in Colorado's Water Plan around the supply and demand gap; conservation; land use; agriculture; storage; watershed health, environment, and recreation; funding; and additional.
Describe how the project achieves the education, outreach, and public engagement goals set forth in the applicable Basin Implementation Plan(s).

Describe how the project achieves the basin roundtable's PEPO Education Action Plans.

Innovation Track
Describe how the project enhances water innovation efforts and supports a water innovation ecosystem in Colorado.
Describe how the project engages/leverages Colorado's innovation community to help solve our state's water challenges.
Describe how the project helps advance or develop a solution to a water need identified through TAP-IN and other water innovation challenges. What is the problem/need/challenge?
Describe how this project impacts current or emerging trends; technologies; clusters, sectors, or groups in water innovation.

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Colorado Water Conservation Board
Water Plan Grant - Exhibit A

Statement Of Work	
Date:	**June 25, 2021**
Name of Grantee:	Windy Gap Water Activity Enterprise (Municipal Subdistrict, Northern Colorado Water Conservancy District)
Name of Water Project:	**Colorado River Connectivity Channel (aka Windy Gap Bypass)**
Funding Source:	**See Attached CRCC Funding Breakdown**

Water Project Overview:

The Project involves the construction of a new connectivity channel (approximately a mile in length) that will reconnect the Colorado River upstream and downstream of Windy Gap Reservoir to allow for movement of fish, macroinvertebrates, and coarse sediments needed for aquatic habitat, and to improve stream temperature. The reservoir will be reduced in size, with a new dam to be constructed to separate it from the new channel. A structure to regulate flows into the reservoir will be installed. The channel will be constructed to mimic a natural channel and will include aquatic habitat features. In addition, the Fraser river gauge, upstream of the reservoir on the Fraser River will be improved to allow for upstream fish passage. The project is expected to significantly improve aquatic habitat conditions in the face of additional diversions through the Windy Gap Firming Project and Moffat Collection System Project. The new channel will be open to the public, providing a new amenity that will benefit recreation and the economy or a rural community.

Preliminary engineering was completed for the project and the results are reported in TetraTech's *Final Report, Windy Gap Reservoir Modification Study* (February 2015) and *Supplemental Report for the Windy Gap Reservoir Modification Study* (June 2017). The Project is now in final design which is expected to be completed in late 2021. WG Enterprise has utilized a CM/GC contract model for final design, allowing for input from a contractor during the final design process. AECOM has been engaged as the lead designer and Concrete Express Inc (CEI) is working in the CM/GC role. The most recent product of the design process is the 60% Basis of Design and drawings, which have been submitted for evaluation by stakeholders and cost estimation by the CM/GC team. Submittals to date include SEO Hazard Classification Report, Flood Hydrology Report, Site-Specific Probabilistic Seismic Hazard Analysis Report, Limnology Reservoir Modeling Report, 30%/40%/60% Design submittals and Basis of Design Reports and draft technical specifications.

Project Objectives:

(1) Re-establish connectivity with upstream tributaries, expanding available habitat and range for fish, macroinvertebrates and other aquatic life,
(2) Re-establish transport of coarse sediment from the upstream river reaches past reservoir to alleviate downstream gravel depletion and armoring,
(3) Improve water quality by moderating water temperatures,
(4) Reduce nutrient loading by routing primary flows through the connectivity channel, and
(5) Reduce the transport of aquatic vegetation from the reservoir that has degraded downstream riverine habitats.

