

South Platte Basin Roundtable

Water Supply Reserve Fund (WSRF)

Program Guidelines

Revised November 2016

The South Platte Basin Roundtable's (SPBRT) primary objective is to help solve the water supply gap throughout the basin. Ideally, all projects approved for WSRF funding would reduce the water supply gap, either through new storage, improved delivery efficiency or greater water conservation. The protection of the environment and agriculture and provision of water-based recreation are crucial to any project that helps solve the water supply gap. In addition, education and outreach efforts approved for WSRF funding shall promote the SPBRT to achieve the objective of helping solve the water supply gap. The current SPBRT project priorities are a combination of the April, 2015 South Platte Basin Implementation Plan priorities. The SPBRT priorities are:

- Develop or advance multi-purpose water supply projects
- Improve municipal and industrial water efficiency
- Sustain irrigated agriculture
- Protect and enhance the environment and water-based recreation
- Promote education and outreach that emphasizes the South Platte Basin Implementation Plan priorities.

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Program Summary

How/Where to Apply?	http://cwcb.state.co.us/LoansGrants/water-supply-reserve-account-grants/Pages/main.aspx
Spring Cycle Application Deadline	May 1
Fall Cycle Application Deadline	November 1
Summer Cycle Award Date	July Roundtable Meeting
Fall Cycle Award Date	January Roundtable Meeting
Eligible Entities	Government, Districts, Private Incorporated, Non-governmental organizations
Match Requirements	25%

Background

Colorado’s growth and development as a state are intertwined with water. Development and management of water is complex, controversial and, at times, contentious. Decisions regarding water have become increasingly complex as Colorado has experienced both unprecedented population growth and a greater emphasis on multiple uses of this precious resource.

To facilitate discussions on water management issues and encourage locally driven collaborative solutions, nine basin roundtables were established by the [Colorado Water for the 21st Century Act](#). These roundtables represent each of the state’s eight major river basins and the Denver metropolitan area.

The South Platte Basin Roundtable covers approximately 22,000 square miles in northeast Colorado. The largest cities in the roundtable area are Boulder, Fort Collins, Longmont and Greeley. The projected population in 2050 is estimated to almost double in size to between 1.9 and 2.6 million people.

Nearly two-thirds of the increase in the state gross municipal and industrial (M&I) demand for water by 2030 – will be in the overall South Platte Basin (a combination of the South Platte Basin Roundtable and the [Metro Roundtable](#) areas).

The SPBRT WSRF Program is designed to meet this demand by funding projects and processes that are consistent with the South Platte Basin Implementation Plan, including but not limited to:

- Develop or advance multi-purpose water supply projects
- Improve municipal and industrial water efficiency
- Sustain irrigated agriculture
- Protect and enhance the environment and water-based recreation
- Promote education and outreach that emphasizes the South Platte Basin Implementation Plan priorities.

Funding Source

The Water Supply Reserve Fund authorizing legislation (SB 06-179) created an account to help citizens identify and meet their critical water supply needs and provides funds for a broad range of eligible activities. SB09-106 reauthorized the program in perpetuity and appropriates \$10 million annually for the fund, subject to available funding. In recent years, total funding has ranged between \$4 million and \$10 million. The remaining funds, approximately 36%, are divided equally among the 9 basins. Funding was significantly reduced in 2016 due to decreased severance tax revenues.

Account funds are divided between statewide and basin funds. The statewide account provides funding for projects competing across the state that are of statewide significance. Approximately 64% of total available funding is awarded through the statewide account.

Purpose

The South Platte Basin Roundtable (SPBRT) has actively developed several projects by leveraging funds from the Water Supply Reserve Fund (WSRF). It is the goal of these WSRF Account Grant Guidelines to:

- Provide documented guidelines and procedures for WSRF grant applications, suitable for the needs of the South Platte Roundtable and consistent with the CWCB guidelines and help maximize applicant success of obtaining funding approval from the SPBRT in pursuit of WSRF grants from both the statewide and/or basin accounts.
- Provide a mechanism to aid grant applicants in understanding the requirements of the WSRF grant application process and allow the SPBRT Needs Committee to provide input to applicants in order to align projects with South Platte Basin needs and strengthen the applications.
- Provide a methodology to evaluate applications and select projects that support the principles and goals of the SPBRT Basin Implementation Plan (BIP) and Colorado's Water Plan. Provide the opportunity for the SPBRT to evaluate grant applications with more thorough consideration of the suitability of the project for the South Platte Basin, and vet the project through the WSRF Needs Committee prior to presentation at the full Roundtable level.

