A. Background
Senate Bill 02-087, adopted by the 2002 Colorado General Assembly, establishes the Colorado Watershed Protection Fund. House Bill 08-1241 changes the name of the Fund to the Colorado Healthy Rivers Fund (Fund). The legislation authorizes the Fund be added to the Colorado Individual Income Tax Refund Check-off Program to give taxpayers the opportunity to voluntarily contribute to watershed protection efforts in Colorado. From 2002 through 2017, the program was funded solely through the Colorado Individual Income Tax Refund Check-off Program. The fund has been modified to receive contributions on a year-round basis as well as being available as an option on the Colorado Individual Income Tax Refund Check-off Program.

The legislative declaration states:
The general assembly hereby finds and declares that the natural heritage and quality of life in Colorado are of fundamental importance to the citizens of the state, and the protection of this natural heritage and quality of life are essential to sustain economic development in the state. The general assembly further finds and declares that locally based watershed groups have emerged around the state over the past decade that are committed to collaborative approaches to the restoration and protection of lands and natural resources within Colorado’s watersheds in concert with economic development.

The general assembly recognizes that the Colorado Watershed Assembly (CWA), a nonprofit corporation, serves as a state-level umbrella organization for such local groups. The general assembly further recognizes that the citizens of Colorado may be willing to provide funds to assist in the restoration and the protection of lands and natural resources within watersheds of the state. It is therefore the intent of the general assembly enacting this part 24 to provide Colorado citizens the opportunity to support local watershed efforts by allowing citizens to make a voluntary contribution on their state income tax returns for such purpose.

The legislation provides that moneys collected in the Fund will be made available in a grant program established jointly by the Colorado Water Conservation Board (Board) and the Water Quality Control Commission, in cooperation with the Colorado Watershed Assembly. The Colorado Water Conservation Board is the state executive branch agency responsible for state water policy and planning. The Board’s mission is to promote the protection, conservation and
development of Colorado’s water resources and minimize the risk of flood damage. Its major programs include Water Supply Protection; Water Supply Planning and Finance; Conservation and Drought Planning; Watershed Protection & Flood Mitigation; Instream Flow and Natural Lake Protection; and Water Information.

The Water Quality Control Commission (the Commission) is the administrative agency responsible for developing specific state water quality policies, in a manner that implements the broader policies set forth by the General Assembly in the Colorado Water Quality Control Act. The Commission adopts water quality classifications and standards for surface and ground waters of the state, as well as various regulations aimed at achieving compliance with those classifications and standards.

The Commission annually reviews funding of watershed projects through the Water Quality Control Division - Nonpoint Source Management Area. Improving the water quality of impaired waters is a significant goal in supporting watershed projects. Watersheds are prioritized within each Commission designated basin, following the same 5-year cycle as adopted in the triennial water quality standards review process. Further details regarding the Nonpoint Source Management Area project funding process and related activities are available at the http://npscolorado.com website.

The Colorado Watershed Assembly is a statewide organization made up of more than 85 individual watershed protection groups. More specifically, CWA is an association of Colorado’s collaboration-based watershed groups that work cooperatively with state and federal agencies to resolve watershed related problems. These collaborative watershed groups that CWA supports are made up of local stakeholders with diverse interests that include municipalities, water conservancy and conservation districts, water providers, landowners, federal and state agencies and individual citizens who are working together to find cooperative and innovative solutions to local watershed problems.

The legislation establishing the Colorado Healthy Rivers Fund provides that two designees of the Board, in cooperation with two designees of the Commission, and upon consultation with the Colorado Watershed Assembly, shall administer the moneys in the Fund. The purpose of this Grant Program Guidance is to establish and describe the program for the issuance and administration of grants from the Fund.

