

# WaterSMART Grants: Small-Scale Water Efficiency Projects for Fiscal Year 2021

Bureau of Reclamation NOFO No. R21AS00300

## Fort Collins Utilities

**Xeriscape Incentive Program for HOA & Commercial Properties 2022**



**March 18, 2021**

Fort Collins Utilities  
222 Laporte Ave, PO Box 580  
Fort Collins, CO 80522

Katie Collins, Program Manager  
222 Laporte Ave, PO Box 580  
Fort Collins, CO 80522  
970-416-4378  
kcollins@fcgov.com

## Table of Contents

<b>TECHNICAL PROPOSAL AND EVALUATION CRITERIA</b>	<b>1</b>
<b>EXECUTIVE SUMMARY</b>	<b>1</b>
<i>Project Summary</i>	<i>1</i>
<b>PROJECT LOCATION</b>	<b>2</b>
<b>PROJECT DESCRIPTION</b>	<b>3</b>
<b>EVALUATION CRITERIA</b>	<b>6</b>
<i>E.1.1 Evaluation Criterion A— Project Benefits (35 points)</i>	<i>6</i>
<i>E.1.2 Evaluation Criterion B— Planning Efforts Supporting the Project (35 points)</i>	<i>8</i>
<i>E.1.3. Evaluation Criterion C—Project Implementation (10 points)</i>	<i>9</i>
<i>E.1.4. Evaluation Criterion D— Nexus to Reclamation (10 points)</i>	<i>10</i>
<b>PROJECT BUDGET</b>	<b>11</b>
<b>FUNDING PLAN AND LETTERS OF COMMITMENT</b>	<b>11</b>
<b>BUDGET PROPOSAL</b>	<b>11</b>
<b>BUDGET NARRATIVE</b>	<b>12</b>
<b>ENVIRONMENTAL AND CULTURAL RESOURCES COMPLIANCE</b>	<b>14</b>
<b>REQUIRED PERMITS OR APPROVALS</b>	<b>15</b>
<b>LETTERS OF PROJECT SUPPORT</b>	<b>15</b>
<b>OFFICIAL RESOLUTION</b>	<b>15</b>
<b>UNIQUE ENTITY IDENTIFIER</b>	<b>15</b>
List of Tables	
<i>Table 1.—XIP Application Evaluation Criteria</i>	<i>5</i>
<i>Table 2.—Estimated Project Schedule</i>	<i>9</i>
<i>Table 3.—Total Project Cost Table</i>	<i>11</i>
<i>Table 4.—Sample Budget Proposal Format</i>	<i>12</i>
List of Figures	
<i>Figure 1. Water Service Area and surrounding Water District Boundaries.</i>	<i>3</i>
List of Attachments	
<i>Letter of Support - Oakridge VII HOA</i>	
<i>Letter of Support – WaterNow Alliance</i>	
<i>Environmental Compliance for BOR Grant R19AP00169</i>	



## TECHNICAL PROPOSAL AND EVALUATION CRITERIA

### Executive Summary

*Date: March 18, 2021*

*Applicant Name: Fort Collins Utilities*

*Fort Collins, Larimer County, Colorado*

*Project Manager:*

Katie Collins

Xeriscape Program Manager

970-416-4378

kcollins@fcgov.com

Applicant Category: Category A

Grant Funding Request: \$75,000

Non-Federal Matching Funds: \$100,205

Total Project Cost: \$175,205

Project Duration: 1 year

Estimated Project Start Date: 02/2022

Estimated Project Completion Date: 02/2023

Located on Federal Facility: No

Unique Entity Identifier: 078362597

### Project Summary

Beginning in 2019, Fort Collins Utilities (“Utilities”) successfully started expanding its single-family residential Xeriscape Incentive Program (XIP) to include commercial-scale landscapes. Funded by grants from the Colorado Water Conservation Board and the Bureau of Reclamation (R19AP00169) the program has since provided financial incentives for businesses, homeowner associations (HOAs) and other properties with commercially-sized potable water taps to undertake landscape transformations. These projects reduce outdoor water use and increase resilience to current and future climate conditions. This expansion was identified as necessary based on the Utilities’ Water Efficiency Plan ([www.fcgov.com/water-efficiency-plan](http://www.fcgov.com/water-efficiency-plan)), which identifies the driving forces for the expansion as local climate challenges and increasing interest and need from commercial customers. The majority of program funds will be used to reimburse up to 50% of the cost of approved project installations that demonstrate significant water savings through the implementation of regionally appropriate landscape practices and plant materials, and the appropriate use of high-efficiency irrigation equipment.



In 2020, the first year of this program, seven projects were supported across 13 acres. The actual water savings for these projects in the first year of establishment was 2 million gallons compared to average historic use over a three-year period. This is equal to savings of over 3 gallons per square foot of area converted. We know that savings will likely be greater as the landscape matures, and less supplemental water is needed. Based on calculated estimates, projects have the potential to save 8 gallons per square foot of area converted once fully established.

### **Project Location**

The City of Fort Collins (City) is located 65 miles north of Denver, Colorado in Larimer County. Fort Collins Utilities service area boundaries for water do not perfectly match the City limits. Figure 1 shows Fort Collins Utilities service area relative to other water district service areas and City limits. Fort Collins Utilities currently serves about 75% of Fort Collins' residents and businesses. The Xeriscape Incentive Program is located in Fort Collins Utilities service area in Fort Collins, Colorado USA. All funded projects will occur within Fort Collins Utilities' service area. The project latitude is 40°35'N and the longitude is 105°5'W. The weather and climate conditions in this semi-arid region mean that nearly all landscapes require irrigation to survive.

