

COLORADO WATER CONSERVATION BOARD

Department of Natural Resources

Bill Owens, Governor

Greg Walcher, DNR Executive Director

Peter Evans, CWCB Director

HB 00-1419: THE 2000 WATER RESOURCE PROJECTS BILL

Background

The General Assembly annually authorizes new water project loans from the Construction Fund and the Perpetual Base Account of the State Severance Tax Trust Fund.

The General Assembly created the Construction Fund in 1971 to provide low-interest loans for water resource projects. In 1999, loan rates typically varied from 3 $\frac{3}{4}$ percent for agricultural loans to 5 $\frac{1}{4}$ percent for municipal loans in high-income areas to 5 $\frac{3}{4}$ percent for commercial loans. These rates are adjusted annually by the CWCB.

The Construction Fund is a partially self-supporting revolving loan fund. Revenues come from the return of principal and interest on outstanding loans, interest earned on the cash balance of the fund through investments by the State Treasurer, mineral lease fund distributions, and cash transfers by the General Assembly. By July 1999 the total equity of the fund had risen to over \$200 million.

By July 1999, the fund had financed 190 locally sponsored water projects through the loan of more than \$145 million. The CWCB may contribute up to 90 percent of the engineering and construction cost of a project. The CWCB may also loan up to 50 percent of the cost of a feasibility study. Grants limited to \$5,000 to pay for studies may also be awarded.

The Perpetual Base Account was established by the General Assembly in 1997 and is very similar to the Construction Fund. Preference is given to projects in mineral and energy producing areas.



April 6, 2000

Project Bill Highlights

► *Authorizes \$3 million for new loans;*

► *Increases the amount of money available for existing loans by \$17.7 million;*

► *Provides more than \$8 million for multi-purpose water supply studies, watershed and flood control studies and projects, emergency repairs, and financial management tools.*

For more information, contact Mike Serlet at (303) 866-3441.

The types of projects eligible for funding are specified by statute. Projects determined to be feasible by the CWCBC are recommended to the General Assembly for funding through an annual bill. Funds become available to the borrower when the bill becomes law and a loan contract with the state has been negotiated and signed. CWCBC staff negotiates contracts and monitors design and construction progress.

Water Project Loans

New Severance Tax Trust Fund Perpetual Base Account (PBA) loans:

- Owl Creek Supply and Irrigation Co. - ditch rehabilitation - \$450,000
- Town of Ridgeway - raw water pipeline - \$77,000
- Riverside Reservoir & Land Co. – diversion structure rehabilitation - \$405,000
- Jackson Lake Reservoir & Irrigation Co. – diversion structure rehabilitation - \$336,6000
- Pine River Irrigation Co. – water conveyance structures - \$300,000 (added as an amendment by the House)
- Weld County Tri-Area Sanitation District - storm drainage project - \$1,500,000

Total: \$3,068,600

Increases to existing Construction Fund (CF) and PBA loans:

(Increase/new total):

- Windsor Reservoir & Canal Company - 1996 rehabilitation project authorization \$1,155,000/\$2,357,000
- Consolidated Mutual Water District - 1999 Fortune Reservoir authorization \$6,300,000/\$16,300,000
- City of Ouray - 1999 Skyrocket Creek rehabilitation project authorization \$30,000/\$ 55,000

- Excelsior Irrigating Company - 1997 ditch rehabilitation authorization \$21,125/\$251,125
- Ute Water Conservancy District - 1999 Plateau Creek Pipeline replacement project \$10,000,000/\$26,000,000

**Total Increases/New Totals:
\$17,506,125/ \$44,963,125**

Decreases in Authorized CF loans: (decrease/new total)

- Fort Morgan Reservoir and Irrigation Company – 1987 diversion structure rehabilitation authorization \$50,000/\$0
- City of Alamosa – 1994 Conservation Conveyance Channel Rio Grande River Project authorization \$410,000/\$0
- Michigan River Water Conservancy District – 1994 Meadow Creek Dam outlet rehabilitation authorization \$97,500/\$0
- Blue Lake Owner’s Association – 1998 raw water irrigation system authorization \$900,000/\$0

**Total Decreases/New Totals:
\$1,457,500/\$0**

Funding for Projects, Programs, Accounts and Studies:

