



THE SOUTHWESTERN WATER CONSERVATION DISTRICT

Developing and Conserving the Waters of the
SAN JUAN AND DOLORES RIVERS AND THEIR TRIBUTARIES
IN SOUTHWESTERN COLORADO

2023 GRANT PROGRAM GUIDELINES

A. BACKGROUND

The Southwestern Water Conservation District (“SWCD”) is a political subdivision of the State that was established by the Colorado General Assembly in 1941 to protect, conserve, use and develop the water resources of the San Juan and Dolores River Basins as well as to safeguard all waters to which the state of Colorado is equitably entitled.¹ SWCD periodically offers financial assistance in the form of grants to “qualified entities,” as that term is defined below in Section C.1, that are carrying out projects consistent with SWCD’s statutory purposes. Funding for this program is subject to SWCD’s discretion as well as its annual budget and appropriation process. The Board retains the right, in its sole discretion, to approve, reduce, or deny any grant request.

Prior to applying, please ensure you as the Applicant can answer “yes” to each of the following questions:

- Are you a qualified entity (see page 3)?
- Are you located within the District boundaries (see page 3)?
- Is the project anticipated to start and finish in 2023 (see page 3)?
- Are you providing cash or in-kind match of at least 25% of the total project cost (page 4)?
- Is the SWCD grant request for less than 50% of the total project cost (page 4)?
- Have you spoken with SWCD staff (Laura Spann, 970-247-1302) about the project and grant application prior to submission?

B. GENERAL PROGRAM INFORMATION

For the 2023 grant program, applications may be submitted from November 1st through December 9th of 2022. Applicants are encouraged to submit their application as early as possible within the given time frame so that there is adequate time to work with SWCD staff to ensure that the application meets all requirements in advance of the December 9th deadline. Funding for emergency situations may be considered by the board as they occur. Applications received after

¹ See C.R.S. § 37-47-101 through -151.

December 9, 2022 will not be considered. Final decisions will be made by the board no later than March 1, 2023.

The deadlines provided above apply to routine grant requests and may be modified to address emergency situations. SWCD understands that emergency situations may arise from catastrophic or unforeseen events, such as flooding, at other times of the year. The Board endeavors to annually allocate a portion of the grant program funds for emergency requests. Examples of emergency situations include but are not limited to: flood event causing damage to diversion or measurement structures, catastrophic canal or pipeline failure that prevents the delivery of water, spillway or dam failure, regulatory restrictions, wildfire impacts including post-fire runoff and other impacts, and toxic spills. Please contact SWCD staff directly if this occurs to discuss the possibility of submitting an emergency grant application.

SWCD annually anticipates receiving grant requests well in excess of the available funds. The maximum amount of money potentially available from SWCD in the 2023 calendar year for all grant recipients is shown on the table below.

Grant Funding Category	Proposed 2023 Funds Available (Total Grant Program \$250,000)	<u>Annual</u> Maximum Grant Request per Applicant per Category	<u>Five-Year</u> Maximum for Grant Funds Received per Applicant per Category
Development or improvement of water supply and watershed restoration or enhancement projects, including related design, engineering and construction	\$125,000	\$60,000	\$120,000
Studies and facilitating stakeholder involvement on water-related matters, including water quality	\$50,000	\$20,000	\$40,000
Educational purposes, including teaching seminars, workshops and related programs	\$10,000	\$5,000	\$10,000
Emergency requests	\$65,000	N/A	N/A

If, as part of budget development for the upcoming fiscal year, the board adjusts the total grant program funding available, funding allocations by category will be adjusted proportionally. Prior to submitting an application, please [visit SWCD's website](#) to read the latest proposed 2023 grant funding available.

Any member of SWCD’s Board of Directors or Staff with a financial or property interest in a grant request will disclose any such interest or other conflict of interest and recuse themselves from participating in any recommendation, vote, or decision-making process related to that grant request.

C. ADDITIONAL REQUIREMENTS

1. ELIGIBILITY

SWCD will only consider financial assistance requests from “qualified entities” for: (1) development or improvement of water supply and watershed restoration or enhancement projects, including related design, engineering and construction, (2) studies and facilitating stakeholder involvement on water-related matters, including water quality, (3) educational purposes, including teaching seminars, workshop, and related programs, and (4) emergency situations.

“Qualified entities” are defined by statute to include any public entity, non-profit corporation, not-for-profit corporation, carrier ditch company, mutual ditch or reservoir company, unincorporated ditch or reservoir company, or cooperative association within the boundaries of the District.² All projects, studies, and program grants will be limited to “raw” or untreated water supplies, except as provided below. Only projects or portions of projects located within the District’s boundaries are eligible for grant funding.

