



**COLORADO**

**Colorado Water  
Conservation Board**

Department of Natural Resources

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**TO:** Colorado Water Conservation Board Members

**FROM:** Ted Kowalski, Chief, Interstate, Federal & Water Information Section

**DATE:** November 19-20, 2014 Board Meeting

**AGENDA ITEM:** 8. Upper Colorado River Basin Fund-Memorandum of Agreement Fund Update

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**Background:** In 2011, the Upper Division Colorado River Basin States (Colorado, Wyoming, Utah, and New Mexico), the United States Bureau of Reclamation, the United States Department of Energy Western Area Power Administration, and the Colorado River Energy Distributors Association signed a Memorandum of Agreement (MOA) that authorizes the use of the Upper Colorado River Basin Fund (Basin Fund) to further the purposes of the 1956 Colorado River Storage Project (CRSP) Act (Public Law 485) through Fiscal Year (FY) 2025. The Basin Fund is comprised of funds appropriated from the US Treasury for capital projects, as well as proceeds from sales of hydroelectric power, transmission services and M&I water service sales. The Basin Fund is already used to fund important work associated with the Salinity Control Forum, the Upper Colorado River Basin and San Juan River Basin Endangered Fish Recovery Implementation Programs, and the Glen Canyon Dam Adaptive Management Working Group. This MOA authorized additional uses for operational and maintenance on CRSP facilities, among other specified purposes.

The CWCB represents Colorado in terms of the implementation of this MOA. In 2011-2012, the CWCB submitted proposals for MOA funds for FY12, FY13, and FY14. This represented an idiosyncrasy of the federal budgeting process. The original difficulties with the MOA were in finding projects related to CRSP facilities that met the criteria. The CWCB Staff relied primarily on the South Western Water Conservation District and the Colorado River Water Conservation District for providing details about proposals that would meet the appropriate criteria. In addition, the Bureau of Reclamation read the MOA in a very narrow fashion.

In response, in part, to the difficulties associated with the implementation of the MOA regarding the Basin Fund, the Bureau of Reclamation and the CWCB Staff worked together to develop a planning report for the CWCB's use. This planning report is a step forward towards identifying the vast amount of potential uses of this fund, but provides a new challenge in terms of prioritization of the use of these funds. Presently the needs greatly outstrip the availability of funds. Additional implementation challenges exist in terms of the Bureau of Reclamation's administration and overhead, and ability to dedicate resources towards contract implementation, but these challenges can be overcome.

More information is provided in the attached Report from the Bureau of Reclamation.



**Staff recommendation:** This item is informational only, but Staff will seek Board comments and suggestions for future MOA implementation prioritization.