- Gunnison River Watershed Planning (CF): \$55,000
Funding will allow North Fork River Improvement Association to investigate improving stream stability, riparian habitat, and ecosystem functions along the North Fork of the Gunnison River between Paonia Reservoir and the Town of Hotchkiss in Delta County.
- Alamosa River Watershed Project Design And Construction (CF): \$300,000
Funding will be used to design and construct portions of the Alamosa River Watershed Project located along the Alamosa River from Terrace reservoir to Highway 285 near La Jara, in Conejos County. The project is designed to stabilize riverbank erosion and improve riparian habitat along the Alamosa River.
- Bosley Wash (Mesa County) Flood Control Feasibility Study And Project (CF): (\$75,000)
Funding will allow Mesa County to undertake flood control planning in Clifton between the Town of Palisade and Grand Junction. The investigation will evaluate the feasibility of watershed planning and demonstration projects to reduce flooding and future flood damage.
- Lower Elk River (Routt County) Floodplain Management Planning (CF): \$15,000
Funding will allow the Lower Elk River Flood Association to construct a stream bank stabilization and flood mitigation project. The Elk River is tributary to the Yampa River and is seven miles west of Steamboat Springs.
- South Metropolitan Water Supply Study (CF): \$100,000
Funding will be used to undertake water supply planning in the south Denver metropolitan area to evaluate the effective and economic development of local water resources before supplies are introduced from other sources such as trans-mountain diversions. The Douglas County Water Resource Authority in consultation with the Denver Water Board, Colorado River Water Conservation District, Douglas County and the CWCB will develop a scope of work.
- El Paso County Water Master Plan (CF): \$200,000
Funding will allow El Paso County to begin a water supply planning investigation to develop a master plan for rural El Paso County. The plan will identify current and future developable water resources, systems and facilities. The El Paso County Water Authority in consultation with El Paso County and the CWCB shall develop the scope of work for the master plan.
- Emergency Infrastructure Repair Loan Account (additional capital) (CF): \$1,475,000
Funding will restore the balance in the account to \$2,000,000.
- CF/PBA Comprehensive Annual Financial Reports: \$200,000
Funding will allow the CWCB to hire an independent accounting firm to annually prepare a comprehensive annual financial report and as needed, a performance audit of the Construction Fund and Severance Tax Trust Fund Perpetual Base Account programs.
- Loan Applicant Credit Reports (CF): \$5,000
Funding will allow the CWCB to obtain independent credit reports of Construction Fund and Severance Tax Trust Fund Perpetual Base Account loan applicants in order to determine the applicant's creditworthiness and financial need.

- South Platte River Sustainment Project Reconnaissance Study (CF): \$140,000.
Funding will allow the CWCB to hire a consulting firm to complete a reconnaissance study of potential water management facilities and water management options on the lower South Platte River in Colorado. The study will identify the most efficient means of managing river flows to meet obligations under the Three-State Platte River Cooperative Agreement.
- Colorado River Recovery Program Loan Account (CF): \$5,000,000
Funding will bring the balance in the account up to \$12 million. The funds will be used for loans to construct capital projects designed to recover four endangered Colorado River fish species.
- Division of Water Resources Satellite Monitoring System Maintenance (CF): \$120,000
Funding will allow the State Engineer to continue operating and maintaining 300 stream gauges throughout Colorado that are used for water administration, flood warnings, instream flow monitoring, interstate compact administration, and input data for various river decision support systems developed by the CWCB and the DWR.
- Closed Basin Project Right-of-Way Acquisition (CF): \$188,000
Funding will allow the CWCB to acquire rights-of-way from the State Land Board as required for the Closed Basin Project, to be subsequently assigned to the U.S. Bureau of Reclamation for project operations.
- Chatfield Reallocation Study (CF): \$80,000
Funding will allow the CWCB to investigate the potential for reallocation of storage from flood control to multi-purpose use, to formulate improvement plans and to obtain the necessary authority for changes.
- Water Education Program (CF): \$115,000
Funding will allow the CWCB to distribute an approved water education curriculum to teachers, to contract for services and to coordinate education programs with the Colorado Water Congress.

Total: \$8,068,000

New Account Created

- Severance Tax Trust Fund Statewide Water Planning Account.
This new account is designed to allow money appropriated to the CWCB in the long bill from the Severance Tax Trust Fund's Operational Account to be retained for more than one fiscal year for water planning projects.

For more information about this or other water resource topics you can contact the CWCB at:
 1313 Sherman Street, Room 721, Denver, CO, 80203
 Phone: (303) 866 3441. FAX: (303) 866-4474.
 Internet: www.dnr.state.co.us/cwcb.