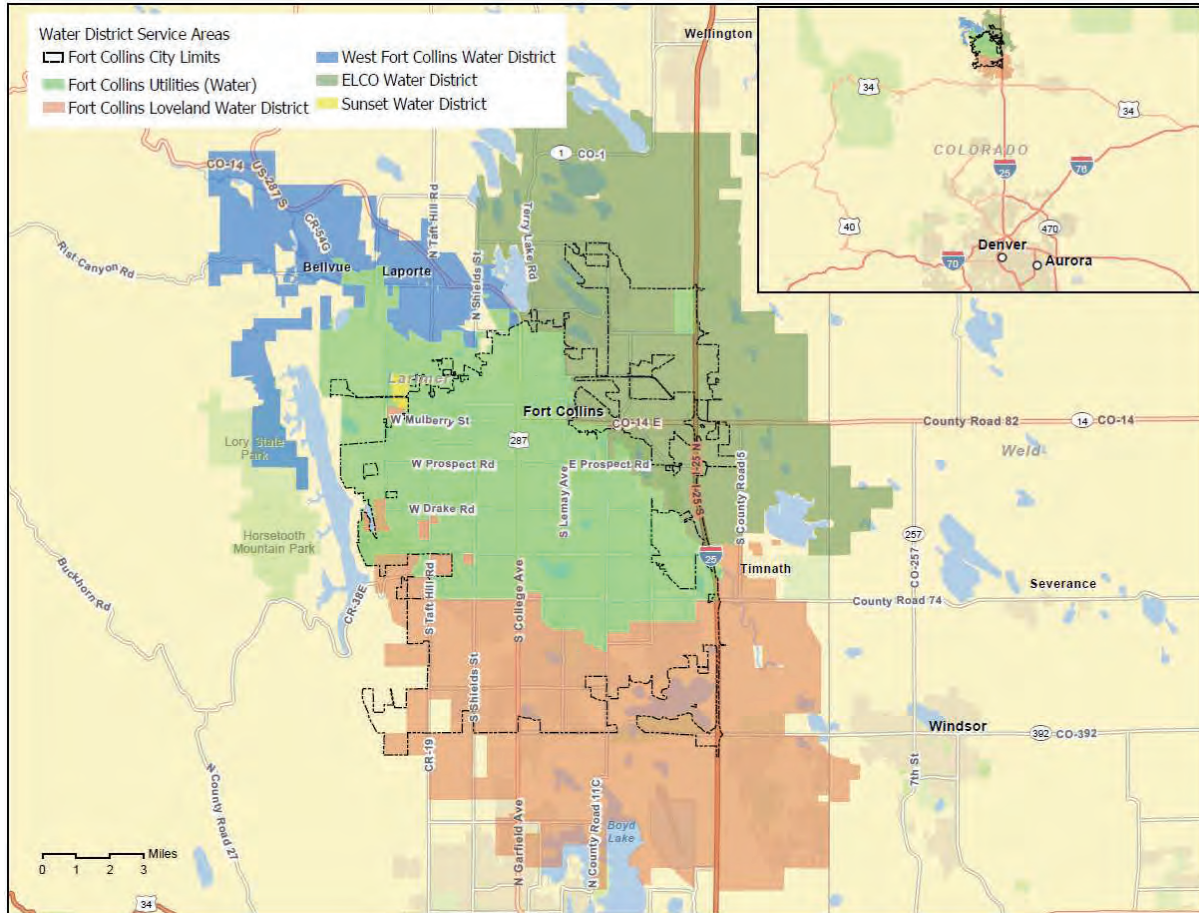


Figure 2. Water Service Area and surrounding Water District Boundaries.

### Project Description

Fort Collins Utilities requests funds in the amount of \$75,000 to operate its Xeriscape Incentive Program (XIP) for HOA & Commercial properties.

The Colorado Front Range is one of the fastest growing regions and population growth is putting pressure on water supplies. While we have a portfolio of other water conservation and efficiency programs, customers are currently very interested in pursuing landscape change due to a recent rate increase that is driving customers to address commercial landscape water use. The rate increase is associated with the projected cost of acquiring additional water resources in an increasingly water-scarce region of the West. The rate heavily impacts irrigation accounts and other commercial accounts who exceed their annual water allotment. Once exceeded customers receive a surcharge that quadruples the cost of water for the remainder of the year. The water allotment is based on the amount of water provided for that account at the time of development; when customers go over the allotment, Utilities must apply a surcharge to collect revenue to acquire additional water resources to meet the additional demand.



Reducing customer water demand benefits both the customer and Utilities - the customer reduces their bill while Utilities reduces the need to acquire additional water resources. As a result, we are seeking all opportunities to resource programs and services that will help implement successful commercial-scale landscape transformation projects to address this timely need, one of the most requested of which is XIP.

XIP provides a reimbursement of up to 50% of the project cost, or a maximum of \$15,000 per project, for transforming high-water use landscape to low- or no-water-use landscaping or permeable hardscaping. Those who apply for the program (“Applicants”) are typically converting water-intense landscapes, or “wall-to-wall Kentucky bluegrass” in favor of plants and landscape features with a much lower water requirement, such as native grasslands and low-water perennial and shrub beds. Funds are requested and awarded based on \$1.50 per square foot of area converted from high-water use to low-water use landscape. Applicants are required to provide “before” photos, comprehensive landscape and irrigation plans including details of landscape modifications that will support the new landscape, letters of support from the surrounding community and estimated water savings. Applications are scored based on evaluation criteria (Table 1) and are vetted by a cross-disciplinary team to provide additional sound and professional feedback to help support and ensure greater project success.


Once approved, those who receive funds (“Recipient(s)”) are required to sign a legal customer agreement, stipulating that the Recipient will complete the project as presented and provide required documentation including progress reports at agreed upon deadlines. In addition to XIP requirements, applicants are required to follow City Code including, but not limited to, erosion control measures, planning and zoning review and approval process, and stormwater considerations. Recipients are required to supply establishment and long-term management plans that are then entered into official City documents tied to that property.

Outside of requirements outlined in the signed customer agreement, approved projects are installed at the discretion of the Recipient’s project manager per project. The Recipient project manager agrees to install the project within one year.

Utilities does not currently have sufficient funds to continue to fully fund the Xeriscape Incentive Program for HOA & Commercial properties after 2021. The City of Fort Collins organization and City Council is supportive of the program.