B. Grant Approval Criteria
   1. Application Requirements
      A grant application may be submitted for locally-based watershed protection efforts, provided that the applicant is committing to a collaborative approach to the restoration
and protection of lands and natural resources within Colorado’s watersheds in concert with economic development. More specifically, an applicant must demonstrate that:

- It is a watershed effort committed to collaborative approaches, involving locally and/or regionally based diverse interests within the watershed in question, with participation open to all interested persons in the watershed;
- The lead applicant should be a local community-based organization, which could include Conservation Districts. The CHRF is not intended for federal, state or municipal governments, but their participation is encouraged;
- The purpose of its grant application is to implement or plan for a project intended to restore and/or protect the water, lands and other natural resources within the watershed;
- There is broad based involvement in and/or support for the grant application, including relevant local, state, or federal governmental entities;
- The applicant is able to provide at least a 20 percent in-kind or cash match for the activities proposed; and
- To the extent possible, there are other sources of funding contributing to the project in addition to the Colorado Healthy Rivers Fund.

You will want to have the following materials on-hand to complete your on-line application:

1. General applicant information including primary contact, project name, state watershed basin location, grant type and project sponsors.
2. List the objectives of the project. Please include objectives for all aspects of the project whether funded by the CHRF or not. (300-word limit)
3. A detailed description of each task. Detailed descriptions are only required for CHRF funded tasks. Other tasks should be identified, but do not require details beyond a brief description.
4. Project budget in tabular format to be uploaded with the application. Include rows for each task and columns for requested CHRF funding, other funding, and in-kind match.
5. Documents may be uploaded with the application in order to support the request for funding. If the project is an implementation project, the applicant is encouraged to include a link to a copy of the watershed plan in the body of the application, if such a plan exists. Letters of support from other entities and letters of financial commitment. Pertinent still photos. Maps and reports from other similar or related projects.

2. Grant Categories
Two categories of grants will be available under the Colorado Healthy Rivers Fund program: (1) Project Grants, and (2) Planning Grants. Recognizing that good planning is a
critical aspect of any project, the goal of the Commission and Board is the implementation of on-the-ground projects to restore and protect the lands and natural resources within Colorado watersheds.

Watershed restoration or protection plans and projects can be very costly, and this grant can be used as matching money for larger grants or grants that need non-federal match. Grants can be used in multi-objective projects when multiple partners and funding sources need to be managed.

**Project Grants**
These grants will support projects that promote the improvement and/or protection of the condition of the watershed. This could include projects such as participation in the development and/or implementation of total maximum daily loads (TMDLs), implementation of watershed related best management practices, flood protection, channel stability, a wide variety of other riparian, streambank and habitat restoration efforts, and post-implementation water quality and/or water quantity monitoring. The suggested maximum for this grant type is $20,000.

**Planning Grants**
Development and implementation of a successful watershed restoration or protection project requires appropriate planning. This second category of grants will support these planning efforts. Such efforts may include data collection and assessment, analysis of project alternatives, project permitting, acquisition of funding for a project, and outreach efforts to ensure the education, involvement and support of the local community. The suggested maximum amount for this type of grant is $20,000.

**3. Application Evaluation Criteria**
As a threshold matter, only grant applications that conform to the Applicant Qualifications set forth above will be considered. Grant applications that meet these qualifications will then be evaluated with respect to the following three factors:

1. How well does the applicant fit the qualifications test?
2. Does the applicant organization have the capability to accomplish the proposed work?
3. How effective is the proposal at accomplishing the legislative intent of “restoration and protection of land and natural resources within the watersheds in Colorado”?
These factors will be evaluated by applying the following criteria:

**APPLICANT QUALIFICATIONS**

Identify the lead project sponsor and all cooperators. Describe the project responsibilities of each cooperator. What is the applicant organization’s history of accomplishments in the watershed? Examples might include technical assistance, deliverable review, cash contributor, labor, volunteer coordination, etc.

Does the application represent diverse interests engaged in collaborative approaches? Is participation open to all interested parties, and is the application supported by relevant local, state, and federal agencies?

What information is the project sponsor using to develop the proposed plan or project? Include any relevant information regarding existing watershed plans, geomorphic assessments, water quality and/or water quantity monitoring, flood studies, riparian conditions assessments, aquatic/terrestrial habitat conditions, wildlife studies, and river restoration reports. Provide a brief description of the watershed and the issues in the watershed as they relate to the project. Describe the objectives of the project and how the project will measure success of the objectives.