HOUSE BILL 00-1419

BY REPRESENTATIVES Young, Alexander, Coleman, Gagliardi, George, Gotlieb, Hefley, Hoppe, Johnson, Kaufman, Kester, Larson, Miller, Nunez, Scott, Smith, Swenson, Taylor, Webster, T. Williams, and Witwer; also SENATORS Dennis, Hillman, and Tebedo.

CONCERNING THE FUNDING OF COLORADO WATER CONSERVATION BOARD PROJECTS, AND MAKING APPROPRIATIONS IN CONNECTION THEREWITH.

Be it enacted by the General Assembly of the State of Colorado:

SECTION 1. Water project loan authorizations from the severance tax trust fund perpetual base account. (1) Pursuant to section 39-29-109 (1) (a) (I), Colorado Revised Statutes, the Colorado water conservation board is hereby authorized to loan moneys from the severance tax trust fund perpetual base account to enable the construction of the following water resources projects with the following priority:

Priority	Borrower-Project	Loan Amount
(a)	Owl Creek Supply and Irrigation Co. - Ditch Rehabilitation	\$ 450,000
(b)	Town of Ridgway -	

	Raw Water Pipeline	\$ 77,000
(c)	Jackson Lake Reservoir and Irrigation Company - Diversion Structure Rehabilitation	\$ 336,600
(d)	Riverside Reservoir and Land Company - Diversion Structure Rehabilitation	\$ 405,000
(e)	Weld County Tri-Area Sanitation District - Storm Drainage Project	\$ 1,500,000
(f)	Pine River Irrigation District - Rural Domestic Water System*	<u>\$ 300,000</u>
	Total	\$ 3,068,600

* Notwithstanding any provisions of section 39-29-109 (1) (a) (I) or 37-60-119, Colorado Revised Statutes, this project is eligible for funding from the Severance Tax Trust Fund Perpetual Base Account.

(2) The Colorado water conservation board may make loans for the construction of the projects specified in subsection (1) of this section from such moneys as are or may hereafter become available to the severance tax trust fund perpetual base account. Said loans shall be in the amounts listed in subsection (1) of this section plus or minus such amounts, if any, as may be justified by reason of ordinary fluctuations in construction costs as indicated by the engineering cost indices applicable to the types of construction required for each project or as may be justified by reason of changes in the plans for a project due to differing or unforeseen site conditions, errors or omissions in the plans and specifications, changes instituted by regulatory agencies, or changes in material quantities beyond contract limits.

(3) Pursuant to section 37-60-120 (1), Colorado Revised Statutes, the board shall require such terms and conditions in such contracts as will ensure repayment of moneys made available by it. The board shall not disburse any moneys for any loan authorized by subsection (1) of this

section unless and until it is satisfied, at its sole discretion, that the recipient of any such loan will be able to make repayment pursuant to the terms and conditions established by the board and by subsection (1) of this section.

SECTION 2. Increases to prior water project loan authorizations from the Colorado water conservation board construction fund. Pursuant to section 37-60-122 (1) (b), Colorado Revised Statutes, the Colorado water conservation board is hereby authorized to loan moneys to enable or continue the construction of the following previously authorized water resources projects:

Borrower-Project	Prior Authority	Prior Amount	Increase	Revised Amount
Windsor Reservoir and Canal Co. - Canal and Dam Rehabilitation	SB96-153	\$ 1,202,000	\$ 1,155,000	\$2,357,000
Consolidated Mutual Water Company - Fortune Reservoir	SB99-173	\$10,000,000	\$ 6,300,000	\$16,300,000
City of Ouray - Skyrocket Creek Deflection Structure Rehabilitation	SB99-173	\$ 25,000	\$ 30,000	\$ 55,000
Excelsior Irrigating Company - Excelsior Ditch Rehabilitation	SB97-008	\$ 230,000	\$ 21,125	\$ 251,125
Totals		\$11,457,000	\$7,506,125	\$18,963,125

SECTION 3. Increases to prior water project loan authorizations from the severance tax trust fund perpetual base account. Pursuant to section 37-60-122 (1) (b), Colorado Revised Statutes,

the Colorado water conservation board is hereby authorized to loan moneys to enable or continue the construction of the following previously authorized water resources projects:

Borrower-Project	Prior Authority	Prior Amount	Increase	Revised Amount
Ute Water Conservancy District - Plateau Creek Pipeline Replacement Project	SB99-173	\$7,000,000	\$10,000,000	\$17,000,000
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Totals		\$7,000,000	\$10,000,000	\$17,000,000

SECTION 4. Decreases to prior water project loan authorizations from the Colorado water conservation board construction fund.