Table 2. XIP Application Evaluation Criteria

 <b>XIP for HOAs &amp; Commercial Properties: Application Evaluation Rubric</b>							
		Yes		No			
<b>Minor Amendment:</b> Applicant has contacted or will contact Zoning about applying for a minor amendment before implementing landscape changes.							
<b>Soil Amendment:</b> Application acknowledges soil amendment requirement and will submit either a soil amendment certificate or a soil test report.							
Scoring Criteria	Exemplary	Satisfactory	Needs Improvement	Inadequate	Weight	Total Score	Relevant Application (A) questions
<b>Water Savings:</b> Project expected to yield substantial water savings relative to pre-project landscape water need.					4		A#4
<b>Project Size:</b> Landscape change is significant compared to total irrigable area of property.					3		A#3; Project Landscape Plan
<b>Project Landscape Plan:</b> Application includes legible, complete and realistic landscape plan given the project area. Landscape plan includes all necessary elements listed in the "Guidelines for Project Landscape Plan" template. Proposed project is appropriate for area.					3		A#5, 6; Project Landscape Plan
<b>Project Irrigation Plan:</b> Application includes legible, complete and realistic irrigation plan given the project area. Irrigation plan includes all necessary elements listed in the "Guidelines for Project Irrigation Plan" template.					3		A#8; Irrigation Plan; Irrigation System Table (optional)
<b>Turf-to-turf Conversion areas:</b> Proposed turf mix is appropriate for site based on sun exposure and water requirements. Approach to turf killing/replacement is appropriate. Seeding best practices are followed.					3		A#6; Project Landscape Plan
<b>Community Outreach and Education:</b> Applicant demonstrates plan or action that engages or educates community (e.g., employees or residents) about project and water-wise landscape.					3		A#13; Additional Documents
<b>Nature in the City Program:</b> In addition to supporting water conservation goals, project demonstrates alignment with Nature in the City program goals including: 1) Providing people with easy access to nature 2) Landscape provides diverse ecological opportunities 3) Landscape includes diverse landscape aesthetic that supports healthy environments for people and wildlife.					2		A# 14, 15, 16; Project Landscape Plan
<b>City's Strategic Objectives:</b> Project aligns with any or all City's Strategic Objectives: Neighborhood livability & social health; culture and recreation; environmental health; economic health; safe community; transportation.					3		A#14, 15, 16
<b>Project Funding:</b> Applicant demonstrates a reasonable and feasible project budget with adequate funding sources including secured or proposed 50% cash match funding. The proposed use of grant funding is for purposes that align with XIP for HOA and Commercial Property goals and objectives, and supports outdoor water conservation, regionally-adapted plants and/or community engagement.					2		A#1, 2; Project Budget Summary Table
<b>Best Practices:</b> Methods for installation and maintenance activities are addressed in Application and regarded as industry "best practice." Activities may include but are not limited to: weed management; selecting plant material appropriate to the region; irrigation scheduling; turf removal; site preparation; plant care; etc.					1		A#7, 8, 9, 10
<b>Tree Protection:</b> Plans for tree care and watering before, during and after the project are described. If applicable, proper mitigation/replacement for any trees removed, injured, or killed during the project. Note that all work involving trees within the city limits must follow the City of Fort Collins Tree Management Standards and Best Management Practices.					1		A#7
<b>Erosion Control:</b> Applicant demonstrates steps for erosion mitigation. If erosion control is not required per project scope, process to avoid erosion control permitting is explained in detail.					1		A#10
<b>Overall Impression:</b> Overall reviewer impression of Application and Documents.					1		
					<b>TOTAL</b>		
Description of Scores							Points
Exemplary: Application provides exceptional attainment of criteria, realistic estimates when applicable, and is thoroughly developed and well-thought out.							3
Satisfactory: Application completely addresses all criteria; appropriate information and level of detail is provided.							2
Needs improvement: Application provides basic information and generally addresses criteria. Additional information may be needed to determine if all criteria are met.							1
Inadequate: Application does not respond to most or all of the criteria or does not meet the criteria.							0



## Evaluation Criteria

### E.1.1 Evaluation Criterion A— Project Benefits (35 points)

Describe the expected benefits and outcomes of implementing the proposed project.

**Individual water savings:** Based on calculation estimates, we believe these projects have the potential to save 8 gallons per square foot of area converted over the lifetime of the project. In 2020, the first year of this program, seven projects were supported across 13 acres. The actual water savings for these projects in the first year of establishment was 2 million gallons compared to three-year average water use on the property. This is equal to savings over 3 gallons per square foot of area converted. We know that savings will likely be greater over time as the landscape matures, and less supplemental water is needed. This is a benefit to our water supply, because it decreases the need to acquire additional water supplies to meet growing demand, and to the individual customer groups pursuing these landscape changes, because it reduces their water and costs.

**Water supply delivery system:** This project will reduce demand on the surface water supply delivery system, which will help avoid or delay costs associated with purchasing new water supplies. Utilities anticipates needing to acquire approximately \$25.5 million worth of additional water rights, some of which can be avoided through cost-effective conservation projects. It costs the Utility \$130 per 1,000 gallons of water to develop new water supplies. Based on 2019 data, the cost of the Xeriscape Incentive Program is \$17 per 1,000 gallons saved, a 87% savings over developing new water supplies. Reducing water demands increases the reliability of existing water supplies and reduces the need to acquire new, expensive water supplies. By reducing irrigation needs, XIP will also reduce peak season and peak day demands. A lower peak demand will delay and/or reduces the size and cost of future expansions to treatment and delivery infrastructure.

