

COLORADO WATER CONSERVATION BOARD

Department of Natural Resources

Bill Ritter, Jr, Governor

Harris D. Sherman, DNR Executive Director

Jennifer L. Gimbel, CWCB Director

HOUSE BILL 08-1346

THE 2008 WATER 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 **Construction Fund** was created in 1971 to provide low-interest loans for water projects. The fund has financed more than 335 locally sponsored water projects. The CWCB may contribute up to 90 percent of the engineering and construction cost of a project. The CWCB may also provide non-reimbursable investments for up to 50 percent of the cost of a feasibility study and other water supply investigations.

In FY 2008, loan rates vary from:

- 2.25 percent for agricultural loans;
- 3.50 percent for municipal loans in middle-income areas; to,
- 4.75 percent for commercial loans.

These rates are adjusted each fiscal year 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 fund's cash balance in the state treasury, and federal mineral royalty distributions. The total equity of the fund exceeds \$293 million. The total fund equity includes the outstanding loan portfolio, authorized projects currently under contract, authorized projects not yet under contract, and cash available for new loans.

The **Severance Tax Trust Fund Perpetual Base Account** was established by the General Assembly in 1997. Principal funding comes from the taxes paid by the producers of gas, oil, coal and other minerals.

The total equity of the Perpetual Base Account has risen to more than \$242 million. The total fund equity includes severance tax revenue, the outstanding loan portfolio, authorized projects currently under contract and authorized projects not yet under contract.



2008 Water Projects Bill Highlights

- *Authorizes more than \$70 million for new loans;*
- *Provides over \$5.0 million for satellite monitoring, water supply and planning studies, flood control and other projects.*

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Water Project Loans

New Construction Fund Loans (Sec.1):

Loan Recipient	Name of Project	County	Amount
Pagosa Area Water & Sanitation District Water Activity Enterprise	Dry Gulch Reservoir Project Land Purchase	Archuleta	\$11,217,000
Total			\$11,217,000

New Severance Tax Trust Fund Perpetual Base Account (PBA) Loans (Sec.2):

Republican River Water Conservation District Water Activity Enterprise	Republican River Compact Compliance Pipeline Project	Yuma, Phillips & Others	\$60,600,000
Total			\$60,600,000

Recommended Non-reimbursable Investments

The CWCB accepts applications for non-reimbursable projects from the Construction Fund until August 31 of each year. Applications for non-reimbursable project investments are accepted for:

1. Projects or studies of statewide impact or importance.
2. Feasibility studies and projects designed to address statewide, region wide, or basin wide issues. The Board examines whether such studies will result in new loans.

Division of Water Resources (Sec.3) Satellite Monitoring	Appropriates funds to install, maintain, and operate satellite monitored stream gauges for water rights administration as statutorily authorized.	Statewide	\$350,000
CWCB (Sec.4) Colo. Drought Mitigation & Response Plan Implementation	Implement recommendations in the 2002 Colorado drought mitigation and response plan. Program will be used to develop and implement a comprehensive and effective State drought plan.	Statewide	\$300,000
CWCB (Sec.5) Instream Flow Engineering and Tech. Support Services	Engineering support to assist staff in technical analysis and expert testimony needed to resolve instream water right acquisitions and appropriations.	Statewide	\$150,000
CWCB (Sec.6) Colorado River Augmentation Project Development	Support the Colorado river seven basin states in undertaking projects and studies for augmenting the water supplies of the Colorado river system. The seven basins will cost share all projects and studies.	Colorado River Basin	\$150,000
CWCB (Sec.7) Colorado River Compact and Mexican Treaty Issues	Funding for operating expenses & activities of Colorado's representatives associated with monitoring the Mexican Colorado River Treaty including development of shortage criteria for Mexico & protection of the Colo. River Delta	Statewide	\$150,000
CWCB (Sec.8) Colorado River Basin Water Needs Analysis	Continue to evaluate water availability in the Colorado river basin and its tributaries.	Colorado River Basin	\$500,000

CWCB (Sec.9) Continuation of the South Platte Decision Support System	Continue the development of the South Platte decision support system.	South Platte Basin	\$1,000,000
CWCB (Sec.10) Colorado River Compact State Water Rights Admin Issues/Options Study	Identify issues associated with the administration of state water rights in the Colorado river basin under terms of the Colorado river compacts, to evaluate options to avoid curtailment of uses and, if the compact terms fail to be met, curtail uses in an equitable manner.	Statewide	\$500,000
CWCB (Sec.11) Restoration of Flood Response Fund Balance	Refresh fund created to respond to flood events by documentation, forecasting, post flood mapping and flood mitigation.	Statewide	\$300,000
Local Communities (Sec. 12) Continuation of the Floodplain Map Modernization Program	Assist communities to revise and improve floodplain studies and maps. Provides the required non-federal matching dollars that are further leveraged by local cost share and in-kind services.	Statewide	\$500,000
CWCB (Sec.13) Continuation of the Colorado Flood Decision Support System	Continue developing a statewide decision support system to provide a clearinghouse of flood hazard information, flood outlook data, weather modification information, stream restoration facts and other flood related statistics to be used by engineers, floodplain managers and emergency response agencies.	Statewide	\$250,000
Water Conservation Districts (Sec.14) Continuation of the Weather Modification Program	Assist water conservation and conservancy districts with the development of cloud seeding programs to provide benefits to recreation, streams, and reservoirs through snowpack enhancement	Statewide	\$175,000
City of Greeley (Sec.15) Continuation of the Cache la Poudre River Floodway Project	Define specific improvement projects to reduce flood damage, restore the riparian environment, create recreation opportunities, improve water quality and other floodplain enhancements to the Cache la Poudre river in the City of Greeley	City of Greeley	\$150,000
CWCB (Sec.16) Climate Change Effects on Colorado Water Resources Study	Develop and implement a water adaptation strategy to address potential impacts from climate change and variability on Colorado's water resources.	Statewide	\$100,000
CWCB/Purgatoire River WCD (Sec.17) Purgatoire River Channel Capacity & Improvement Study	Participate in a U.S. Army Corps of Engineers study to determine the safe channel capacity of the Purgatoire River during flood releases downstream of Trinidad dam including through the City of Trinidad, and propose capacity enhancement projects.	Purgatoire Basin	\$50,000
CWCB/Southeastern Colorado WCD (Sec.18) Ark River Basin Water Quality Baseline Study	Conduct a study with the USGS to develop a reliable water quality data network and database for the Arkansas River basin by collecting and analyzing existing data sources and developing a strategy to fill data and analysis gaps.	Arkansas River Basin	\$100,000

