

**Interbasin Compact Committee (IBCC)**  
**Statement on Role of the State in Supporting Water Supply Processes and Projects**  
**Draft Document**  
**Revised October 12, 2010**

The IBCC makes the following recommendations to promote State assistance of proposed water supply processes and projects of all sizes and types in Colorado. The IBCC determined that State support is necessary. These recommendations seek to define how State support should be provided. The recommendations focus on: coordination between and within State agencies, education of federal entities on Colorado's water supply needs, and state financial support.

1. The IBCC recommends a joint agency task force be created. This could be done through executive order and should include representatives from all State agencies involved with water supply development for the purposes outlined in 2 and 3 below.
  - a. The Department of Natural Resources will be the coordinating agency.
  - b. The task force will consist of all State agencies that might have a role in evaluating, assessing, permitting, overseeing, coordinating, or administering a proposed project. These agencies include, but may not be limited to, CWCB, the Division of Wildlife, the Colorado Department of Public Health and Environment, the Division of Water Resources, and the Attorney General's Office at the request of their client agencies. There should be one contact person from each agency.
  - c. The task force will design a clear sequential process of internal and external actions necessary to move the project through the regulatory process. The process will identify responsible parties and deadlines for each action.
  - d. Project proponents have the option to directly coordinate with and educate the task force and seek the task force's involvement, as the project proponents pursue a new water supply project or process.
  - e. The project proponent and the task force will engage in an open dialogue to help avoid, minimize, and mitigate the project's impacts per federal and state requirements.
  - f. Opinions from agencies represented by the task force shall be issued after sufficient information is provided by project proponents as detailed in the task force process.
2. The State of Colorado and its constituent agencies should seek to *solve* problems and help identify ways to overcome obstacles related to water projects rather than *make* problems and create obstacles to those projects. The IBCC recommends that State agencies act creatively and flexibly within the context of their regulatory responsibilities to facilitate the implementation of solutions to Colorado's urgent water supply needs. The joint agency task force will establish a process to coordinate multiple State agencies' evaluations, responses, and other efforts regarding water supply projects early in a project's life and in an ongoing and regular fashion.
3. The State of Colorado through the joint agency task force should be actively and regularly confer with and educate federal agencies and the State's Congressional delegation about Colorado's water supply needs and the importance of local water projects and processes to address those needs.
  - a. The Department of Natural Resources should be the coordinating agency that ensures that such consultation is occurring sufficiently and by the appropriate State agency or agencies.

- b. This direction is not intended to undermine or diminish federal agency authority or the protections provided by federal oversight. Rather, it seeks to ensure that federal agencies understand the pressing nature of the water supply issue in the state and the importance of appropriate coordination.
  - c. This direction focuses on the overall water supply needs and shortages in the state.
- 4. The State of Colorado through the legislature and directed agencies should continue to provide funding through grants and loans to local entities to assist them in evaluating and funding proposed projects.
  - a. State financial support has been critical in meeting the State's water needs. For instance, the Colorado Water Conservation Board (CWCBC) has approved over 400 loans totaling over \$700 million. In addition, CWCBC's Water Supply Reserve Account (WSRA) program has assisted over 140 water projects with over \$26 million, while leveraging over \$45 million in local and federal funds. For example, the CWCBC provided financing and a \$1 million mitigation grant for the enlargement of Elkhead Reservoir near Craig, CO. This 12,000 acre-foot enlargement is a \$30 million multi-purpose project that provides water supplies for long-term human and environmental needs. Other examples of the CWCBC providing critically important support include Chatfield Reservoir Storage Reallocation and the Animas-LaPlata Project.
  - b. Funds for such assistance should continue to be made available by the Basin Roundtables and the CWCBC through the CWCBC loan program, WSRA, and other programs that support local basin planning.
- 5. In cases where there is local and/or stakeholder disagreement about a proposed project, if the project proponent requests it, the State of Colorado and/or Interbasin Compact Committee should initiate efforts to convene stakeholders in a process that aims to resolve conflicts and address concerns. The joint agency task force shall participate in this process. The State can itself serve as the facilitator or mediator of such an effort, or it may provide financial assistance to support hiring an outside facilitator or mediator.
- 6. Once the joint agency task force has substantially completed its process and achieved consensus<sup>1</sup> that a proposed project should proceed, and the stakeholder process in #5, if any, has reached a conclusion, then the State of Colorado and its constituent agencies could become public advocates for a project.
  - a. Direction to publicly advocate for a project should come from the Governor and be shared with all State agencies.
  - b. When appropriate, the legislature could pass a resolution in support of a project.
  - c. Directors of individual State agencies could then determine how best to proceed to effectively advocate for the project.

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<sup>1</sup> Consensus means a broad general level of support.