**Water supply reliability:** Landscape changes improve resiliency to drought and climate change. Fort Collins water supplies are being faced with challenges every year and with more frequency. The recent devastation caused by the Cameron Peak Fire, the largest recorded wildfire in Colorado’s history is likely to impact the Utilities watershed for years to come. Coupled with current drought conditions, Fort Collins is likely to see mandatory water restrictions in coming years. Drought and water shortages due to fire or other natural disasters, or infrastructure maintenance are an important and increasingly frequent reminder to strive for resilience. Through XIP, participants will proactively establish more tolerant landscapes that require less water long-term, allowing communities and Utilities to navigate future shortages and warmer, drier climate conditions with fewer impacts. There is a potential for a Compact Call on the Colorado River, which could impact Utilities’ water supplies from the Colorado-Big Thompson





project. Reducing long-term demand reduces reliance on this potentially less reliable water supply.

**Geographic scope of benefits (local, sub-basin, basin):** The program will include landscape transformation projects in the Cache la Poudre sub-basin of the South Platte River basin. By reducing overall water use, the program will reduce demands on water supplies in both the South Platte River basin as well as the Colorado River Basin (Colorado-Big Thompson project).

**Benefits to local sectors and economies:** Due to the scope of commercial projects, all participants are expected to utilize professional design, irrigation, hardscaping, and/or landscaping companies. Participants and their contractors will utilize local and regional vendors and nurseries that specialize in high-efficiency irrigation equipment, and drought tolerant and waterwise plant materials. The seven projects completed through this program in 2020 had a total combined project cost of \$154,854. XIP paid out a total of just over \$68,000 in rebates. This suggests that every \$1 of rebate incentive generates about \$2.30 worth of economic activity in our local green industry. Furthermore, the future maintenance and management of the new landscapes will support local landscape management companies, which is not captured in this value.

**Increased collaboration:** Throughout our region and from our customers, we often hear there are not enough examples of commercial-scale water-wise landscapes. By financially supporting the participants who are ready to make a landscape change now, we are adding to a bank of examples that other customers, utilities and regions can pull from. Results and other information from this project will be shared through a variety of venues. Utilities is a member of the Rocky Mountain Section of American Water Works Association (AWWA) Conservation Committee, where conservation professionals regularly meet to discuss topics like water efficiency programs, landscape change, drought planning and more. Utilities partners with other water service providers and managers in the immediate Fort Collins area and meets regularly with City Planners to discuss how to address water needs and develop land wisely given high projected population growth. Utilities is a member of Colorado WaterWise, a regional organization focused on connecting urban water efficiency stakeholders; information can be shared through their newsletter and/or through their webinar series. Utilities regularly attends and presents at regional and national conferences. We anticipate presenting the results of this program at future conferences.

Data and examples of commercial-scale landscape projects such as those supported by XIP are helping to bolster additional efforts and earn support from City leadership. Currently, Utilities' Water Supply Requirement for developers is nearing completion of a major overhaul. With attractive examples of large waterwise landscapes in addition to data showing major water savings, Utilities is better equipped to mandate more stringent water requirements and developers are further incentivized and motivated to pursue regionally appropriate landscapes.



These projects provide local and real examples to the City Planning department and City leadership and Council who are getting on board to support landscapes that step away from the normal wall-to-wall Kentucky bluegrass landscape—a landscape that is not well adapted to Fort Collins climate conditions. For more information about the Water Supply Requirement update, visit [fcgov.com/wsr-update](http://fcgov.com/wsr-update).

Since expanding XIP, Utilities has become more collaborative with the City’s Nature in the City Program (NIC), the mission of which is to increase native landscapes in Fort Collins. Nature in the City is very interested in XIP efforts as they have historically encouraged large swaths of native plantings, supporting native wildlife and pollinators. NIC and Utilities continue to find ways to leverage the others’ goals through mutually beneficial partnerships on programs such as this one.

**Additional benefits:** These transformation projects will demonstrate attractive low water-use landscapes, which can boost local support for water efficiency programs and serve as examples for other HOAs or businesses who are contemplating landscape changes as well as the other major water districts in Fort Collins. These projects will help to improve familiarity and comfort with low-water and native landscapes. The program will improve water literacy in the community by educating participants and relevant stakeholders on water use, climate change, water rates, the cost/value of water service, drought planning, water supply planning, and more. These “additional” benefits are significant as many Fort Collins residents are transplants from other parts of the country and are unfamiliar with climate and water resources challenges in this region.

#### E.1.2 Evaluation Criterion B— Planning Efforts Supporting the Project (35 points)

Describe how your project is supported by an existing planning effort.

Fort Collins Utilities has a long-standing Water Conservation Program (since 1977) and has been proactively planning since the early 1990s. The first Water Demand Management Plan was created in 1992 and has evolved over the years to what is now two documents: the Water Supply and Demand Management Policy (WSDMP) and our Water Efficiency Plan (WEP). The original 1992 plan stated that “water is a limited and vital resource which must be used efficiently and wisely...the implementation of additional water conservation practices will benefit the City of Fort Collins by helping to assure continued reliable short- and long-term supplies...”. The WSDMP directs staff to develop strategies to ensure certain levels of service, one being to meet demands in a 1-in-50 year drought. As drought is expected to become more frequent and/or severe, Utilities needs to take on new strategies to prepare our community for a changing climate. The Water Efficiency Plan is available here: [fcgov.com/water-efficiency-plan](http://fcgov.com/water-efficiency-plan).



The WEP, approved by the Colorado Water Conservation Board and City of Fort Collins City Council in 2016, outlines five critical strategies to achieve the overall goal of reducing our service area’s water use to 130 gallons per capita per day. This requires an 11 percent reduction from 2015 use. XIP directly addresses four (shown in bold text) of the five critical strategies and will inform the remaining strategy focused on new development:

- 1. Leverage Advanced Meter Fort Collins data and capabilities**
- 2. Promote and support greater outdoor water efficiency**
- 3. Expand commercial and industrial strategies**
- 4. Increase community water literacy**
5. Encourage greater integration of water efficiency into land use planning and building codes

The proposal to support XIP is a direct result of our work to address outdoor water use (2) and work more with commercial customers (3). The results of the proposed program will extend beyond the immediate participants by serving as demonstrations and resources to help others adapt Western landscapes to a changing climate, increasing community water literacy (4). Commercial-scale landscape transformations through XIP have the potential to save millions of gallons of water over the lifetime of these projects. Advanced Metering Data (1) in conjunction with the Landscape Water Budget program will provide water-savings data specific to each account. Information about the Landscape Water Budget program can be found here at [fcgov.com/water-efficiency](http://fcgov.com/water-efficiency).