SWCD will not consider grant requests or funding for:

- a. Projects that have already been completed; however, the board may make an exception for projects completed within the past six months arising from the emergency situations described on page two of these guidelines;
- b. Municipal or domestic drinking water projects that do not qualify as a “public water system,” which is defined for the purposes of these guidelines to mean any system that does not have a public water system ID number with the state of Colorado;
- c. Any part of a municipal or domestic “public water system” which is unrelated to raw water storage or delivery. Applications for eligible portions of public water system should include the state ID number for the system;
- d. Wastewater treatment projects;
- e. Legal fees or payroll costs. If your project includes these costs, please identify them as a separate line-item in the proposed budget and explain how you will pay for those costs without using SWCD grant funds;
- f. Grant administration costs; or

² C.R.S. § 37-47-107(1)(j.5).

- g. Weed management projects, although consideration will be given to programs that specifically remove phreatophytes if the Applicant demonstrates it has a plan, including funding, for appropriate revegetation and ongoing maintenance.

2. MATCHING CONTRIBUTIONS

SWCD will not award a grant for more than 50% of the total project costs,³ and Applicants must demonstrate that they are actively contributing to the project for which they are requesting a grant. Any grant approval will be contingent on the recipient demonstrating prior to disbursement of the grant that the Applicant has secured funding for the remaining total project costs.

In addition, Applicants or beneficiaries of the proposed project must also demonstrate that they will provide, through a cash contribution and/or in-kind goods or services, at least 25% of the total project costs (in other words, half of the matching funds). Applications proposing use of in-kind goods and services as all or a portion of the required matching contribution must provide detailed information identifying time and valuation (at an hourly or total project rate) of in-kind contributions. The Board may, at their option, consider previous expenditures directly related to the proposed project as matching contributions if those expenditures occurred within six months of the grant application deadline.

The Applicant's 25% match cannot be met through a loan from SWCD.

Non-profit, or non-governmental organizations, serving on behalf of a broad group of local constituents that do not receive tax revenues and do not have opportunities for third party contributions for the project, may request a reduction of the match requirement to 10% of the total project cost (subject to approval by the Board) by garnering and documenting strong community or watershed support for the project.

3. LIMITS ON GRANT FUNDING

The amount of funding each "qualified entity" may receive from SWCD is further limited to the following:

- a. Recipients of grants for development or improvement of water-related projects may not receive more than \$60,000 in a single year or a total of \$120,000 in any given five (5) year period.
- b. Recipients of grants for participation in public forums and the performance of studies may not receive, more than \$20,000 in any single year or a total of \$40,000 in any given five (5) year period.
- c. Recipients of grants for educational purposes may not receive more than \$5,000 in a single year or a total of \$10,000 in any given five (5) year period.

³ For multi-phase projects, "total project costs" shall mean all costs related to the particular phase of the project for which the Applicant is requesting funding.

Additional funds, outside of SWCD's grant program, may be available through SWCD's loan program. Please review Section I below or contact SWCD staff to find out more about SWCD's loan program.

4. APPLICATION INSTRUCTIONS AND PROCESS

Completion of SWCD's application form is required for SWCD to consider requests for financial assistance. The Board will not consider applications that do not meet the minimum requirements. To ensure consideration for funding by SWCD, please apply for a grant before the water project, study or educational program has been initiated. Please use the following application:

[General Application for Financial Assistance 2023](#)

Each application should be typed or printed legibly and include, at a minimum, the following:

- a. Documentation confirming the Applicant is a qualified entity per the definition on page 2 of these guidelines. Examples of proper documentation include (but are not limited to) articles of incorporation, corporate bylaws, or a Certificate of Good Standing from the Colorado Secretary of State;
- b. Project type, description and location, including the county or counties within which the grant funds will be applied;
- c. Total grant amount requested;
- d. Total project cost⁴;
- e. Anticipated timeline for the project, study or educational request;
- f. Matching contributions provided by or requested from other funding partners, including the anticipated decision date for those funding requests if not already approved;
- g. Detailed project expense budget, including as a percentage of the total any costs of administering the grant;
- h. Applicant's matching contributions, including a detailed description of in-kind materials and services, if any, to be provided by the Applicant should be included with basis for in-kind valuations;
- i. Applicant's current financial statements, including a summary of reserves and assessments that demonstrate adequate financial resources for ongoing operation, maintenance, and repair;

⁴ If the requested grant will be used to fund part of a multi-phase project, please provide a summary, including a total project cost estimate and anticipated timeline, for completion of the overall project.

- j. Identification of whether, and if so how, the requested grant will aid in the development, use, or protection of pre-compact water rights, along with a “Water Rights Tabulation” report from the Colorado Division of Water Resources;
- k. Identification of project partners and beneficiaries; and
- l. Summary of Applicant’s previous funding requests and grant awards from SWCD.