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Tasks
Task 1 – Watershed Plan and Environmental Assessment
Description of Task:
The NRCS, as the lead federal agency, is initiating National Environmental Policy Act (NEPA) analysis in the form of a Watershed Plan and Environmental Assessment (Plan-EA) to analyze impacts to the environment from this Project. A Plan-EA provides an analytic framework for managing efforts to both restore water quality in degraded areas and to protect overall watershed health. Work under this task includes developing the Plan-EA document. <u>No additional CWCB funds are being requested under this grant application to complete Task 1.</u>
Method/Procedure:
The WG Enterprise contracted with McMillen Jacobs and Associates to provide consulting services related to the preparation and completion of the Plan-EA document. The WG Enterprise contracted with AECOM to prepare a Comprehensive Engineering Evaluation which was done in inform sections of the Plan-EA document. The Plan-EA will comply with the Council on Environmental Quality's regulations at 40 CFR Parts 1500-1508 which require an evaluation of potential environmental impacts associated with federal projects and actions and will be completed in accordance with NEPA and NRCS guidelines and standards.
Deliverable:
• Watershed Plan Environmental Assessment document (Pending), • Comprehensive Engineering Report (Submitted September 16, 2019), • Dam Breach Analysis and Hazard Classification Report (Submitted October 7, 2019), • Flood Hydrology Report (Submitted October 7, 2019), • Incremental Damage Assessment Report (Submitted October 7, 2019), • Emergency Action Plan (Pending), • Sedimentation Analysis Memorandum (Submitted August 27, 2019).

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Tasks
Task 2 – Final Design & Permitting
Description of Task:
Conduct final investigations, design and engineering to enable construction of the various components of the Bypass Project, including embankment dam, diversion structure, connectivity channel, and the Fraser River fish passage structure. <u>No additional funds are being requested under this grant application to complete Task 2</u>.
Method/Procedure:
The WG Enterprise contracted with AECOM to complete this task. AECOM's consulting contract covers the following subtasks: • Geotechnical Investigations • Surveying • Permitting Support and Regulatory Review (Clean Water Section 404, Endangered Species Act Section 7 Consultation, Cultural Resources, Floodplains, Grand County 1041 Permit) • Supporting Studies (Hazard Classification, Flood Hydrology, Design Seismicity) • Concept Design Refinement • Reservoir CFD Modeling • Dam Design • Diversion Structure Design • Connectivity Channel Design • Fraser River Fish Passage Structure • Contractor Coordination (Contractor Selection Support, Orientation Workshop, Risk Workshop, Innovation Evaluation) • Project Management, Meetings, and Contractor Coordination
Deliverable:
Geotechnical Report, Nationwide Permit #27 Application, SEO Hazard Classification Report, Flood Hydrology Report, Site-Specific Probabilistic Seismic Hazard Analysis Report, Limnology Reservoir Modeling Report, 30%/40%/60%/90%/IFC Design Drawings, Basis of Design Reports and Technical Specifications

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Tasks
Task 3 – Construction
Description of Task:
Construct the components of the Project including a new dam, diversion structure, connectivity channel, flood plain, and Fraser River fish passage
Method/Procedure:
The WG Enterprise selected Concrete Express Inc (CEI), a qualified construction contractor, to join the design team through a Construction Manager/General Contractor (CM/GC) process. The CM/GC process is being implemented to foster innovation, mitigate risk, improve design quality, improve cost control, and optimize construction schedules. The CM/GC process occurs in two phases. The fist contract phase occurs during design where CEI was selected through a competitive process to serve as the Construction Manager (CM) during design. This allows CEI to integrate with the design team to work with the WG Enterprise to identify risks, provide costs projections, constructability reviews, and refine the project schedule. Once the design phase is complete, the contractor and WG Enterprise will negotiate on the price for the construction contract. If all parties agree with costs then the CM will become the General Contractor (GC) for the second contract phase which is the construction phase. If all parties cannot come into agreement with cost, the project will proceed with a competitive bid process to select the construction contractor. The selected Contractor will be responsible for means and method of construction and for obtaining all applicable construction related permits.
Deliverable:
Final Construction Report and As-Built Drawings

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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.