Borrower-Project	Prior Authority	Prior Amount	Decrease	Amount Remaining
Fort Morgan Reservoir & Irrigation Company - Diversion Structure Repair	SB87-15	\$ 50,000	\$ 50,000	\$0
City of Alamosa - Conservation Conveyance Channel Rio Grande River Project	SB94-029	\$ 410,000	\$ 410,000	\$0
Michigan River Water Cons. Dist. - Meadow Creek Dam Outlet	SB94-029	\$ 97,500	\$ 97,500	\$0

Blue Lake Owners Association - Raw Water Irrigation System	SB98-1189	\$ 900,000	\$ 900,000	\$0
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Totals		\$1,457,500	\$1,457,500	\$0
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SECTION 5. Satellite monitoring system maintenance - appropriation. In addition to any other appropriation, there is hereby appropriated, out of any moneys in the Colorado water conservation board construction fund not otherwise appropriated, to the Colorado water conservation board for allocation to the division of water resources, for the fiscal year beginning July 1, 2000, the sum of one hundred twenty thousand dollars (\$120,000), or so much thereof as may be necessary, for the maintenance of the satellite monitoring system established and operated pursuant to section 37-80-102 (10), Colorado Revised Statutes.

SECTION 6. Closed basin project - appropriation. (1) In addition to any other appropriation, there is hereby appropriated, out of any moneys in the Colorado water conservation board construction fund not otherwise appropriated, to the Colorado water conservation board, the sum of one hundred eighty-eight thousand dollars (\$188,000), or so much thereof as may be necessary, for the acquisition of right-of-way from the state land board as required for the Closed basin project, with said right-of-way to be subsequently assigned to the United States bureau of reclamation for project operations.

(2) The amount appropriated in this section is in addition to amounts appropriated previously for the Closed basin project. The moneys appropriated in subsection (1) of this section shall remain available for the designated purposes until the project is completed.

(3) The amount specified in subsection (1) of this section may be increased or decreased as may be justified by reason of changes made in the project plans if those changes are required by final engineering drawings and specifications or by federal or state requirements.

SECTION 7. Research effects of Paonia reservoir on the north fork of the Gunnison river - appropriation. (1) The Colorado water conservation board is hereby authorized to participate in a cooperative

planning investigation of the north fork of the Gunnison river between Paonia reservoir and the town of Hotchkiss in Delta county, Colorado, known as the Paonia reservoir research project. The purposes of the investigation will be to evaluate the feasibility of various watershed planning and demonstration projects to improve stream stability, riparian habitat, and ecosystem functions along the north fork of the Gunnison river as they pertain to the operations of Paonia reservoir. The scope of work for the planning investigations shall be developed by the north fork river improvement association composed of local citizens, governmental agencies, and local business groups interested in the North Fork valley, in consultation with the Colorado water conservation board.

(2) In addition to any other appropriation, there is hereby appropriated, out of any moneys in the Colorado water conservation board construction fund not otherwise appropriated, to the Colorado water conservation board for allocation to the north fork river improvement association, the sum of fifty-five thousand dollars (\$55,000), or so much thereof as may be necessary, for funding and administrative cost of the Paonia reservoir research project.

(3) The moneys appropriated in subsection (2) of this section shall remain available for the designated purposes until the project is completed.

SECTION 8. Alamosa river watershed project - appropriation.

(1) The Colorado water conservation board is hereby authorized to participate in the design and construction of portions of the Alamosa river watershed project located along the Alamosa river from Terrace reservoir to Highway 285 near La Jara, in Conejos county, Colorado. The purposes of the construction project are to stabilize river bank erosion and improve riparian habitat along the Alamosa river. The scope of work for the project will be developed by the board in consultation with the Alamosa river watershed project technical committee as identified in "The Conceptual Design for the Alamosa River" study as phases 1, 2, and 3. The technical committee consists of water users interested in the Alamosa river in Colorado.

(2) In addition to any other appropriation, there is hereby appropriated, out of any moneys in the Colorado water conservation board construction fund not otherwise appropriated, to the Colorado water conservation board for allocation to the Alamosa-La Jara water conservancy district, the sum of three hundred thousand dollars (\$300,000), or so much

thereof as may be necessary, for engineering and construction costs associated with implementation of the Alamosa river watershed project.

(3) The moneys appropriated in subsection (2) of this section shall remain available for the designated purposes until the project is completed.