E.1.3. Evaluation Criterion C—Project Implementation (10 points)

Table 2. Estimated Project Schedule

SCHEDULE	Year 1				Year 2			
	Feb-May 2022	Jun-Aug 2022	Sep-Oct 2022	Nov-Dec 2022	Jan-Apr 2023	May-Jul 2023	Aug-Oct 2023	Nov-Dec 2023
<b>Milestone/Task</b>								
Task 1: Call for Applications								
Task 2: Application review and selection								
Task 3: Implementation and Monitoring								
Task 4: Project Review, Analysis and Follow-up								



**Permits, Engineering, Policies, and Environmental Compliance** - Utilities does not anticipate any permit requirements as all work will be completed on private property on landscapes and irrigation systems. Utilities does not expect any engineering or design work on its own behalf. Participants may utilize designers for projects. No new policies or modifications to existing policies are required to implement this program, other than the Fort Collins City Council’s approval and execution of the grant agreement with Reclamation. Environmental compliance will be coordinated with the Bureau of Reclamation upon grant award.

E.1.4. Evaluation Criterion D— Nexus to Reclamation (10 points)

The Colorado-Big Thompson Project (C-BT) is a Reclamation project. Utilities owns about 18,855 units of C-BT water. Deliveries depend on the annual quota set by Northern Water each year. Quotas can range from annual yields of 9,400 acre-feet to 18,800 acre-feet.



## PROJECT BUDGET

### Funding Plan

Utilities requests \$75,000 from the Bureau of Reclamation. The total cost of the Xeriscape Incentive Program for 2022 is \$175,205.

- \$70,000 of Bureau of Reclamation money will be used for landscape project rebates.
- \$5,000 of Bureau of Reclamation money will be used for Environmental and Regulatory Compliance.
- Recipients of the funds through XIP are required to match the rebate amount dollar for dollar for a total of \$70,000. Recipients will provide invoices to show funding match. This will constitute the majority of the project’s cost-share contribution.
- Utilities will provide \$29,580 in-kind services as well as \$625 in hard costs for project administration fees.

This program has been operating since the 2020 program year. Project costs associated with 2020 and 2021 program years are fully funded and should not be considered costs incurred prior to the award of this grant. No costs associated with WaterSMART Grants: Small-Scale Water Efficiency Projects for FY 2021 – R21AS00300 Application have been incurred to date.

### Budget Proposal

SOURCE	
Costs to be reimbursed with the requested Federal funding	\$75,000
Costs to be paid by the application (City of Fort Collins)	\$30,205
Value of third-party contributions	\$70,000

Table 3. Total Project Cost



BUDGET ITEM DESCRIPTION	COMPUTATION		Quantity Type	TOTAL COST
	\$/UNIT	Quantity		
<b>Salaries and Wages</b>				
Program Manager	29	600	hours	\$ 17,400.00
Program Analyst	29	300	hours	\$ 8,700.00
Marketing Specialist	29	120	hours	\$ 3,480.00
<b>Supplies and Materials</b>				
Grant application program	625	1	program fee	\$ 625.00
Rebates	70000	1	total rebates	\$ 70,000.00
<b>Third-Party Contributions</b>				
Match funding from participants	70000	1	total match	\$ 70,000.00
<b>Environmental and Regulatory Compliance Costs</b>				
Environmental and regulatory compliance costs perform	5000	1	cost of review	\$ 5,000.00
<b>TOTAL DIRECT COSTS</b>				<b>\$ 175,205.00</b>
<b>TOTAL ESTIMATED PROJECT COSTS</b>				<b>\$ 175,205.00</b>

Table 4. Budget Proposal

### Budget Narrative

Detailed in the Technical Project Description there are four major phases for this program: Participant Coordination and Call for Applications (Phase 1); Application Review and Project Selection (Phase 2); Implementation and Monitoring (Phase 3); Project Review, Analysis and Follow-up (Phase 4).

#### Salaries and Wages

##### Program Manager – Katie Collins

- In phase 1, the Program Manager will finalize application processes, field participant questions as needed, and conduct on-site consultation meetings with potential applicants.
- In phase 2, the Program Manager will review and score applications and attend and consult for Customer Agreement meetings. Other items include working on interim program reporting.
- In phase 3, the Program Manager will perform on-site visits as dictated by Customer Agreements and offer support through Landscape Water Budget and MyWater programs. The Program Manager will review customer reports and comment on feasibility of establishment and maintenance plans.
- In phase 4, the Program Manager will conduct exit visits and work on final reporting for Reclamation including water saved.

*Program Manager total hours: 600*

*Total Program Manager cost = \$17,400*



**Program Analyst – Kelsey Doan**

- In phase 1, the Analyst will assist the Program Manager in finalizing the application process and fielding customer questions as needed. The Specialist will also set up the administrative processes necessary for rebate processing and provide educational materials to commercial customers.
- In phase 2, the Analyst will assist the Program Manager in reviewing applications. The Analyst will attend initial Customer Agreement Meetings, site visits and will do all data tracking.
- In phase 3, the Analyst will offer support and collect necessary data and photos. The Analyst will file all customer data.
- In phase 4, the Analyst will assist in exit meetings, reporting, and collection of final paperwork needed to process rebates.

*Program Analyst total project hours: 300*

*Total Program Analyst cost: \$8,700*

**Marketing Specialist**

The in-house Marketing Specialist will deliver all communication and outreach for the program via website, email and print publications.

*Water Conservation Intern total project hours: 120*

*Total Water Conservation Intern cost: \$3,480*

*Materials and Supplies*

- Utilities will use the grant platform “ZoomGrants” to collect applications, project data, expense documentation and reports. The cost of a new program year is \$625.
- Utilities plans to issue \$70,000 in project rebates to eligible participants in 2022.