SPBRT Vision

These guidelines are intended to create structure around the WSRF funding request approval to promote applications that best address the consumptive and environmental and recreational needs of the South Platte Basin.

As a majority of Colorado's M&I gap is expected to occur in the South Platte Basin, the SPBRT believes that efforts to meet M&I demands should continue to be a high priority for the basin. The SPBRT also believes that efforts to close the projected M&I gap should be done in a way that ensures to the greatest extent possible the long-term sustainability of the Basin's agriculture and natural environment, both for their own sake and for the beneficial economies, open space, wildlife habitat, and outdoor recreation activities that agriculture and a healthy environment support.

Diverse interests along the Front Range and Northeastern Colorado, including the largest urban centers in Colorado, have the potential to divide water into several separate and opposing uses whereby agriculture and the environment lose. The SPBRT wishes to encourage WSRF grant-funded projects of statewide and local basin significance that address existing and future M&I demands while also meeting goals related to the long-term sustainability of agricultural economies and the natural environment. Ideally, projects funded through the SPBRT WSRF program would be multi-benefit. Multi-benefit

projects are more likely to get funded and will be eligible for larger funding awards. Examples of elements that could be incorporated into a multi-benefit project include: projects that address several benefits using existing water rights; alternative transfer methods; infrastructure retrofit, replacement, or upgrade projects that serve to meet consumptive and/or environmental and/or recreational needs; conservation easements that protect water for agriculture and/or wildlife; or studies and planning efforts to address these issues.

It is important for WSRF Grant applicants to understand that SPBRT members are focused on delivering on-the-ground solutions to the M&I gap, but doing so in a manner that also contributes to lessening the agricultural gap and meeting environmental and recreational demands. Several multiple benefit projects have been approved and developed by the roundtable, and applicants should strive to address these needs in every project. Single benefit projects will be considered and ranked according to their contribution to the basin and statewide goals for meeting future water demand.

Eligible Entities

Eligible entities include:

- A) Public (Government) - municipalities, enterprises, counties, and State of Colorado agencies. Federal agencies are eligible entities, but the agency would need to demonstrate why a local non-federal partner should not be the grant recipient. Federal agencies are encouraged to work with local entities.
- B) Public (Districts) - authorities, Title 32 special districts, conservancy, conservation, and irrigation districts, and water activity enterprises.
- C) Private Incorporated - mutual ditch companies, homeowners' associations, and non-profit corporations.
- D) Non-governmental organizations are typically non-profit but they may also include for-profit corporations.
- E) Covered Entities as defined in Section 37-60-126 C.R.S., are eligible for grants or loans if the applicant has adopted an approved water conservation plan.

“Private”, meaning private individuals, partnerships and sole proprietors are not eligible and must either organize a legal entity to manage the project and apply for funds, or work through an eligible agency to be the fiscal agent.

Call for Projects

The SPBRT Needs Committee will schedule a public meeting, at least annually, to introduce the WSRF funding cycles. The purpose of the meeting is to provide information about grant priorities, the application process and deadlines and to answer any questions prior to application submittal. A press release will be shared to advertise the public meeting and application.

Match Requirements

Basin Applications – The SPBRT and CWCB require a 25% match for basin funds, from either cash or in-kind contributions. Any match coming from the applicant or a 3rd party must be dedicated in a letter of commitment from that partner. Applicants should describe if (and how much of) their required match is secure and how they will account for in-kind match.

Statewide Applications – Statewide applications must provide at least 50% match from either cash or in-kind sources. At least 10% of the 50% match must come from the sponsoring roundtable's basin account

and at least 10% must come from the applicant or a 3rd party. Any match coming from the applicant or a 3rd party must be dedicated in a letter of commitment from that partner.

How to Apply

The SPBRT is the organization that reviews the Basin applications and the CWCB is the agency that reviews the Statewide applications. CWCB is the contracting party for both the Basin and Statewide WSRF funds.

1. Review CWCB's Water Supply Reserve Fund Criteria and Guidelines.
2. Review the SPBRT's WSRF Program Guidelines (this document).
3. Select the SPBRT WSRF Fund Category or Categories that best reflect your project.

Submit the Grant Application form (<http://cwcb.state.co.us/LoansGrants/water-supply-reserve-account-grants/Pages/main.aspx>) and an Executive Summary to the South Platte Basin Roundtable Needs Committee Chair, via email, by either the spring (May 1) or fall (November 1) deadlines. The Executive Summary should reference specific sections of the South Platte Basin Roundtable's Basin Implementation Plan.