Discuss the multi-objective aspects of the project and how they relate to each other. Describe similar activities in the watershed and how this project complements but does not duplicate those activities. Multi-objectives may include (but are not limited to) channel stabilization, mine remediation, riparian re-vegetation, habitat improvement, recreation opportunity improvement, natural hazard reduction, flood mitigation, water supply delivery improvement, fish migration improvement, and water quality data collection/analysis.

Specify in-kind services or cash contribution (match) amount for the activities proposed. Include the sources of additional cash funding. The applicant must provide at least 20% in-kind or cash match. Project applications require a cash match.

**ORGANIZATIONAL CAPABILITY**

What level of staffing will be directed toward the implementation of the proposed project/planning effort? Discuss the number of staff and amount of time dedicated for the project. Include brief resumes for each member of the active project team. Will the applicant organization utilize community volunteers in the project? If so, how many and in what capacities?
EFFECTIVENESS OF PROPOSAL
Discuss the budget, the schedule, and deliverables for the proposed project and demonstrate that they are realistic. Final reports are due at project completion and 1-year reports are required for projects that extend beyond a year.

In addition, the proposals must be submitted via the on-line application form located on the Colorado Watershed Assembly Healthy Rivers Fund webpage.

Projects from qualified applicants will be ranked based on these criteria for the purpose of determining which projects receive grant funds.

C. Grant Program Administration
1. Publicity and Promotion
The Colorado Watershed Assembly will encourage publicity to stimulate statewide awareness of the Colorado Healthy Rivers Fund and grant program. This will include making the watershed community aware of the program to stimulate grant applications and making the general public aware of the program to encourage voluntary contributions.

2. Application Process
A grant application online form will be developed by the Board and made available prior to the open application period each year. Applications will initially be reviewed by an Applications Committee consisting of Colorado Water Conservation Board staff, Colorado Water Quality Control Division staff, and representatives of the Colorado Watershed Assembly. This Applications Committee will first determine whether applications meet the threshold Application Qualifications. The Committee will then evaluate and rank the applications that meet the threshold qualifications. Based on this ranking, the Applications Committee will develop a set of funding proposals that will be forwarded to the Board and Commission designees provided for in SB02-87.

The Board and Commission may select their two respective designees according to their respective policies. These four designees will be responsible for making final decisions regarding the award of grant funds in consultation with the CWA representatives. The CWA can appoint up to two representatives.

The proposed timeline for the grant application cycle is:
- Applications available: February - application period opens
- Deadline to submit applications: March 30th
- Applications reviewed and approved: April / May
• Grants awarded: Upon approval from the CHRF Program Designees (Water Quality Control Commission and Colorado Water Conservation Board representatives)
• Final report or progress report due: At end of contract period.

3. Individual Grant Administration
Day-to-day administration of the Colorado Healthy Rivers Fund will be handled by the staff of the Colorado Watershed Assembly. This will include:
• Management and accounting for the moneys in the Fund;
• Disbursement and tracking of grant payments to grantees;
• Notification of successful and unsuccessful grant applicants of the disposition of their applications;
• Review of progress and final project reports;
• Grant compliance assurance, including grant termination if necessary;
• Project closeout for each grant; and
• Preparation of an annual report to the Board and the Commission regarding the program.

4. Funding Approval Requirements and Payment Procedure
The following additional requirements and payment guidance may apply to recipients of planning or project grants:

Submittal Requirements
• Description of Project – a paragraph stating the purpose and primary features of the project
• Tabular Summary of Schedule and Funding
• List of tasks and the cost associated with each task
• Listing of all funding sources for each task
• Milestones (dates and end products)
• Text Description for each end product – at least one sentence for each end product.
• Progress Reports are required annually and upon completion of the project, with the first report due 1-year from the contract execution date.
• A copy of the original application/proposal as well as all relevant documents listed above in electronic form.

Payment Procedure
• CWA will make 1 payment to each grantee. All payments will be based on invoices for work fully completed and approval of final report

CHRF will consider potential revisions annually to this Guidance.