SECTION 9. Bosley wash feasibility study and demonstration project - appropriation. (1) The Colorado water conservation board is hereby authorized to participate in a cooperative flood control planning investigation and demonstration project of the Bosley wash area located in Clifton, Colorado, between the town of Palisade and Grand Junction in Mesa county. The purposes of the investigation will be to evaluate the feasibility of various watershed planning and demonstration projects to reduce flooding and protect the basin from future flood damages. The scope of work for the planning investigations shall be developed by Mesa county in consultation with the Colorado water conservation board and will include, but not be limited to, a basinwide hydrology study, hydraulic investigation of waterway capacities, conveyance evaluations of interstate 70 and the Grand valley canal irrigation system, preparation of a basinwide master drainage plan, hydraulic capacity evaluation of the Stub ditch/Bosley wash confluence channel, and development of a project and action-plan implementation schedule.

(2) In addition to any other appropriation, there is hereby appropriated, out of any moneys in the Colorado water conservation board construction fund not otherwise appropriated, to the Colorado water conservation board for allocation to Mesa county, the sum of fifty thousand dollars (\$50,000), or so much thereof as may be necessary, to participate in the Bosley wash feasibility study, and the sum of twenty-five thousand dollars (\$25,000), or so much thereof as may be necessary, to participate in a Bosley wash drainage and flood control demonstration project.

(3) The moneys appropriated in subsection (2) of this section shall remain available for the designated purposes until the project is completed.

SECTION 10. Continuation of Lower Elk river floodplain management planning. (1) The Colorado water conservation board is hereby authorized to expend up to fifteen thousand dollars (\$15,000) from the Colorado water conservation board construction fund to continue the Lower Elk river floodplain management planning with the Lower Elk river

flood association in the construction of a streambank stabilization and flood mitigation demonstration project as identified in the Lower Elk river multi-objective floodplain management master plan. The project is located on the Elk river, tributary to the Yampa river and seven miles west of Steamboat Springs.

(2) The amount authorized in this section is in addition to amounts previously authorized for the Lower Elk river floodplain management planning and shall remain available for the designated purposes until the project is completed.

SECTION 11. South Denver metropolitan area water supply study - appropriation. (1) The Colorado water conservation board is hereby authorized to participate in a cooperative water supply planning investigation of the south Denver metropolitan area. The purposes of the investigation will be to evaluate the effective and economic development of local available water resources before renewable supplies would be introduced from other areas such as the South Platte river and ultimately from more remote sources such as transmountain watersheds. The scope of work for the planning investigations shall be developed by the Douglas county water resource authority in consultation with the Denver water board, Colorado river water conservation district, Douglas county, and the Colorado water conservation board. A study participant agreement will identify a budget approval and peer review process that will be used to manage study efforts and ensure the quality of all work products.

(2) In addition to any other appropriation, there is hereby appropriated, out of any moneys in the Colorado water conservation board construction fund not otherwise appropriated, to the Colorado water conservation board for allocation to the Douglas county water resource authority, the sum of one hundred thousand dollars (\$100,000), or so much thereof as may be necessary, to conduct a south Denver metropolitan area water supply study.

(3) The moneys appropriated in subsection (2) of this section shall remain available for the designated purposes until the project is completed.

SECTION 12. El Paso county water master plan - appropriation. (1) The Colorado water conservation board is hereby authorized to participate in a cooperative water supply planning investigation and master plan of the rural El Paso county area. The purposes of the investigation will

be to effectively identify the current and future development of water resources, systems, and facilities benefitting the residents of El Paso county. The scope of work for the master plan shall be developed by the El Paso county water authority in consultation with El Paso county and the Colorado water conservation board.

(2) In addition to any other appropriation, there is hereby appropriated, out of any moneys in the Colorado water conservation board construction fund not otherwise appropriated, to the Colorado water conservation board for allocation to the El Paso county water authority, the sum of two hundred thousand dollars (\$200,000), or so much thereof as may be necessary, to prepare an El Paso county water master plan.

(3) The moneys appropriated in subsection (2) of this section shall remain available for the designated purposes until the project is completed.

SECTION 13. Restoration of emergency infrastructure repair loan account balance. A total of one million four hundred seventy-five thousand dollars (\$1,475,000), or so much thereof as may be necessary, shall be transferred on or before June 30, 2000, from the unreserved cash in the Colorado water conservation board construction fund to the emergency infrastructure repair loan account in order to bring the balance in the emergency infrastructure repair loan account back to two million dollars (\$2,000,000).