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 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 C. 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 C
Budget and Schedule

Prepared Date: June 25, 2021

Name of Applicant: Windy Gap Enterprise (Northern Colorado Water Conservancy District, Municipal Subdistrict)

Name of Water Project: Colorado River Conectivity Channel (Windy Gap Reservoir Bypass Project)

Project Start Date: March 2018

Project End Date: October 2023

Task No.	Task Description	Task Start Date	Task End Date	This Grant Funding Request	Existing CWCB Funds	Match Funding	Total
1	Watershed Plan and EA	March 2018	December 2021	$0	$0	$577,810	$577,810
2	Final Design & Permitting	December 2019	December 2021	$0	$1,021,500	$1,877,768	$2,899,268
3	Construction	May 2022	October 2023	$3,800,000	$2,200,000	$16,114,812	$22,114,812
							$0
							$0
							$0
							$0
							$0
							$0
							$0
							$0
							$0
							$0
			Total	$3,800,000	$3,221,500	$18,570,390	$25,591,890

* Because match funding includes previous awarded CWCB funds, grantee and staff will insure that combined CWCB funds will not exceed 50% of total funding for any task or the project as a whole

Colorado River Connectivity Channel
Funding Breakdown
June 2021

USES OF FUNDS

TASK	Budget
(1) Watershed Plan and Environmental Assessment	$577,810
(2) Final Design & Permitting	$2,899,268
(3) Construction	$22,114,812
TOTAL	$25,591,890

SOURCES OF FUNDS

	TASK			TOTAL	STATUS OF FUNDING
	(1)	(2)	(3)		
CWCB FUNDS					
Water Plan Grant CTGG1 2021-2091 (Subdistrict Fiscal Agent)		$735,213		$735,213	SECURED
Water Plan Grant CTGG1 2019-2233 (TU Fiscal Agent)		$286,287		$286,287	SECURED
Severance Tax Non-Reimbursable			$2,200,000	$2,200,000	PENDING CONTRACT
THIS WATER PLAN GRANT REQUEST			$3,800,000	$3,800,000	THIS REQUEST
SUBTOTAL	$0	$1,021,500	$6,000,000	$7,021,500	
NORTHERN "IN-HOUSE" FUNDS					
Northern Colorado Water Conservancy District			$1,000,000	$1,000,000	SECURED
Windy Gap Project Water Activity Enterprise		$1,000,000	$1,000,000	$2,000,000	SECURED
Windy Gap Firming Project Water Activity Enterprise	$77,810	$477,768	$1,444,422	$2,000,000	SECURED
SUBTOTAL	$77,810	$1,477,768	$3,444,422	$5,000,000	
TROUT UNLIMITED SOURCED FUNDS					
NRCS (RCPP)	$500,000	$400,000	$4,769,600	$5,669,600	SECURED
Anonymous Donor(s)			$1,000,000	$1,000,000	COMMITTED
Colorado River Water Conservancy District			$1,025,000	$1,025,000	COMMITTED
Upper Colorado River Alliance (Landowners)			$260,000	$260,000	COMMITTED
NRCS (RCPP) Upcoming Request			$4,365,790	$4,365,790	PENDING REQUEST
GOCO RESTORE			$250,000	$250,000	COMMITTED
SUBTOTAL	$500,000	$400,000	$11,670,390	$12,570,390	
OTHER FUNDS					
Grand County Open Lands and River Trust			$1,000,000	$1,000,000	COMMITTED
SUBTOTAL	$0	$0	$1,000,000	$1,000,000	
TOTAL	$577,810	$2,899,268	$22,114,812	$25,591,890	

Colorado River Connectivity Channel
Detailed Budget
June 2021

Task 1 - Environmental Plan EA

Vendor	Contract #		Amount
McMillen Jacobs	2755-0-AGRE	$	405,887
AECOM	2929-0-AGRE	$	150,421
River Science	1454-0-SERV	$	12,702
Engineering Solutions	1459-0-SERV	$	8,800
	Task 1 Subtotal	**$**	**577,810**

Task 2 - Final Design

Vendor	Contract #		Amount
AECOM	3162-0-AGRE	$	2,440,600
Engineering Solutions	3444-0-AGRE	$	94,380
River Science	1578-0-SERV	$	31,288
CEI	3448-0-AGRE	$	333,000
	Task 2 Subtotal	**$**	**2,899,268**