*Third-Party In-Kind Contributions*

- Eligible projects will be required to show match funding equal to the amount issued through XIP. Match Funding will equal a minimum of \$70,000, the total rebate amount for 2022.

*Environmental and Regulatory Compliance Costs*

- Based on the Environmental and Regulatory Compliance assessment performed by the local BOR office per grant R19AP00169 awarded to the City of Fort Collins, the cost for Environmental and Regulatory Compliance evaluation is \$5,000. See attached for past evaluation by Patrick McCusker, Grants Officer Technical Representative.

## **ENVIRONMENTAL AND CULTURAL RESOURCES COMPLIANCE**

**Project impact to surrounding environment** - All work will be completed on private property landscapes and irrigation systems. Some earth-disturbing work will include watered and maintained turf-grasses being replaced with low- or no-water-use landscaping, as well as modifying or replacing irrigation systems to accommodate new low-water use landscapes.

**Project Impact to threatened or endangered species** - While there is no critical habitat in the project's area, areas along the Poudre River, one of our two primary sources of water, is a critical habitat for the Preble's Meadow Jumping Mouse. Decreasing demand along reaches of the river may have indirect habitat benefits for the mouse.

**Project Impact on wetlands and surface waters** - Horsetooth Reservoir and the Poudre River both fall under CWA jurisdiction as "Waters of the United States." While the project will occur on private property, there may be indirect benefits of by reducing long-term demand on these surface water sources.

**When was the water delivery system constructed?** - The first waterworks was built in 1883. A Public Works water department was established in the early 1900s, after obtaining senior water rights on the Poudre River, expanding the system. In 1938 the Department of Utilities was created, and the delivery system has continued to grow to meet the population's demand as needed.

**Project Impact on irrigation systems** - Depending on the project, modifications to private property irrigation systems will be needed to accommodate the new low- or no-water-use landscaping. There are no planned modifications to the Utilities' water system.

**Project Impact on Historic Places** - There are multiple buildings and sites registered on the National Register of Historic Places within the Utilities' service area, however projects will not impact these sites.

**Project Impact on Known Archeological Sites** - There are no known archeological sites in the project area.

**Project Impact on Low Income or Minority Populations** - The project will be open to any Utilities' customer and will not have any disproportionately high and adverse effect on low income or minority populations

**Project Impact on Sacred Site or Tribal Lands** - The project will have no impact on Indian sacred sites or tribal lands.

**Project Impact on the spread of noxious weeds or non-native invasive species** - The project will only allow installation of regionally adapted or native plants. Spread of noxious weeds and non-native invasive species is prohibited by Fort Collins Land-Use Code and will be further enforced through project Monitoring Plans, and project design (e.g. mulching).





## **REQUIRED PERMITS OR APPROVALS**

Utilities does not anticipate any permit requirements as all work will be completed on private property on landscapes and irrigation systems.

## **LETTERS OF PROJECT SUPPORT**

Letters of project support from the following entities are included in Appendix/Attachment \_\_:

1. Local homeowners association Oakridge VII has provided a letter of support that speaks to the opportunities and water savings afforded to them through XIP in 2020. Susan Gilbert has written a letter on behalf of Oakridge VII HOA.
2. A letter of support from WaterNow Alliance.

## **OFFICIAL RESOLUTION**

An official resolution from Fort Collins City Council and support from the local Water Board will be provided within 30 days of the application deadline.

## **UNIQUE ENTITY IDENTIFIER**

078362597

Susan Gilbert  
5030 Saffron Court  
Fort Collins, CO 80525

Bureau of Reclamation  
Financial Assistance Operations  
P.O. Box 25007 MS: 84-27815  
Denver, CO 80225

Dear United States Bureau of Reclamation WaterSMART Grant Board Members:

The Oakridge Village VII Homeowner's Association and its partners fully support the City of Fort Collins' application to the Bureau of Reclamation WaterSMART Grant: Small-Scale Water Efficiency Projects grant for the Fiscal Year 2021. Our HOA and partners (Oakridge Village VIII HOA and the Oakridge Village Business Park) own a 10.1-acre detention basin which has been developed as a park. In 2018 we were notified that overallotment fees would begin to be charged to our water usage and could result in additional annual costs of approximately \$18,000. Apparently, the developer installed an undersized tap 30 years ago.

We investigated options and surveyed all residents and the business park as to what solutions they would support and decided that we would convert a portion of the park into native grasses and xeric plant beds. As we estimated how much bluegrass turf needed to be converted and the cost of doing a conversion, we quickly realized that it was an expensive task, especially as we had to deal with a 30 year old irrigation system that would require many changes to accommodate temporary irrigation of new native grasses and new driplines to water trees and shrubs in the conversion areas. Even though converting turf would save water and money in the long run it was going to be difficult to convince homeowners and the business park to invest so much to get it done and that spreading out the project over multiple years was undesirable as it would take several years and the conversion areas would look pretty awful during the process. We began to search for grant money.

We were fortunate to receive a grant in 2019 to convert 1.4 acres of blue grass to native grasses from Northern Water. However, our calculations and those of the city's utility group, indicated that we would still likely come in over our allotment in future years if we did not convert more acreage. Plus, we had also cut back on watering overall and realized we had a real problem area on a south facing hill, that was always going to be difficult to water efficiently. So, we applied for the Xeriscape Incentive Program (XIP) Grant for the 2020 season so that we could convert just under an acre of blue grass to a combination of native grasses, xeric/native shrubs, and a large cedar mulch bed. Receiving this grant meant that we could complete the conversions in a timely manner and could prove to residents that we could both have a landscape that was water efficient and attractive.

As a representative of the HOA and the "project manager" of these conversions, I can honestly say that I don't think the HOA boards or the residents would have embraced this type of change if it had not been for grant money. The total price tag for these conversions was about \$60,000. We would have had to do a piecemeal approach to the conversions to stay within an annual budget that did not require raising HOA dues. If we had tried to increase dues, there was a contingency of homeowners who would have preferred to just pay more dues and pay the overage fees to keep the entire park in blue grass, watering large expanses of blue grass turf with potable water.

