



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: Ben Wade & Dori Vigil
Water Supply Planning Section

DATE: September 8, 2022

AGENDA ITEM: Agenda 18 a-b, Water Supply Reserve Fund, Grant Funding Recommendations

Staff Recommendation - Action Items: WSRF Grant Requests:

A summary of staff's recommendation for each WSRF application are provided in the first component of the attached table.

Favorable recommendations may be contingent on providing the CWCB with additional information, clarifications, or modifications in the scope of work. Please refer to the Water Activity Summary Sheets contained within this agenda item to find a summary of staff's review and any conditions associated with each recommendation.

Background:

For this agenda item, the Board is provided with a brief overview of applications to the Water Supply Reserve Fund (WSRF). Attachments to this memo include:

- Summary spreadsheet detailing funding requests for the basin and statewide accounts;
- Summary spreadsheet displaying current WSRF Balance Summary of Fund Appropriations and Receipts by Fiscal Year, and Fund Distribution by Basin and Statewide Account.
- Water Activity Summary Sheets, which provide an overview, discussion, issues/additional needs, and staff recommendation regarding funding, partial funding, or not funding the applications.

Staff's review of the applications involves the following steps:

- 1) Applications are reviewed for completeness based on the information requirements, which are primarily outlined in the Grant Guidelines.
- 2) Applications are reviewed to verify that the water activity meets the eligibility requirements, which are based on the requirements of Section 39-29-108 (III) C.R.S., and two sections of the Water for the 21st Century Act (House Bill 1177); Section 37-75-102 and Section 37-75-104(2)(c) (C&G, Part 3). Staff also verifies that the applicant was an eligible entity to receive funding.
- 3) Staff then prepares the Water Activity Summary Sheet which documents the outcome of the review process and contains staff's recommendations.



COLORADO WATER CONSERVATION BOARD
STIMULUS FUND (HB1260) - Balance Summary Water Supply Reserve Fund
SEPTEMBER 2022

Updated 08/08/2022

Fund Appropriation and Receipts				
Fiscal Year	Legislative Appropriation	Funds Received	Statewide Account	Basin Account
FY2021-2022	\$5,000,000	\$5,000,000	\$3,200,000	\$1,800,000
TOTAL	\$5,000,000	\$5,000,000	\$3,200,000	\$1,800,000

Fund Distribution					
Basin	Approved Basin Grants	Total Basin Funds	Basin Account Balance	Approved State Grants	Statewide Account Balance
Arkansas	\$148,840	\$200,000	\$51,160	\$974,564	
Colorado	\$34,800	\$200,000	\$165,200	\$55,000	
Southwest	\$79,423	\$200,000	\$120,577	\$332,682	
Gunnison	\$200,000	\$200,000	\$0	\$422,236	
Metro	\$200,000	\$200,000	\$0	\$193,000	
North Platte	\$200,000	\$200,000	\$0	\$4,833	
Rio Grande	\$88,000	\$200,000	\$112,000	\$614,600	
South Platte	\$200,000	\$200,000	\$0	\$171,958	
Yampa/White	\$197,750	\$200,000	\$2,250	\$97,100	
TOTAL	\$1,348,813	\$1,800,000	\$451,187	\$2,865,973	\$334,027
TOTAL APPROVED GRANTS					\$4,214,786

Note: Only includes grants approved by CWCB

COLORADO WATER CONSERVATION BOARD
H2B/H2O Water Supply Reserve Fund - Balance Summary
SEPTEMBER 2022