Task 3 - Construction

Task			Amount
General		$	2,455,656
Dam Embankment & Modification		$	4,651,104
Diversion Structure		$	2,711,797
Connectivity Channel		$	3,973,650
Fraser Gauge Modification		$	281,973
Indirect Cost		$	1,948,650
Contingency & Fee		$	3,203,424
Performance and Payment Bond & Insurance		$	388,558
Owners Costs of Construction		$	2,500,000
	Task 3 Subtotal	**$**	**22,114,812**

	Total Project Costs	**$**	**25,591,890**

Municipal Subdistrict

Colorado River Connectivity Channel Conceptual Design

- **Over a Mile** of Additional Stream Length Will be Open to Public Access for Fishing
- Newly Activated Floodplain is Expected to Exceed **50 Acres**
- Channel Flows are Expected to Exceed ~**90% CFS** Roughly **50% of the Year** while the Bankflow Design is **700 CFS**
- Newly Activated Wetlands is Expected to Exceed **14 Acres**

Key Project Supporters

COLORADO RIVER ALLIANCE

Colorado River District
Protecting Western Colorado Water Since 1937

Colorado Parks & Wildlife

COLORADO
Colorado Water Conservation Board
Department of Natural Resources

Grand County Colorado Est. 1874

NRCS

Trout Unlimited

July 1, 2021

Colorado Water Conservation Board
1313 Sherman St., Room 718
Denver, CO 80203
Via email chris.sturm@state.co.us

Re: Colorado River Connectivity Channel Grant Application

Dear Board Members,

Trout Unlimited is proud to be a partner in the Colorado River Connectivity Channel Project, a project that brings together western and eastern slope former adversaries to improve the health of our name-sake river. Our partner Northern Colorado Water Conservancy District has submitted a Colorado Water Plan Grant application in the amount of $3.8 million to help bridge the funding gap for construction of the project.

I am writing on behalf of Trout Unlimited to express our support and to urge the Board to approve the grant to help make this important project a reality.

Born out of resolution of years of conflict over the proposed Windy Gap Firming Project, the Colorado River Connectivity Channel Project embodies the fundamental goals and principles of the Colorado Water Plan – to assist in developing needed water supplies, to protect and restore our natural environment, to support our local economies, and to further cooperation among conflicting water needs.

It has been a long and arduous road. This is a complex project requiring modification of a reservoir, creation of a new mile-long natural channel and 250-acre flood plain, and installation of a diversion structure capable of diverting 600 cfs. Cost estimates have increased over the 10+ years of feasibility studies, permitting, and project development. But we are almost there. Final design and engineering for all components of the project will be completed this year. Final environmental and engineering review and permitting is expected in early 2022 and construction is scheduled to begin by May of 2022.

The CWCB has generously contributed funds for design and engineering of the project. The requested funds, along with funds requested from the Natural Resources Conservation Service (NRCS) will help secure its construction.

In this regard, Trout Unlimited has requested the NRCS, which has already committed $5.7 million, to contribute an additional $4.4 million for the Project. While the NRCS cannot commit any additional funds until the ongoing environmental and engineering review for the project is completed (expected in early 2022), discussions at high levels of NRCS give Trout Unlimited high hopes that additional funding is forthcoming.

On a parallel track, Senator Bennet has included the project in its Congressional Directed Funding request for Colorado. Should Congress grant funding, the funds would go to NRCS and be earmarked for the Project. Whether through a Congressional earmark or through NRCS program funding, Trout Unlimited is confident that additional NRCS funds will be allocated to the project.

Many other entities and individuals have shown their support through existing cash contributions, including:

- Northern Water: $5,000,000
- Colorado River Water Conservation District: $1,025,000
- Grand County: $1,000,000
- Anonymous Landowner Donor: $1,000,000
- Upper Colorado River Alliance: $260,000
- Great Outdoors Colorado RESTORE: $255,000

Together, the CWCB grant and the NRCS's additional funds will make the Colorado River Connectivity Channel a reality.

Thank you for considering Northern Water's funding request.