Our ultimate goal (and we are already close) is to save two million gallons of water each year from our historic usage. The conversions we have done now showcase what other HOAs, homeowners, or other community groups can achieve and how much water they can save. Northern Colorado is growing rapidly, and water is a precious commodity, but unfortunately without incentives such as the XIP grant, I'm afraid the barrier to change is still too high. Hopefully this program and others like it will continue to support and foster the much-needed change to water efficient landscapes.

Sincerely,

Susan Gilbert

March 18, 2021

Camille Calimlim Touton  
Acting Commissioner  
Bureau of Reclamation  
1849 C Street NW  
Washington DC 20240-0001

Subject: Support for City of Fort Collins' Application for WaterSMART Grant: Xeriscape Incentive Program

Dear Deputy Commissioner Touton:

On behalf of WaterNow Alliance, I am pleased to submit this letter in support of the City of Fort Collins' Xeriscape Incentive Program under the U.S. Bureau of Reclamation's WaterSMART Small-Scale Water Efficiency Projects. WaterNow Alliance, a national network of local water leaders supporting sustainable water management measures, has partnered with the City of Fort Collins' water department for the past several years to support, and learn from, their extensive water efficiency initiatives.

Colorado's population is expected to double by 2050, thereby significantly increasing expected water demand. Even with passive conservation programs (e.g., code updates and increased efficiency in new developments), active conservation programs are essential to addressing this supply-and-demand gap. While many cities and utilities have established small-scale residential efficiency programs, Fort Collins is one of very few municipalities in Colorado and across the Western U.S. implementing commercial-scale landscape efficiency programs. It is one of even fewer communities that support large-scale transformation of existing landscapes. Despite the strong identified need, and growing interest from the community, businesses and homeowners' associations (HOAs) face large financial barriers that inhibit them from making the switch to more water-wise landscapes without rebate opportunities.

Fort Collins Utilities' successful Xeriscape Incentive Program helps close the supply-and-demand gap by decreasing outdoor water use through conversion to water efficient urban landscapes, while also creating resources that encourage successful future landscape transformations throughout the State of Colorado. Projects achieve water conservation by supporting community-enabled landscape changes that reduce water use, increase resiliency to climate conditions, and enhance urban landscapes.

We believe that Fort Collins' proposal advances the goals of the WaterSMART SWEP program to conserve and use water more efficiently, which will further bolster their water supply reliability to help meet future demands. For these reasons, we urge your favorable consideration of their application for the Xeriscape Incentive Program. Please do not hesitate to let me know if you have any questions or would like to discuss.

Sincerely,

A handwritten signature in black ink that reads "Cynthia Koehler". The script is fluid and cursive, with the first letters of each word being capitalized and prominent.

Cynthia Koehler, Executive Director  
WaterNow Alliance



# United States Department of the Interior

BUREAU OF RECLAMATION  
P.O. Box 25007  
Denver, CO 80225-0007



IN REPLY REFER TO:

84-27814  
1.3.11

May 8, 2020

VIA ELECTRONIC MAIL ONLY

Mrs. Katie Collins, Water Conservation Coordinator  
Fort Collins, City of  
300 La Porte Ave  
Fort Collins, CO 80521

Subject: Notice to Proceed for Financial Assistance Agreement No. **R19AP00169** (Agreement) with City of Fort Collins (City) for *Xeriscape Incentive Program Expansion* (Project)

Dear Katie Collins,

This letter provides formal notice that environmental compliance activities required by Agreement No. R19AP00169 are complete per Term and Condition 6.1. You may now proceed with ground-disturbing activities described in Term and Condition 6.1. This determination in no way alleviates the City from meeting all other applicable Federal, state, or local regulatory or environmental requirements. Any proposed Project modification must be submitted to the Grants Officer prior to implementation, to assess whether further environmental review is necessary.

In accordance with Federal cultural resources laws and regulations, if archeological materials or human remains are discovered during the course of ground-disturbing activities, all work must immediately halt in the area of the materials, and the City must immediately notify the Grants Officer Technical Representative and Grants Officer and take precautions to protect the discovery. The City shall not proceed with any further activities in the area of the find until written notice to proceed is provided by Reclamation.

A completed Categorical Exclusion Checklist (CEC) Document ECAO-2020-022 is enclosed for your records. Please note that the environmental commitments included in the CEC Document must be met. If you have any questions regarding the CEC Document, please contact Patrick McCusker, Grants Officer Technical Representative, at (970) 461-5442 or [pmccusker@usbr.gov](mailto:pmccusker@usbr.gov).

Thank you for your efforts to complete the reviews and consultations.

Sincerely,

**MATTHEW  
REICHERT**

Matthew Reichert  
Grants Officer

Digitally signed by MATTHEW  
REICHERT  
Date: 2020.05.08 14:17:25  
-06'00'

Attachment

- (1) C.E.C. No. ECAO 2020-022
- (2) Contract No.
- (3) Cost Auth. No.

**Eastern Colorado Area Office  
Categorical Exclusion Checklist (CEC)**

(4) **PROJECT:** Colorado-Big Thompson Project  
Activity: Water Smart Grant – City of Ft. Collins, CO

(5) **DATE:** January 21, 2020

(6) **LOCATION:** Section 6, Township 6 North, Range 68 West; Sections 1, 10, 19, 20, 29, 31 and 32; Township 7 North; Range 68 West; Section 36, Township 7 North, Range 69 West, 6<sup>th</sup> P.M, Larimer County, Colorado (Exhibit A).

(7) **NATURE OF ACTION:** The City of Fort Collins, Colorado (City) applied for and received a Bureau of Reclamation (Reclamation) Small-Scale Water Efficiency (SWEP) Grant in 2019. The purpose of the grant was to provide financial incentives for business and homeowner associations to undertake large landscape transformations that reduce long-term seasonal water demands. Reclamation funded \$75,000 out of a total project cost of \$226,646. The City received 19 applications from private landowners totaling 19.12 acres of proposed xeriscape and other water saving landscape projects. The list of projects and aerial views are in ECAO Project File No. 2020-022. Under this SWEP grant, the City has estimated that they will obtain a minimum cost savings of 3.1 million gallons of water per year.

