



November 23, 2015

Dear Watershed Coalitions:

Thank you for your involvement in Phase II of the Emergency Watershed Protection (EWP) Program. We are pleased that the fieldwork involved in the first round of Damage Survey Reports (DSR) is now finished. The Highest Priority DSRs are done and have been shared with watershed coordinators.

Projects will be funded through a combination of EWP and watershed coalition/local sponsor funds, or in kind match, and CWCB funds. EWP funding will be allocated to each County based on the initial request for funding. The original funding request was not fully appropriated. To address the reduced appropriation, the amount of funding to each County will be prorated using the same proportional allocation as the original request, but adjusted for the smaller funding that was actually provided. This funding is outlined below:

<u>County¹</u>	<u>Original Funding Request</u>	<u>Allocated Percentage²</u>	<u>Phase II Allocated Cost²</u>
Boulder	\$37,293,600	45.503%	<u>\$28,777,927</u>
Larimer	\$36,930,267	45.060%	<u>\$28,497,557</u>
El Paso	\$4,812,320	5.872%	<u>\$3,713,468</u>
Weld	\$1,612,053	1.967%	<u>\$1,243,955</u>
Jefferson	\$1,166,400	1.423%	<u>\$900,063</u>
Morgan	\$144,000	0.176%	<u>\$111,119</u>
TOTAL	\$81,958,640	100%	<u>\$63,244,088</u>

¹For the purposes of this table, “Boulder County” is defined as the Boulder Creek, Fourmile Creek, Fourmile Canyon Creek, Left Hand Creek, and St. Vrain Creek watersheds. “Larimer County” is defined as the Big Thompson and Little Thompson watersheds, including the Estes Valley area. “Weld County” is defined as the South Platte River through Weld County and Middle South Platte. “Jefferson County” is defined as the Coal Creek watershed. Watersheds were grouped roughly, but not precisely, by county in order to provide additional flexibility for funding decisions if needed.

²Rounding imprecision may result in minor inconsistencies in total amounts.

It must be emphasized that the original funding request by NRCS consisted of \$61,468,980, which is 75% of the estimated project costs of \$81,958,640. From the request, \$47,433,066, was received which will supply 75% of \$63,244,088 for Phase II projects, a funding ratio of 77.2% of the original request. **For this reason, it is important to understand that not all requested projects will be able to be funded.** As such, watershed coalitions must be prepared to prioritize project requests.

At this time, it appears unlikely that another full round of DSRs will be prepared since the first round of DSRs identified projects with a total cost that will fully utilize the allocated funding. If certain projects do not move forward, additional project requests may be investigated on a case by case basis.

It is the intent of both the CWCB and the NRCS to maintain funding allocations where possible according to groupings identified in the table above, although it is generally left to watershed coalitions to prioritize how money within a designated set of locations is actually funded. For example, it is intended to provide \$3,713,468 to the El Paso County area, but it is up to the El Paso County Watershed Coalition and its constituents to determine how these funds will be applied within this area.

For areas that include multiple watersheds, CWCB will work with the included watershed coalitions to reach resolution for funding decisions for the entire area.

All projects undertaken through EWP must be sponsored by a political subdivision of the State, such as a city, county, general improvement district, or conservation district, or by an eligible private non-profit entity. This sponsorship is being accomplished through agreements between NRCS and CWCB. A Technical Agreement (TA) has been signed between NRCS and CWCB which allocates a portion of the EWP funds to be utilized to assist with the design process. CWCB has nearly finalized the hiring of a team of specialists to help local sponsors work through the design process. Also, these funds can be utilized by a “local” sponsor to assist with design. Local sponsors are entities, towns, counties, Watershed Coalitions, or others that meet the CWCB requirements. Local sponsors will sign an agreement with CWCB to complete this work.

Prior to TA funds being issued for design work, the following requirements must be met:

- A project kickoff meeting must be held with the CWCB in order to confirm requirements have been met and to discuss next steps,
- The local sponsor must obtain all necessary land access agreements,
- A local sponsor must be identified and committed to implement the project, and
- The 12.5% local sponsor match must be identified and committed.

Technical assistance funding for design cannot be provided until all of these requirements have been met in writing. Each watershed coalition is specifically being asked to identify one project within the watershed with the above conditions met, or able to be met within a short timeframe, in order to move forward as soon as possible.

As local sponsors are identified, plans can be made to start design work. This work will need to meet the thirty percent design criteria. As the 30 percent design criteria has been completed, reviewed, and approved by interested parties, the design can then progress to completion followed by project construction. Each priority will go through this process.

When the project has all of the necessary designs, permits and other requirements met, a Financial Agreement (FA) or construction agreement will be signed. This will allocate the funds for the project construction. EWP funds may bear up to 75 percent of the construction cost. CWCB will contribute 12.5 percent. The remaining 12.5 percent will need to be covered by the local sponsor. Projects must be completed within 220 days of the issuance of the Financial Agreement for a project.

The 12.5 percent required from the local sponsor can be “in-kind” match. Only work done after there is a Financial Agreement in place can be used as in-kind contribution.

For questions or concerns regarding this information, please send an e-mail to tim.macklin@co.usda.gov or chris.sturm@state.co.us

Sincerely,

A handwritten signature in blue ink, appearing to read "Tim Macklin".

Tim Macklin
EWP State Manager
USDA-NRCS

A handwritten signature in black ink, appearing to read "Kevin J. Houck".

Kevin Houck, PE. CFM
Chief, Watershed and Flood
CWCB