Best regards,

Amelia S. Whiting

Amelia (Mely) Whiting
Legal Counsel, Trout Unlimited

Congress of the United States
Washington, DC 20515

December 4, 2015

The Honorable Sally Jewell
Secretary
Department of the Interior
1849 C Street NW
Washington, DC 20240

Dear Secretary Jewell:

We write to express our support for the Windy Gap Reservoir Modification project in Grand County, Colorado. As described in the attached letter, a broad coalition of citizens, governments, and water providers in the Upper Colorado River Basin support this "Bypass Project." This community-based project is a prime example of Colorado's leadership in creative and collaborative watershed management. Its completion would result in more consistent flows, improved river health, and expanded recreational opportunities.

It is our understanding that the proponents have made great progress in identifying funding sources for the project, but are still seeking additional support to begin construction. While we recognize that this is not a federal effort, we encourage the Department of Interior to support this collaborative, community-based project.

Thank you for your consideration.

Sincerely,

Michael F. Bennet
United States Senator

Cory Gardner
United States Senator

Jared Polis
United States Representative

CORY GARDNER
COLORADO

SUITE SR-354
SENATE RUSSELL OFFICE BUILDING
WASHINGTON, DC 20510
(202) 224-5941

United States Senate

COMMITTEES:
COMMERCE, SCIENCE, AND TRANSPORTATION
ENERGY AND NATURAL RESOURCES
FOREIGN RELATIONS
SMALL BUSINESS AND ENTREPRENEURSHIP

September 15, 2016

Ms. Jason Weller, Chief
Natural Resources Conservation Service
U.S. Department of Agriculture
1400 Independence Ave SW #5105-A
Washington, DC 20250

RE: Colorado River Headwaters Project Grant Application for the Regional Conservation Partnership Program (RCPP)

Dear Chief Weller:

On behalf of Colorado River Headwaters Project supporters, I am writing to ask for your full and fair consideration of its application to the Natural Resources Conservation Service's Regional Conservation Partnership Program.

The headwaters of the Colorado River are a vital water resource for the entire State of Colorado and all of the Western United States. As water resource projects have been put into place over the past century, there have been concerns raised about the quality of the water flowing naturally down the river.

In collaboration with municipal, conservation, and agricultural organizations, the Colorado River Headwaters Project will address the four priorities for the region: streamflow, water quality degradation, soil degradation, and fish and wildlife habitat.

Three main projects will support the Colorado River Headwaters Project: a bypass channel to reconnect the Colorado River, channel and habitat improvement downstream of the bypass, and targeted projects to improve irrigation and soil quality. Once implemented, this project will affect 30 miles of the Colorado River, and 4,500 acres of irrigated lands.

Thank you for your full and fair consideration of this application.

Sincerely,

Cory Gardner
United States Senator

COLORADO CATTLEMEN'S ASSOCIATION
ADVANCING THE LEGACY

8833 Ralston Road
Arvada, CO 80002
303.431.6422
info@coloradocattle.org

To Whom It May Concern:

The CCA is the nation's oldest cattlemen's association, representing Colorado's more than 14,000 beef producers, and has over 40 affiliates. CCA's membership consists of cow/calf producers, stockers/feeders, landowners, collegiate members, and business supporters; and CCA has been a leader and strong industry advocate for 149 years.

The Colorado River Headwaters Project addresses four priorities for the Colorado River Basin that will help not only the local communities, but also assist in restoring the headwaters of the Colorado River. The four key areas of the project are: insufficient water, decline in water quality, soil degradation, and the lack of substantial habitat for fish and wildlife. This collaborative effort is precisely the effort that we need to see in order to accomplish improvements dealing with water, our most valuable resource.

The broad support from the community, organizations, and water stakeholders is reassuring to us that this project will provide innovative solutions to benefit working lands and rivers, and will represent what can be accomplished through cooperation and creativity among those who use the water. According to the project summary "[w]hen fully implemented, the Project will directly benefit 30 miles of the Colorado River and 4,500 acres of irrigated lands that provide sage grouse habitat." A project that improves our resources, while benefiting fish and wildlife; coupled with the diverse stakeholders involved, seems to be a step in the right direction for the Colorado River.