8/24/2022

Fund Appropriation and Receipts				
Fiscal Year	Legislative		Statewide	
	Appropriation	Funds Received	Account	Basin Account
2006/2007	\$10,000,000	\$10,000,000	\$5,500,000	\$4,500,000
2007/2008	\$6,000,000	\$6,000,000	\$4,200,000	\$1,800,000
2008/2009	\$10,000,000	\$7,000,000	\$4,300,000	\$2,700,000
2009/2010	\$5,775,000	\$5,775,000	\$4,215,750	\$1,559,250
2010/2011	\$6,000,000	\$6,000,000	\$4,380,000	\$1,620,000
2011/2012	\$7,000,000	\$7,000,000	\$4,732,000	\$2,268,000
2012/2013	\$10,000,000	\$7,157,724	\$4,580,943	\$2,576,781
2013/2014	\$10,000,000	\$10,091,639	\$6,458,649	\$3,632,990
2014/2015	\$10,000,000	\$10,000,000	\$6,400,000	\$3,600,000
2015/2016	\$10,000,000	\$9,103,590	\$5,826,298	\$3,277,292
2016/2017 (FY2017)	\$0	\$0	\$0	\$0
2017/2018 (FY2018)	\$10,000,000	\$1,455,776	\$931,697	\$524,079
2017/2018 CF (FY2018)	\$0	\$7,000,000	\$4,480,000	\$2,520,000
2018/2019 CF (FY2019)	\$0	\$3,544,884	\$2,268,726	\$1,276,158
2019/2020 (FY2020)	\$10,000,000	\$10,000,000	\$6,400,000	\$3,600,000
2020/2021 (FY2021)	\$2,500,000	\$2,500,000	\$1,600,000	\$900,000
2021/2022 (FY2022)	\$0	\$0	\$0	\$0
2022/2023 (FY2023)			\$0	\$0
Interest	N/A	\$2,857,935	\$3,541,544	
(Prior Years Interest Adjustment 2007-2014 and FY2015, FY2016, FY2017)				
FY 2018 Interest	N/A	\$ 376,467	\$376,467	\$0
FY 2019 Interest	N/A	\$ 431,589	\$431,589	\$0
FY 2020 Interest	N/A	\$ 558,732	\$558,732	\$0
FY 2021 Interest	N/A	\$ 329,821	\$329,821	\$0
FY 2022 Interest	N/A	\$ 281,215	\$281,215	\$0
FY 2023 Interest	N/A			
TOTAL	\$107,275,000	\$107,464,372	\$71,793,431	\$36,354,551

Note: The WSRF is a Severance Tax "Tier II" program & CF Funding with 40% of funds distributed on July 1, 30% on January 1, and the final 30% on April 1. In FY 2008/2009 the final 30% installment of \$3,000,000 was not received due to the State's budgetary shortfall.

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

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

Fund Distribution					
Basin	Approved Basin Grants	Total Basin Funds	Basin Account Balance	Approved State Grants	Statewide Account Balance
Arkansas	\$3,612,149	\$4,039,395	\$427,246	\$ 12,737,703	
Colorado*	\$3,748,529	\$4,039,395	\$290,866	\$ 6,611,075	
Southwest *	\$3,626,892	\$4,039,395	\$412,503	\$ 8,929,463	
Gunnison *	\$3,706,457	\$4,039,395	\$332,938	\$ 6,870,607	
Metro *	\$3,374,965	\$4,039,395	\$664,430	\$ 7,723,032	
North Platte	\$3,740,809	\$4,039,395	\$298,586	\$ 842,844	
Rio Grande*	\$3,788,048	\$4,039,395	\$251,347	\$ 13,104,635	
South Platte *	\$3,558,780	\$4,039,395	\$480,615	\$ 8,075,127	
Yampa/White	\$3,345,904	\$4,039,395	\$693,490	\$ 1,063,969	
TOTAL	\$32,502,533	\$36,354,551	\$3,852,017	\$65,958,454	\$5,834,977
TOTAL APPROVED GRANTS					\$98,460,987

Note: Only includes grants approved by CWCB

* Comments reflect adjustments to balances

Water Supply Reserve Fund Applications for Consideration at the September 2022 CWCB Board Meeting