The landscape projects are expected to commence in the Spring of 2020.

The proposed action would not significantly contribute to the introduction, continued existence, or spread of noxious weeds or non-native invasive species known to occur in the area. All grant applicants are required to maintain the properties under consideration including weed control.

U.S. Fish and Wildlife Service, Trust Resources Lists were developed for the proposed actions and are available in Project File 2020-022. The proposed actions will have no effect on federally threatened, endangered or candidate species. In addition, a review of the U.S. Fish and Wildlife Critical Habitat Mapper indicated that there is no critical habitat in the project area.

The Clean Water Act (CWA) Section 404 regulates the discharge of dredged and fill material into the waters of the United States. Although reservoirs, wetlands, and riparian areas may be located nearby, no material will be removed from or introduced into any nearby body of water. The proposed activity will have no effect on wetlands or other bodies of water.

In accordance with 36 CFR Part 800.3(a)(1), Reclamation's archaeologist has determined that the proposed undertaking will have no adverse effect to historic properties. The proposed xeriscape projects will preserve the existing native plants and install more drought tolerant plants that are closer to the type of flora that would have been growing in historic Fort Collins. In 2008, Reclamation's Office of Policy and Program Services issued a guidance document entitled, "Historic Preservation: No Potential to Cause Effects List" (NoPE). The document is intended to expedite the Section 106 compliance process by documenting a list of actions (undertakings) that have no potential to affect historic properties. The proposed undertaking is with the scope of #19 "Issuing use authorizations (e.g. grants, licenses, leases, permits, right-of-way, or easements) where there is no ground disturbance or other physical disturbance to a Reclamation property." As such, Reclamation has no further obligations under Section 106 of the National Historic Preservation Act of 1966.

**(8) EXCLUSION CATEGORY:**

**516 DM 14.5 D (1) Maintenance, rehabilitation, and replacement of existing facilities which may involve a minor change in size, location, and/or operation.**

**EVALUATION OF CRITERIA FOR CATEGORICAL EXCLUSION**

- (9) This action or group of actions would have a significant effect on the quality of the human environment. No  Uncertain \_\_\_ Yes \_\_\_
- (10) This action would have highly controversial environmental effects or involve unresolved conflicts concerning alternative uses of available resources [NEPA Section 102(2)(E)]. No  Uncertain \_\_\_ Yes \_\_\_
- (11) This action may have significant adverse impacts on public health or safety. No  Uncertain \_\_\_ Yes \_\_\_
- (12) This action may have significant impacts on such natural resources and unique geographical characteristics as historic or cultural resources; park, recreation or refuge lands; wilderness areas; wild or scenic rivers, national natural landmarks; sole or principal drinking water aquifers; prime farmlands; wetlands (Executive Order 11990); floodplains (Executive Order 11988); national monuments; migratory birds; and other ecological significant or critical areas. No  Uncertain \_\_\_ Yes \_\_\_
- (13) This action will have highly uncertain and potentially significant environmental effects or involve unique or unknown environmental risks. No  Uncertain \_\_\_ Yes \_\_\_
- (14) The action will establish a precedent for future action or represent a decision in principal about future actions with potentially significant environmental effects. No  Uncertain \_\_\_ Yes \_\_\_
- (15) The action will have a direct relationship to other actions with individually insignificant but cumulatively significant environmental effects. No  Uncertain \_\_\_ Yes \_\_\_
- (16) This action will have significant impacts on properties listed, or eligible for listing, on the National Register of Historic Places as determined by either the bureau or office. (To be completed only by Area Archeologist): BR 1/2/2020 (initial/date)
- (17) This action will have significant impacts on No  Uncertain \_\_\_ Yes \_\_\_

(1) C.E.C. No. ECAO 2020-022  
(2) Contract No.  
(3) Cost Auth. No.

species listed, or proposed to be listed, on the List of Endangered or Threatened Species, or have significant impacts on designated Critical Habitat for these species (43 CFR 46.215 (h)).

(18) This action will violate a Federal law, or a State, local, or tribal law or requirement imposed for the protection of the environment. No  Uncertain \_\_\_ Yes \_\_\_

(19) This action may violate a Federal law, or a State, and adverse effect on low income or minority populations. No  Uncertain \_\_\_ Yes \_\_\_

(20) This action will limit access to and ceremonial use of Indian sacred sites on Federal lands by Indian religious practitioners or significantly adversely affect the physical integrity of such sacred sites (Executive Order 13007). No  Uncertain \_\_\_ Yes \_\_\_

(21) This action will contribute to the introduction, continued existence, or spread of noxious weeds or non-native invasive species known to occur in the area or actions that may promote the introduction, growth, or expansion of the range of such species (Federal Noxious Weed Control Act and Executive Order 13112). No  Uncertain \_\_\_ Yes \_\_\_

(22) This action will affect Indian Trust Assets (ITA) EAR 12/25/2020 (initial/date) No  Uncertain \_\_\_ Yes \_\_\_

(23) NEPA ACTION RECOMMENDED: Categorical Exclusion   
Environmental Assessment \_\_\_  
Environmental Impact Statement \_\_\_

(24) NATURE OF ACTION (CONTINUED)

(25) ENVIRONMENTAL AND TRUST ASSET COMMITMENTS, EXPLANATION AND/OR REMARKS:

(26) PREPARER'S NAME AND TITLE: Patrick McCusker, Natural Resource Specialist

(27) APPROVED:  DATE: 2/25/2020  
Area Manager

LIST OF EXHIBITS  
Exhibit A – Project Location Map



(1) C.E.C. No. ECAO 2020-022  
 (2) Contract No.  
 (3) Cost Auth. No.

**Exhibit A – Project Location Map**