Sincerely,

Tim Lehmann
CCA President

September 9, 2016

Mr. Jason Weller, Chief

Natural Resources Conservation Service

United States Department of Agriculture

1400 Independence Avenue, SW

Room 5105-A

Re: Colorado River Headwaters Project

ID #17-C-CO-1550

Dear Chief Weller,

The Farm Bureau of Middle Park supports the Colorado River Headwaters Project. The Producers involved in the ILVK project are active Farm Bureau members. We are excited to see our producers join with recreationists, conservationists, and our government on this Colorado River project. Completion of this entire project will help with fish and wildlife habitat as well as help the agriculture producers as well as local shop owners and recreation companies stay in business along the Colorado River in Grand County.

Sincerely,

Wendy Thompson

Wendy Thompson, President

Farm Bureau of Middle Park

Middle Park Stockgrowers Association

PO Box 161, Granby, CO 80446
970.531.0127 mpstockgrowers@gmail.com

September 15, 2015

RE: RCPP ID #17-C- CO-1550 Colorado River Headwaters Project (CRHP)

To Whom It May Concern:

The Middle Park Stockgrowers Association was the very first stockgrowers association to establish in the State of Colorado in the year1874. Ever since, we have been working with the local community, as well as state and federal agencies, to maintain sustainable agricultural production in Grand and Summit Counties. Many of our stockgrowers members rely on the Colorado River to irrigate their hayfields and water their stock. In fact, most of the 12 ranchers involved in the ILVK Project (one of the three focus areas of the CRHP) are members of the Middle Park Stockgrowers Association.

We believe ranchers are some of the best stewards of the land and that maintaining a strong agricultural presence across the landscape will contribute to the long-term conservation of natural resources in Middle Park and beyond. Not only will the CRHP help to maintain agriculture in Middle Park, it will also improve the river health and flow so that downstream ag producers can also benefit from that water that originates right here in Grand County.

For this reason, we support the Colorado River Headwaters Project and hope you will consider it for RCPP funding.

Sincerely,

Board of Directors
Middle Park Stockgrowers Association

Kathleen Miller,
Secretary MPSG

THE COLORADO BASIN ROUNDTABLE

C/O P.O. BOX 1120
GLENWOOD SPRINGS, COLORADO 81602

August 24, 2021

Colorado Water Conservation Board
Attn: Ben Wade
1313 Sherman St., Room 721
Denver, CO 80203

Re: Colorado River Connectivity Channel Water Plan Grant Application

Dear Colorado Water Conservation Board Members:

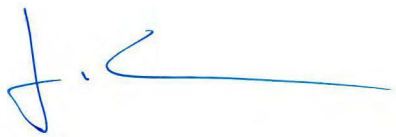
I am writing on behalf of the Colorado Basin Roundtable (CBRT) to offer our support for the grant application submitted by Northern Water Conservancy District, Municipal Subdistrict to assist in the construction of the Colorado River Connectivity Channel (Connectivity Channel) in Grand County, Colorado.

The CBRT considers the Connectivity Channel a top priority for the basin. The project is expected to significantly improve aquatic habitat in an area that has been greatly impacted by transmountain diversions that take water to the Front Range and Northern Colorado. The project, proposed by a partnership that includes Grand County, Middle Park Conservancy District, the Colorado River Water Conservation District, Northern, Trout Unlimited, Colorado Parks and Wildlife, and downstream landowners, has attracted substantial federal, state and local government funding as well as private funding. Still, project partners report that the project is approximately $8 million shy of the $25 million cost of the project.

With Senator Bennet's support, the partners are confident that some of these additional funds will be provided by the federal government. However, additional state funds are needed to make this project a reality. Should the funding gap be addressed, the project is positioned to begin construction in Spring of 2022 and be completed in the Fall of 2023, which qualifies the project for Governor Polis's Colorado Water Plan Wildly Important Goals.

The CBRT fully supports the project and encourages the CWCB to provide the funding requested.

Regards,



Jason V. Turner, Chair