Agenda Item	Basin	Applicant/Grantee	Name of Water Activity	Basin(s) Account Request	RT Approved Amount	Non-WSRF Cash Match	Non-WSRF In-Kind Match	Non-WSRF Total Match	Total Project Costs	Basin Only Request Match % (min 25%)	Staff Recommendations	PM
Agenda Item 18a	Arkansas	Cross Creek Metropolitan District	Hale Reservoir Renovation - Cross Creek Park	\$100,000	\$100,000	\$5,702,272	\$0	\$5,702,272	\$5,802,272	98.28%	Staff recommends approval of \$100,000 from the Ark Basin Acct	Matt
Director's Report	Arkansas	Purgatoire River Water Conservancy District	Automated Water Control Gates - Water Efficiency Project Phase 2	\$35,000	\$35,000	\$84,800	\$5,000	\$89,800	\$124,800	71.96%	Staff recommends approval of \$35,000 from the Ark Basin Acct	Ben
Director's Report	Colorado	Learning By Doing, Inc	Grand County Stream Management Plan Update - Phase 1	\$25,000	\$25,000	\$273,167	\$117,600	\$390,767	\$415,767	34.00%	Staff recommends approval of \$25,000 from the CO Basin Account	Chris Sturm
Director's Report	Gunnison	Grandview Canal & Irrigation Company	Grandview Headgate & Water Optimization Project	\$98,500	\$40,000	\$3,729,915	\$25,000	\$3,754,915	\$3,794,915	98.95%	Staff recommends approval of \$40,000 from the Gunn Basin Acct	Ben
Director's Report	Gunnison	Short Ditch	Engineering Services for Leaking & Degraded Ditch Section	\$12,000	\$12,000	\$3,000	\$1,300	\$4,300	\$16,300	26.38%	Staff recommends approval of \$12,000 from the Gunnison Basin Account	Ben
Consent Agenda 3a	Rio Grande	Colorado Master Irrigator	Master Irrigator Program - Expanded Course Offerings SLV	\$94,112.50	\$94,112.50	\$35,000	\$69,350	\$104,350	\$198,462.50	52.58%	Staff recommends approval of \$94,112.50 from the Rio Grande Basin Account	Nora
Consent Agenda 3b	South Platte	Coalition for the Poudre River Watershed	Phase 2 - Fish Passage Design for the Whitney and BH Eaton Reach of the Cache la Poudre River	\$72,970	\$72,970	\$24,900	\$0	\$24,900	\$97,870	25.44%	Staff recommends approval of \$72,970 from the South Platte Basin Account	Chris Sturm
Director's Report	Southwest	Lone Cone Reservoir & Ditch Company	Lone Cone Reservoir Rehabilitation - Phase 1: Engineering & Design	\$25,000	\$25,000	\$41,252	\$7,750	\$49,002	\$74,002	66.22%	Staff recommends approval of \$25,000 from the Southwest Basin Acct	Ben
Director's Report	Southwest	Trout Unlimited	Fall Creek Fish Barrier - San Juan Cutthroat Trout	\$20,000	\$20,000	\$152,000	\$560	\$152,560	\$172,560	88.41%	Staff recommends approval of \$20,000 from the SW Basin Acct	Ben
Agenda Item 18b	YWG	Bear River Reservoir Company	Stillwater Reservoir Repairs & Upgrades	\$139,500	\$139,500	\$50,000	\$0	\$50,000	\$189,500	26.39%	Staff recommends approval of \$139,500 from the Y/W/G Basin Acct	Matt
Consent Agenda 3c	YWG	Nicholas & Ann Charchalis	Drescher Dam Rehabilitation - Phase 2	\$62,440	\$62,440	\$47,440	\$15,000	\$62,440	\$124,880	50.00%	Staff recommends approval of \$62,440 from the Yampa/White/Green Basin Account	Ben
				\$426,023	\$426,023							

