



MEMORANDUM

September 27, 2018

TO: CRWCD Board of Directors

FROM: Hunter Causey, P.E. *HC*

Subject: **Disbursement variance for Gould Canal Improvement Project**

***ACTION:** Staff requests that the Board approve disbursing the full grant amount of \$50,000 for Gould Canal Improvement Project prior to completion of the project.*

***STRATEGIC INITIATIVE(S):** 1.E Outreach and Advocacy
2.A Outreach in All Basins
4.A, B Colorado River Supplies
7.D Water Needs/Project Development
9.A Water Efficiency and Conservation*

At the April 2018 quarterly meeting, the Board approved funding for Fruitland Irrigation Company's Gould Canal Improvement Project under the Annual Grant Program. The project consists of improvements to aging rock wall tunnels associated with pre-compact agricultural water rights. Funding for this \$10MM project is primarily from the Salinity Program with supplementary State and locals funds. The River District Grant plays a vital funding role of ensuring that initial NEPA evaluation activities get started in a timely manner to keep the project on schedule.

The disbursements section of the Annual Grant Program Operating Guidelines and Criteria calls for funds for incomplete projects to be issued in up to four disbursements (25% on award, 50% and 75% as "progress payments", and the remainder upon completion of the project). In order to fulfill the intended purpose of this grant, the applicant has requested that the River District disburse the full grant award prior to completion of the project in several years. Staff supports this request because it is consistent with the intent of the Board approved grant application.