4. Attend the July (for the May 1 deadline) or January (for the November 1 deadline) SPBRT meeting to make a short presentation (as requested) about your project and answer questions before an award decision is made.
5. If the project is awarded, the Roundtable must provide a written recommendation to the CWCB signed by the Roundtable Chair. The letter of recommendation must specify the amount of grant funding requested from the Basin Account and/or the Statewide Account and describe how the water activity satisfies the statutory eligibility requirements. The letter should describe the level of agreement among Roundtables members, who opposed the application and why, and any minority opinion. If the applicant is requesting a waiver of either the Basin Account match requirement, or a portion of the Statewide Account match requirement, the letter of recommendation shall reflect the waiver request and shall provide a justification for the request as determined by the Roundtable
6. Revise (if needed) and resubmit the CWCB application by February 1 (for a Basin project approved by SPBRT in January) and August 1 (for a Basin project approved by SPBRT in July) in order to meet the CWCB Board Meeting deadlines. Documentation needed for the State application includes:

- a. Required Documents:

- Application
- Exhibit A
 - o Statement of Work
 - o Budget (Excel and pdf format)
 - o Schedule
- Maps (if applicable)
- Letters of (pending) Commitment (matching funds)

- b. Optional Documents

- Photos

- Drawings
 - Letters of Support
- c. Financial Documents Required for Contract Execution
- Certificate of Liability
 - Certificate of Good Standing
 - W-9
 - Independent Contractor Form

Application Deadlines

The South Platte Basin Roundtable has developed an annual spring and fall grant cycle. Applications are due May 1 and November 1. These dates allow the SPBRT’s Needs Committee sufficient time to review all applications, request a presentation from the applicant if needed and provide recommendations for approval to the SPBRT each July and January meeting.

	Spring	Fall
Basin Application Deadline	May 1	November 1
Needs Committee Review	May-June	November-December
SPBRT Award Decision	July	January

Applicants may also seek Statewide Funds. Statewide Funds are administered by the Colorado Water Conservation Board (CWCB) and follow a separate process. More information about WSRF Statewide Funds can be found here: <http://cwcb.state.co.us/LoansGrants/water-supply-reserve-account-grants/Pages/main.aspx>.

A letter of support or successful Basin Fund application is required from the SPBRT, in order to be eligible for Statewide Funds that will be used in the South Platte Basin. Therefore, an applicant must either apply and receive Basin Funds or request a letter of support from the SPBRT to qualify for Statewide Funds. Because of this requirement, the Basin and Statewide Fund schedules were aligned so an applicant could receive Basin Funds (or a letter of support) before CWCB’s award decision.

	Summer	Winter
Statewide Application Deadline to CWCB Staff	August 1	February 1
CWCB Award Decision	September	March

Reports to CWCB Following Grant Award and Contracting

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. Applicants are

required to submit Progress Reports to their respective Roundtable (s) and the CWCB. The CWCB may withhold reimbursement until satisfactory progress reports have been submitted.

Final Report: At completion of the project, the applicant shall provide their respective Roundtable(s) and 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.
- Explains the Proposed Budget versus the Actual Budget.
- Confirms that all matching commitments have been fulfilled.
- Includes photographs, summaries of meetings and engineering reports/designs, if appropriate.

The CWCB will withhold the last 10% of the entire water activity budget until 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 grant 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.

SPBRT WSRF Funding Categories and Application Criteria

The SPBRT's Basin Implementation Plan includes 11 Plan elements that are combined into 5 WSRF Funding Categories.

1. **Develop or advance multi-purpose water supply projects** (page 9).
2. **Improve municipal and industrial water efficiency** (page 10).
3. **Sustain irrigated agriculture** (page 11).
4. **Protect and enhance the environment and water-based recreation** (page 12).
5. **Promote education and outreach that emphasizes the South Platte BIP priorities** (page 13).

The applicant should also provide an Executive Summary (not to exceed three pages in length) to their WSRF application that highlights which category their project reflects and provides required details for the following application criteria:

Section 1 Promotes South Platte Basin Implementation Plan.

Describe the project detailing how it meets the South Platte Basin Implementation Plan. Identify which Category(s) the project addresses in the plan. Identify lead organization and if more than one organization is participating in the project, identify the contribution from each. Note the key priorities and benefits the project will implement and anticipated outcomes.

Section 2 Project Urgency and readiness

Explain the urgency of the project defining why now is the time to fund this project. What opportunities are lost if the project is not selected. Discuss project readiness including property or easements acquired, permits, licenses or approval timing. Define the project schedule. Describe the organization or lead organization's history of successful similar projects.