SECTION 14. Comprehensive annual financial report - appropriation. (1) The Colorado water conservation board is hereby authorized to contract with a responsible independent accounting firm for the purpose of preparing a comprehensive annual financial report of the Colorado water conservation board construction fund and severance tax trust fund perpetual base account and, on an as-needed basis, a performance audit of the loan programs.

(2) In addition to any other appropriation, there is hereby appropriated, out of any moneys in the Colorado water conservation board construction fund not otherwise appropriated, to the Colorado water conservation board, the sum of two hundred thousand dollars (\$200,000), or so much thereof as may be necessary, to contract with an independent accounting firm to annually conduct a comprehensive annual financial report of the Colorado water conservation board construction fund and

severance tax trust fund perpetual base account and, on an as-needed basis, a performance audit of the loan programs.

(3) The moneys appropriated in subsection (2) of this section shall remain available for the designated purposes until the moneys are exhausted.

SECTION 15. Loan applicant credit reports - appropriation.

(1) The Colorado water conservation board is hereby authorized to obtain independent credit reports of Colorado water conservation board construction fund and severance tax trust fund perpetual base account loan applicants in order to determine the applicants' creditworthiness and financial need. The Colorado water conservation board is hereby authorized to expend not more than five thousand dollars (\$5,000) from the Colorado water conservation board construction fund for this purpose.

(2) In addition to any other appropriation, there is hereby appropriated, out of any moneys in the Colorado water conservation board construction fund not otherwise appropriated, to the Colorado water conservation board, the sum of five thousand dollars (\$5,000), or so much thereof as may be necessary, to obtain credit reports of Colorado water conservation board construction fund and severance tax trust fund perpetual base account loan applicants.

(3) The moneys appropriated in subsection (2) of this section shall remain available for the designated purposes until the moneys are exhausted.

SECTION 16. Article 60 of title 37, Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW SECTION to read:

37-60-121.3. Severance tax trust fund statewide water planning account - creation. (1) THERE IS HEREBY CREATED IN THE STATE TREASURY, AS PART OF THE COLORADO WATER CONSERVATION BOARD CONSTRUCTION FUND, THE SEVERANCE TAX TRUST FUND STATEWIDE WATER PLANNING ACCOUNT. THE STATE TREASURER IS HEREBY AUTHORIZED AND DIRECTED TO TRANSFER MONEYS APPROPRIATED FOR PROGRAMS OR PROJECTS WITHIN THE COLORADO WATER CONSERVATION BOARD PURSUANT TO SECTION 39-29-109 (1) (c) (I) (D), C.R.S., TO THE SEVERANCE TAX TRUST FUND STATEWIDE WATER PLANNING ACCOUNT.

(2) THE BOARD IS AUTHORIZED TO USE THE MONEYS IN THE SEVERANCE TAX TRUST FUND STATEWIDE WATER PLANNING ACCOUNT FOR PROJECTS IN COMPLIANCE WITH THIS ARTICLE. ALL INTEREST DERIVED FROM THE INVESTMENT OF MONEYS IN THE SEVERANCE TAX TRUST FUND STATEWIDE WATER PLANNING ACCOUNT SHALL BE CREDITED TO THE COLORADO WATER CONSERVATION BOARD CONSTRUCTION FUND. ANY BALANCE REMAINING IN THE SEVERANCE TAX TRUST FUND STATEWIDE WATER PLANNING ACCOUNT AT THE END OF ANY FISCAL YEAR SHALL REMAIN IN THE ACCOUNT AND SHALL NOT REVERT TO THE GENERAL FUND OR ANY OTHER FUND.

SECTION 17. 39-29-109 (1) (c) (I) (D), Colorado Revised Statutes, is amended to read:

39-29-109. Severance tax trust fund - created - administration - use of moneys. (1) (c) (I) For fiscal years commencing on and after July 1, 1997, the executive director of the department of natural resources shall submit with the department's budget request for each fiscal year a list and description of the programs the executive director recommends to be funded from the operational account of the severance tax trust fund. The state minerals, energy, and geology policy advisory board established pursuant to section 34-20-104, C.R.S., shall review the executive director's recommendation before submittal. The general assembly may appropriate moneys from the total moneys available in the operational account of the severance tax trust fund to fund recommended programs as follows:

(D) For programs within the Colorado water conservation board, up to five percent of the moneys in the operational account, WHICH MONEYS SHALL BE APPROPRIATED TO THE SEVERANCE TAX TRUST FUND STATEWIDE WATER PLANNING ACCOUNT, CREATED IN SECTION 37-60-121.3, C.R.S.