Please attach additional sheets as necessary to fully answer any question to assure that all information that might be helpful in evaluating your application is considered. Please return the **signed copy** of the application to Southwestern Water Conservation District and retain a copy for your records. Please submit to the following address or email: Southwestern Water Conservation District, 841 E. 2nd Avenue, Durango, CO 81301 *or* lauras@swgcd.org. Once your grant application is received, it will be reviewed by SWCD staff to ensure that it meets the minimum requirements before consideration by the Board. Staff will endeavor to share its funding recommendation with the Applicant prior to the meeting.

The Board will hold a meeting in February 2023 to review and consider the applications. Applicants are encouraged to attend the meeting at which the funding requests will be considered, either in person or by phone, so that they can provide a brief summary of their grant request and answer questions that may arise. The Board requests a thorough, completed application form be submitted in lieu of a formal presentation.

For questions about the application or board meeting, please contact SWCD staff by phone (970-247-1302) or e-mail (lauras@swgcd.org). For your reference, agendas are generally posted to the swgcd.org website one week prior to regular board meetings.

D. EVALUATION CRITERIA

Grant proposals will be evaluated based upon how well the proposed project, study or educational request carries out the purposes of the SWCD. The Board will give special consideration to grant proposals that further the use or protection of pre-compact water rights and the development of Colorado River Compact entitlements as well as educational-related requests that complement or otherwise further SWCD’s existing programs.

Furthermore, Applicants must demonstrate adequate shareholder assessments and reserves for ongoing operation, maintenance, and repair of their infrastructure. The Board will give favorable consideration to grant proposals from Applicants that are proactively and financially planning for their own future needs.

E. FUNDS DISBURSEMENT

Once a grant application has been reviewed and approved by the Board, a request for the release of grant funds may be made during 2023. If the Applicant will not be able to use the funds in that year, please contact the SWCD office as soon as possible.

For grant funds to be released, the Applicant must:

1. Sign the “Document of Understanding” that accompanies the grant approval letter;
2. Complete a “Request for Release of Funds” form found on the [website](#);
3. Provide written documentation that all committed matching funds have been secured; and
4. Provide written documentation that confirms the Applicant continues to be a qualified entity (see examples of appropriate documentation on page 5).

The signature of the Applicant’s authorized representative on the “Request for Release of Funds” form indicates that the funds are needed at that time and that the Applicant ensures and verifies that the funds are only being used for the specific purpose(s) described in the application and amount(s) indicated in SWCD’s grant approval letter. The Applicant agrees to allow SWCD to display a public notice identifying the project or activity as being partially funded by the SWCD. Additional documentation may be requested at SWCD’s discretion prior to release of funds.

In the event the project, study, or program for which the grant was awarded ultimately comes in under budget, the grant recipient must return a pro-rata portion of the remaining funds to SWCD within 45 days of completion. For example, if the completed project, study, or program is \$20,000 under budget and SWCD contributed 20% of the total anticipated project costs, then the grant recipient must return \$4,000 (20% of \$20,000) to SWCD.

F. CHANGING THE USE OF FUNDS

If the Board approves funding for the application, and at a future date the intended use of funds changes, please notify staff as soon as possible. Board review and approval of the change is necessary. Otherwise, SWCD requires reimbursement of funds.

G. GRANT EXTENSION REQUESTS

If the Board approves funding for the application, and completion of the project, study, program or other grant-funded task has not occurred in 2023, the Applicant must submit a written grant extension request to SWCD Staff describing the progress to date and the projected timeline for completion. At that time, Staff may elect to approve a one-year extension.

Grant extensions are usually limited to one year. However, at its option, the Board may approve grant extensions of more than one year, the Applicant may be required to submit a new application, or if funds have already been disbursed, the Board may request that the funds be returned.

H. ANNUAL REPORTING REQUIREMENT

If the Board approves funding for the application, the Applicant must provide a written report and/or supporting documentation of the work accomplished no later than December 31,

2023. This written report will include a detailed accounting of the use of funds including supporting documentation for any expenses incurred. Additional documentation may be requested at the discretion of SWCD. See sample final reports at swgcd.org. If the Applicant cannot submit the final report by the deadline, they must submit a written request for an extension of time to SWCD staff prior to December 31, 2023 that explains the reporting delay and a proposed final submittal date. The Board will not consider future grant requests from Applicants that do not comply with this provision and submit an acceptable final report.

I. LOANS

Loans and/or loan-grant packages may be approved for water-related projects or construction, studies, educational programs, and sponsorships. The terms and security for payment will be determined at the time the loan is approved. All documents required by SWCD for the loan shall be executed before SWCD will release the approved loan amount. Documents that SWCD, at its sole discretion, may require include, but may not be limited to, a loan agreement, promissory note, deed of trust for real property, and/or a uniform commercial code financing statement for personal property.