Section 3 Matching Funds

Project cost estimate and funding summary showing matching funds, in-kind values, and breakdown of contribution from each organization if more than one. Identify any funding gaps and outline the plan to secure additional funds, including any requests for WSRF Statewide Funds.

Section 4 Measurable Outcomes

How will project success be measured and who will be responsible for measuring success? Will the project be monitored after completion? What additional outcomes are needed to maximize project success?

WSRF Funding Distribution

With limited WSRF funds, the SPBRT prioritized five funding categories and will distribute funds to reflect these priorities. The SPBRT primarily is seeking projects that address the water supply gap in the basin. In addition, the SPBRT may dedicate WSRF funds for internal use by the SPBRT which will not be available for use by grant applicants. WSRF funds available for each of the five funding categories will be calculated for each funding cycle first by subtracting SPBRT funds for internal use and then by adding carryover funds for each category and new WSRF funds from severance taxes. The SPBRT reserves the right to alter allocation percentages and account balance for funding categories prior to each funding cycle. WSRF funds available for each funding category will be posted prior to grant application deadlines.

Grant applicants may apply for funding from multiple WSRF funding categories. Each application within a funding category will compete with other applications in that category. The SPBRT may also reject any application based on lack of overall project benefits and merit to allocate funding for future WSRF projects due to declining WSRF funds, fiscal responsibility, the need for SPBRT internal funds, and the SPBRT goal of maximum advancement of the South Platte Basin Implementation Plan priorities. Category I, develop or advance multi-purpose water supply projects, was allocated the highest percentage of SPBRT WSRF Funds because this category includes six of the eleven Basin Implementation Plan elements and is associated with the South Platte Basin's most significant water supply gap, adequate water supply for future demands for M&I uses.

WSRF Funding Category	Dedicated Percentage of SPBRT WSRF Funds
Develop or advance multi-purpose water supply projects	40%
Improve municipal and industrial water efficiency	15%
Sustain irrigated agriculture	15%
Protect and enhance the environment and water-based recreation	15%
Promote education and outreach that emphasizes the South Platte Basin Implementation Plan priorities.	15%

Category 1 - Develop or advance multi-purpose water supply

Successful implementation of projects in this category will reduce the M&I gap and reflect the BIP by developing or advancing multi-purpose water supply projects. Specifically, this category reflects the following elements of the BIP:

- i. Maximize implementation of IPPS (Identified Projects and Processes) (BIP Section S.5.1, 1.9.3, 4.3.4, 4.3.5, 5.2.8, 5.5.1)
- ii. Maximize use and effectiveness of native South Platte supplies (BIP Section S.5.3, 1.9.4, 4.6.2, 5.5.3)
- iii. Simultaneously advance the consideration and preservation of new Colorado River Basin supply options (BIP Section S.5.6, 1.9.6, 4.8, 5.5.6)
- iv. Promote multi-purpose storage projects that enhance other South Platte solutions (BIP Section S.5.7, 1.9.4, 4.6.2, 5.5.8)
- v. Manage the risk of increased demands and reduced supplies due to climate change (BIP Section S.5.8, 5.5.7)
- vi. Advocate for improvements to federal and state permitting processes (BIP Section S.5.11, 5.2.7, 5.5.11)

Category 1 SPBRT Project Priorities

- **New Storage**— Project that evaluates the availability of supply for potential new surface or groundwater storage projects in the South Platte basin which will potentially meet a portion of the water supply gap within the South Platte basin. The source of supply could be unappropriated native South Platte water, reusable supplies or alternative transfer methods which provide an option to minimize impacts from traditional agricultural buy and dry.
- **Water Conveyance**— Project which studies the construction of new transmission facilities or the interconnection of existing and/or new facilities that would provide for more efficient usage of water supplies to meet a portion of the water supply gap within the South Platte basin.
- **Construction** – Design or construction of all or a portion of a new facilities or upgrades to increase available water supply or to meet new multi-purpose objectives.
- **Colorado River Basin Supply priority** - Colorado River basin studies which improve information concerning available supplies of water under compact and other limitations on the Colorado River basin water supplies.