SECTION 18. Appropriations to the Colorado river recovery program loan account. (1) In addition to any other appropriation, there is hereby appropriated, out of any moneys in the Colorado water conservation board construction fund not otherwise appropriated, to the Colorado river recovery program loan account created in section 37-60-122.9, Colorado Revised Statutes, the sum of five million dollars (\$5,000,000), or so much thereof as may be necessary, for the continued implementation of section 37-60-122.9, Colorado Revised Statutes.

(2) The amount appropriated in this section is in addition to any amounts transferred previously to the Colorado river recovery program loan account. The moneys appropriation in subsection (1) of this section shall remain available for the designated purposes until the project is completed.

SECTION 19. South Platte river sustainment project reconnaissance study - appropriation. (1) In addition to any other appropriation, there is hereby appropriated, out of any moneys in the Colorado water conservation board construction fund not otherwise appropriated, to the Colorado water conservation board, the sum of one hundred forty thousand dollars (\$140,000), or so much thereof as may be necessary, for the Colorado water conservation board to contract with a consulting firm to complete a reconnaissance level study of potential water management facilities and water management options on the lower South Platte river in Colorado for the purpose of identifying the most efficient means of managing South Platte river flows to meet Colorado's obligations for participation in the three-state Platte river cooperative agreement.

(2) The moneys appropriated in subsection (1) of this section shall remain available for the designated purposes until the project is completed.

SECTION 20. Section 18 of chapter 218, Session Laws of Colorado 1999, is amended to read:

Section 18. Appropriations. (1) For the fiscal year beginning July 1, 1999, there is hereby ~~allocated~~ APPROPRIATED from the Colorado water conservation board construction fund, to the Arkansas river augmentation loan account created in section 37-60-130, Colorado Revised Statutes, the sum of two million dollars (\$2,000,000), to be used for the continued implementation of section 37-60-130, Colorado Revised Statutes. The amount ~~allocated~~ APPROPRIATED in this subsection (1) is in addition to any amounts transferred previously to the Arkansas river augmentation loan account.

(2) For the fiscal year beginning July 1, 1999, there is hereby ~~allocated~~ APPROPRIATED from the Colorado water conservation board construction fund, to the Colorado river recovery program loan account created in section 37-60-122.9, Colorado Revised Statutes, the sum of five million dollars (\$5,000,000), to be used for the continued implementation of section 37-60-122.9, Colorado Revised Statutes. The amount ~~allocated~~

APPROPRIATED in this subsection (2) is in addition to any amounts transferred previously to the Colorado river recovery program loan account.

SECTION 21. Section 1 (1) of chapter 230, Session Laws of Colorado 1986, is amended to read:

Section 1. **Project authorizations.** (1) Pursuant to section 37-60-122 (1) (b), Colorado Revised Statutes, the Colorado water conservation board is hereby authorized to loan, grant, or loan and grant moneys to enable the construction of the following water resources projects:

Priority	Project Name	Board Cost	Repayment Period (Years)	Total Repayment
1	Towaoc Pipeline	\$6,000,000	0	0
2	Rio Grande Reservoir	700,000	40	740,855
3	Jumbo Reservoir*	325,000	40	757,640
4	Elkhead Reservoir* CITY OF CRAIG - ELKHEAD RESERVOIR REHABILITATION PROJECT*	750,000	40 30	1,748,400
	Total	\$7,775,000		3,156,895

*The moneys for this project shall not be made available by the board until the board has, in its sole discretion, determined that the project is technically and financially feasible.

SECTION 22. Section 1 (1) of chapter 117, Session Laws of Colorado 1995, is amended to read:

Section 1. Project authorization. (1) Pursuant to section 37-60-122 (1) (b), Colorado Revised Statutes, the Colorado water conservation board is hereby authorized to loan moneys to enable the construction of the following water resources projects:

Priority	Name	Loan	(years)
1.	Left Hand Ditch Co. - Left Hand Valley Reservoir Spillway Enlarg.	\$ 370,000	30
2.	Red Mesa Ward Reservoir = Red Mesa Ward Res. Rehab and Enlarg. REDMESA WARD RESERVOIR AND DITCH CO. - REDMESA WARD RESERVOIR REHABILITATION AND ENLARGEMENT	\$ 2,250,000	30
3. ^a	Town of Paonia - New Reservoir	\$ 600,000	30
4.	Leroux Creek Water Users Assoc. - Rehabilitate and/or enlarge four reservoirs	\$ 150,000	30
5.	Melvin L. Thiebaud - Eureka Dam No. 1 Rehab. and Enlargement	\$ 18,750	30
6.	Windsor Reservoir and Canal Co. - Canal and Dam Rehabilitation	\$ 500,000	30
7a.	Lower Clear Creek Ditch Co. - Diversion Dam Rehabilitation	\$ 60,000	30
7b.	Colorado Agriculture Ditch Co. - Diversion Dam Rehabilitation	\$ 60,000	30