Basin	Basin Account Requests	Total Requests	HB21-1260 Stimulus Funds Current Basin Account Balances	Remaining HB21-1260 Stimulus Basin Account Balances (if all requests approved)	Current HB21-1260 Stimulus Statewide Account Balance	Remaining HB21-1260 Stimulus Statewide Account Balance (if all requests approved)
Arkansas Basin	\$51,160	\$51,160	\$51,160	\$0		
Colorado Basin	\$25,000	\$25,000	\$165,200	\$140,200		
Gunnison Basin	\$0	\$0	\$0	\$0		
Metro	\$0	\$0	\$0	\$0		
North Platte	\$0	\$0	\$0	\$0	\$334,027.00	\$334,027.00
Rio Grande	\$94,113	\$94,113	\$112,000	\$17,888		
Southwest	\$45,000	\$45,000	\$120,577	\$75,577		
South Platte	\$0	\$0	\$0	0		
Yampa/White/Green	\$2,250	\$2,250	\$2,250	\$0		
Water Supply Reserve Fund Total Requests	\$217,523	\$217,523	\$451,187	0		

WSRF H2B/H2O BALANCE SUMMARY

Basin	Basin Account Requests	Total Requests	Current Basin Account Balances	Remaining Basin Account Balances (if all requests approved)	Current Statewide Account Balance	Remaining Statewide Account Balance (if all requests approved)		
Arkansas Basin	\$83,840	\$83,840	\$427,246	\$343,406	\$5,834,977	\$5,834,977		
Colorado Basin	\$0	\$0	\$290,866	\$290,866				
Gunnsion Basin	\$110,500	\$110,500	\$332,938	\$222,438				
Metro	\$0	\$0	\$664,430	\$664,430				
North Platte	\$0.00	\$0.00	\$298,586	\$298,586				
Rio Grande	\$0	\$0	\$251,347	\$251,347				
Southwest	\$0	\$0	\$412,503	\$412,503				
South Platte	\$72,970	\$72,970	\$480,615	\$407,645				
Yampa/White/	\$199,690	\$199,690	\$693,490	\$493,800				
Water Supply	\$467,000	\$467,000	\$3,852,021	\$3,385,021				

**Water Supply Reserve Fund
Water Activity Summary Sheet
September 20-21, 2022
Agenda Item 18(a)**

Applicant & Grantee: Cross Creek Metropolitan District
Water Activity Name: Hale Reservoir Renovation - Cross Creek Park
Water Activity Purpose: Education & Outreach, Municipal/Industrial, Nonconsumptive (Environmental & Recreational) - Implementation
County: El Paso
Drainage Basin: Arkansas River
Water Source: Hale Reservoir
Amount Requested: \$100,000 Arkansas Basin Account
Matching Funds: Basin Account Match = \$5,702,271
• 98.2% of Total Project Cost (meets 25% min)

Staff Recommendation:
Staff recommends approval of up to \$100,000 from the Arkansas Basin Account to help fund the project: <i>Hale Reservoir Renovation - Cross Creek Park</i> . Project approval is contingent upon the applicants' abilities to resolve issues and additional needs discussed below.

Water Activity Summary: The applicant proposes to achieve five goals with this project including: 1) rehabilitate Hale Reservoir dam, increasing the size of the lake and surrounding wetlands; 2) create a non-potable irrigation source for the park's multi-use fields; 3) increase and improve environmental attributes and habitat; 4) create recreational amenities that allow open space access without damaging habitat; and 5) address and correct water quality and flood hazard issues with stormwater mitigation infrastructure.

WSRF funding will be used specifically to build the non-potable irrigation system. A pump house, with filtration system, and irrigation infrastructure, will be built adjacent to the enlarged lake.

New capacity for 72-hour stormwater storage of 10+/- acre-feet, combined with water quality mitigation infrastructure, will support creation of 7.5 or more acres of new wetland habitat (10-15 acres with buffering features). The new pond will provide a source for non-potable irrigation for the park's five acres of turfed recreation facilities, conserving 10-15 acre-feet of potable City of Fountain water each year. Combined with restoration of 3.5+/- acres of existing wetland and educational recreational amenities, including an ADA-accessible fishing pier and boardwalk, this community asset will become a showcase for

multi-purpose water resource projects. Educational signage will enhance the communities' enjoyment of the upgraded environmental assets.