Category 2 - Improve municipal and industrial water efficiency

Successful implementation of projects in this category will reduce the M&I gap and reflect the BIP. Specifically, this category reflects the following elements of the BIP:

- i. Maintain leadership in conservation and reuse and implement additional measures to reduce water consumption rates (BIP Section S.5.2, 1.9.2, 4.3.1, 5.5.2)
- ii. Research new technologies and strategies (BIP Section S.5.10, 4.3.2, 5.5.10)

Category 2 SPBRT Project Priorities

- **Research/Study New Treatment and Distribution Technologies**—Treatment and distribution methods which are expected to lead to greater municipal or domestic water efficiencies may be studied, evaluated, or implemented.
- **Research/Study New Water Conservation Incentives**—Progressive conservation incentives are encouraged. Research, study and implementation of conservation techniques may include, but are not limited to, water rate structures, customer rebates designed to encourage water and system peak usage savings, or reducing the cost of installing efficient techniques or equipment to increase the customer’s return on investment.
- **Implement Conservation Measures**—Projects stimulating the development and adoption of innovative approaches and technologies for cost-effective water-saving solutions for homes, businesses, landscaping and utilities are targeted.

Category 3 – Sustain irrigated agriculture

Successful implementation of projects in this category will provide options to traditional buy and dry of irrigated agriculture and will move to address agricultural shortages through multi-benefit projects where feasible as reflected in the South Platte BIP. Specifically, this category reflects the following elements of the BIP:

- i. Minimize traditional “buy and dry” and maximize use of Alternative Transfer Methods (ATMs) to the extent practical and reliable (BIP Sections S.5.4, 1.9.1, 4.3.3, 4.4, 4.6.2, 5.3.2 and 5.5.4).
- ii. Support projects and processes that address agricultural water shortages (BIP Sections 1.9.1, 4.4, 4.6.2, 5.5.3 and 5.5.8).

Category 3 SPBRT Project Priorities

- **ATM Projects** - Projects or studies that advance alternative transfer methods that minimize the permanent buy and dry of irrigated agriculture in the South Platte and/or Republican basin.
- **Projects that reduce agricultural water shortages** - Projects or studies which develop or improve water supplies that reduce agricultural water shortages in the South Platte and/or Republican basins.
- **Projects that voluntarily tie water to the land** - Projects or studies that incorporate conservation easements on irrigated agriculture lands that both tie water rights to the irrigated land and allow for the intermittent lease of water for other water uses through alternative transfer methods.

Category 4 – Protect and enhance the environment and water-based recreation

Successful implementation of projects in this category will enhance the economy and quality of life, protect Colorado’s natural history, provide outdoor recreation and reflect the BIP. Specifically, this category reflects the following elements of the BIP:

- i. Protect and enhance environmental and recreation attributes (BIP Section S.5.5, 1.9.7, 4.4.2, 4.5, 4.6.3, 5.5.5)

Category 4 SPBRT Project Priorities

- **Flow Augmentation** – Projects to augment streamflow in water limited or otherwise impaired reaches to improve stream health and/or recreational opportunities. This could entail collaboration with CWCB and CPW to appropriate instream or natural lake level water rights.
- **Aquatic and Riparian Habitat Connectivity** – Projects that may include the rehabilitation or replacement of diversion structures to provide fish passage, riparian and wetland restoration, or to reconnect streams to their floodplains where that can be done not only to improve the environment but also to protect private property and maintain or enhance public safety.
- **Enhancement of Water-based Recreation Opportunities** – Improve water-based recreation opportunities including fishing, boating (stream and flatwater) and wildlife viewing.
- **Stream Restoration and Aquatic Habitat Improvements** – Implementation projects that benefit both aquatic and riparian species and habitat.
- **Species Reintroduction** - Projects that allow native species to be reintroduced to habitat areas where their numbers may have declined.
- **Cooperative and Multi-Purpose Projects** – Cooperative projects and projects that achieve multiple purposes.

Category 5 – Promote education and outreach that emphasizes the South Platte Basin Implementation Plan priorities

Successful promotion of the South Platte Basin will educate elected officials, decision makers, local, state and federal agencies about the water supply gap and projects needed to reduce this gap. Successful implementation of projects in this category reflect the BIP. Specifically, this category reflects the following elements of the BIP:

- i. Facilitate effective South Platte communications and outreach programs that complement the state’s overall program (BIP Section S.5.9, 4.1.3, 5.5.9)

Category 5 SPBRT Project Priorities

- **Outreach to Business Community and Elected Officials** – Specific activities that encourage dialogue on water issues and broaden the range and knowledge of stakeholders actively participating in water decisions—including the business community and elected officials. These activities should include a digital outreach and/or social media elements. These activities could also involve outreach to multiple stakeholders with storage, message to develop broad constituency for collaboration.
- **Outreach to Educational Institutions** – Specific activities that involve outreach to the many educational institutions in the South Platte Basin to develop programming targeted to young professionals, college students and graduate students. These activities should include a digital outreach and/or social media elements.
- **Outreach to the General Public** –These activities should include a digital outreach and/or social media elements and could also build upon existing channels and venues.