8. ^b	Hay-Bretherton Ditch Co. - Ditch Lining	\$ 20,000	20
9.	Goodhue Ditch and Reservoir Co. - Goodhue Ditch Rehabilitation	\$ 19,000	30
10.	Appleton ML 350 Ditch Co., Inc. - Rehabilitate Ditch	\$ 40,000	30
11. ^{a,b}	Morgan County Quality Water District - NCWCD Pipeline	\$ 4,260,000	30
12. ^{a,b}	City of Fort Lupton - Drill new municipal wells	\$ 354,000	30
13. ^a	Town of Palisade - Replace Cottonwood Pipeline	\$ 750,000	30
14. ^b	Castle Pines North Metro District - Rehabilitate three wells	\$ 301,500	15
15. ^a	Town of Silt - Raw Water Irrigation System	\$ 400,000	30
16. ^a	Town of Morrison - Raw Water Diversion and Pipeline	\$ 504,000	30
17. ^{a,b}	Town of Elizabeth - Drill new municipal well	\$ 437,250	30
18.	Orchard Mesa Irrigation District - Rehab. Mutual Mesa Ditch Lateral	\$ 1,000,000	30
19. ^b	Ortiz Ditch Company - Rehab. Ortiz Ditch Diversion Structure	\$ 20,000	10

20.	Buckeye Lateral Ditch Association, Inc. - Rehab. Buckeye Lateral Ditch	\$ 440,000	30
21. ^a	City of Victor - Rehab. Victor Dam No. 2	<u>\$ 600,000</u>	30
	TOTAL	\$13,154,500	

a

Loan approval contingent on the borrower being unable to obtain financing through the Colorado water resources and power development authority.

b

Loan to refinance water project wholly or partially completed.

SECTION 23. Chatfield reservoir reallocation study continuation - appropriation. (1) In addition to any other appropriations, there is hereby appropriated, out of any moneys in the Colorado water conservation board construction fund not otherwise appropriated, to the Colorado water conservation board, the sum of eighty thousand dollars (\$80,000), or so much thereof as may be necessary, to continue development of the Chatfield reservoir reallocation study by contracting with a consulting firm to complete a storage use pattern investigation and for additional field surveys and topographic mapping of the South Platte river.

(2) The amount appropriated in this section is in addition to amounts appropriated previously for the Chatfield reservoir reallocation study. The moneys appropriated in subsection (1) of this section shall remain available for the designated purposes until the project is completed.

SECTION 24. Water education program - appropriation. (1) The Colorado water conservation board is hereby authorized to participate in a water education program for K-12 students and citizens throughout Colorado. The purposes of the program are to develop and integrate a Colorado water education curriculum into existing education programs; identify mechanisms to distribute a water education curriculum to effectively supplement or coordinate with other private and public water

education programs; and convert the curriculum to compact disc format for statewide distribution. In furtherance of this program, the Colorado water conservation board may develop its own curriculum and distribution systems or use existing curriculum reviewed and approved by educators and water user groups and existing distribution networks.

(2) In addition to any other appropriation, there is hereby appropriated, out of any moneys in the Colorado water conservation board construction fund not otherwise appropriated, to the Colorado water conservation board, the sum of one hundred fifteen thousand dollars (\$115,000), or so much thereof as may be necessary, for the Colorado water conservation board to enter into contracts to complete the tasks outlined in subsection (1) of this section.

(3) The moneys appropriated in subsection (2) of this section shall remain available for the designated purposes until the project is completed.

SECTION 25. Safety clause. The general assembly hereby finds, determines, and declares that this act is necessary for the immediate preservation of the public peace, health, and safety.

Russell George
SPEAKER OF THE HOUSE
OF REPRESENTATIVES

Ray Powers
PRESIDENT OF
THE SENATE

Judith M. Rodrigue
CHIEF CLERK OF THE HOUSE
OF REPRESENTATIVES

Patricia K. Dicks
SECRETARY OF
THE SENATE

APPROVED _____

Bill Owens
GOVERNOR OF THE STATE OF COLORADO