Discussion: This project supports the Colorado Water Plan by demonstrating a commitment to collaborating with project partners to meet multiple needs, conserving in 10-15 acre feet of potable water per year, addressing the gap in the Arkansas River Basin and providing recreational and environmental opportunities.

Issues/Additional Needs: If approved, the applicant will need to secure matching funding prior to contracting. 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
Cross Creek Metropolitan District	\$1,145,000	\$0	\$1,145,000	Secured
City of Fountain	\$3,500,000	\$0	\$3,500,000	Secured
El Paso County Urban Park Grant	\$25,000	\$0	\$25,000	Pending
Applicant or other Grant Funds	\$1,032,271	\$0	\$1,032,271	Pending
Sub-Total Matching Funds	\$5,702,271	\$0	\$5,702,271	
WSRF Arkansas Basin Account	\$100,000	\$0	\$100,000	Secured
Total Project Costs	\$5,802,271	\$0	\$5,802,271	

CWCB Project Manager: Matt Stearns

**Water Supply Reserve Fund
Water Activity Summary Sheet
September 20-21, 2022
Agenda Item 18(b)**

Applicant & Grantee: Bear River Reservoir Company
Water Activity Name: Stillwater Reservoir Repairs & Upgrades
Water Activity Purpose: Agricultural, Municipal/Industrial - Implementation
County: Garfield
Drainage Basin: Yampa River
Water Source: Bear River/Stillwater Reservoir
Amount Requested: \$139,500 Yampa/White/Green Basin Account
Matching Funds: Basin Account Match = \$46,570.50 (cash)

- 25% of Total Project Cost (meets 25% min)

Staff Recommendation:
Staff recommends approval of up to \$139,500 from the Yampa/White/Green Basin Account to help fund the project: <i>Stillwater Reservoir Repairs & Upgrades</i> . Project approval is contingent upon the applicants' abilities to resolve issues and additional needs discussed below.

Water Activity Summary: If approved, WSRF funds would assist both phases of the applicant's proposal. The first phase, involves the applicant obtaining accurate cost estimates for the alternatives to mitigate seepage from the left abutment of Stillwater Reservoir. The cost estimates will enable the applicant to select the most efficient and effective repair projects from a list of alternatives already presented to them that are acceptable to the Division of Dam Safety/Division of Water Resources (DWR). This will allow the applicant to develop a detailed design plan for submission to DWR for final approval of the repair projects.

The second phase is to replace the outlet's hydraulic power unit, hydraulic reservoir and hydraulic lines with the recommended upgrades and encase the new lines in conduit. These upgrades to the original 1939 equipment will ensure that the outlet system has optimal capability for safe and efficient operation now and for the foreseeable future.

Discussion: This aligns with several goals in the Yampa-White-Green Basin Implementation Plan including: Protecting the Basin from compact curtailment of existing decreed water uses and some increment of future uses; Protecting and encouraging agricultural uses of water in the YWG Basin within the context of private property rights; Improving agricultural water supplies to increase irrigated land and reduce shortages; Identifying and addressing M&I water shortages; Restoring, maintaining, and modernizing water storage and distribution infrastructure; and developing an integrated system of water use, storage,

administration and delivery to reduce water shortages and meet environmental and recreational needs

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
Bear River Reservoir Company	\$46,570.50	\$0	\$46,570.50	Secured
Sub-Total Matching Funds	\$46,570.50	\$0	\$46,570.50	
WSRF Yampa/White/Green Basin Account	\$139,500	\$0	\$139,500	Secured
Total Project Costs	\$186,070.50	\$0	\$186,070.50	

CWCB Project Manager: Matt Stearns

Water Supply Reserve Fund Balance Summary and Project Status Report:

To provide the Board updates on the status of specific Water Supply Reserve Fund grant applications and projects, staff can provide a status report of the following information upon request:

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