CWCB (Sec.19) Wild and Scenic Rivers Study	Work with in-basin stakeholders to explore alternatives to wild and scenic designations, and to explore alternatives that would fall within the wild and scenic designation process.	Statewide	\$400,000
CWCB (Sec.20) High Resolution Gridded Sublimation Estimate Study	Provide high resolution estimates of processes that remove moisture from snowpack by developing & testing a low cost network of instruments for measuring snowpack moisture losses in the Colorado & S.Platte river basins.	Statewide	\$65,000
CWCB (Sec.21) Denver Basin Pumping Optimization Model	Perform groundwater modeling to optimize pumping locations and rates with respect to model-computed water level declines & storage depletions of the Denver Basin Aquifers	Denver Basin Aquifers	\$84,000
CWCB/Colorado Water Resources Research Inst. (Sec.22) Agricultural Water Conservation Clearinghouse & Canal Efficiency Study	Develop an internet web based searchable database of agricultural water conservation information and to develop management strategies for Sago pondweed, a submersed aquatic plant causing problems in irrigation canals along Colorado' front range.	Statewide	\$30,000
CWCB (Sec.23) Estimated 2005 Water Use in Colorado	Participate with the USGS to present the 2005 Colorado water-use data compiled for the USGS national water use information program in a published report specifically for Colorado to be used in decision support systems & other statewide programs.	Statewide	\$67,000
		Total	\$5,371,000

Other Provisions

Statutory Revisions: Three proposed revisions to the Colorado Revised Statutes are included in this year's bill to **1)** to provide contracting and spending authority for the CWCB to undertake mitigation and construction related activities, to effectuate the delivery of water stored in Chatfield Reservoir (**Sec.25/26**), **2)** to authorize the utilization of \$1 million from the Colorado Water Conservation Board Construction Fund for the purpose of acquiring water rights for instream flow purposes (**Sec.27/28**), and **3)** clarifies the requirement of covered entities to develop water conservation plans that minimally include certain plan elements (**Sec.30**).

Session Law Revisions: the bill amends the 2005 Water Projects Bill, SB05-084, revising a feasibility study from a reservoir study to a flood control mitigation study using authorized non-reimbursable funds (**Sec.24**).

Tamarisk Control Grant Program: authorizes the state treasurer to transfer \$1 million from the unobligated balance of the Severance Tax Operational Account into the CWCB Construction Fund for the purpose of funding a Tamarisk Control cost-sharing Grant Program (**Sec.29**).

Notes

Provisions included in the 2007 Construction Fund Projects Bill allow the CWCB to approve loans up to \$10 million without legislative authorization. A report detailing the 15 loans made in 2007, valued at over \$19 million, was presented to the House and Senate Agriculture Committees January 11, 2008. Copies of the report are available upon request.

Water Project Construction Program – Project Data

Applicant: Division of Water Resources and Colorado Water Conservation Board		
Project Name: Satellite-linked Monitoring System and Flood Hardening Program		Project Type: Stream Gaging
County: Statewide	Drainage Basin: Statewide Drainage Basins	Water Source: N/A
Total Study Cost: \$350,000		Funding Sources: CWCB
CWCB Investment: \$350,000	Interest Rate: N/A	Term: N/A

This project entails the continued, long-term operational viability of the State Satellite Linked Monitoring System, which is administered by the Division of Water Resources (DWR). It also involves the continued implementation of the joint DWR/CWCB Flood Hardening Program. The Satellite-linked monitoring system, which is comprised of over 450 satellite-gaging stations, requires continued renovation and flood hardening of existing gages, replacement of outdated data collection platforms and upgrades to transmission components. In addition, many existing gaging stations need to be modified to provide critical stream flow data for flood warning and low flow monitoring. Changes in technology, which will ultimately increase reliability and real time data transmission rates will require the DWR to continue to upgrade the system in the future. The costs associated with the continued refurbishment and operational viability of the system is approximately \$300,000 per year. The associated flood hardening cost are \$50,000 per year.

Water Project Construction Program – Project Data Non-Reimbursable Investment

Applicant: Colorado Water Conservation Board

Project Name: Drought Mitigation and Response Plan Implementation Program

County: Statewide

Drainage Basin: Statewide

Water Source: N/A

Total Project Cost: \$300,000

Funding Sources: CWCB

Type of Applicant: State Agency

Median Household Income: N/A

CWCB Investment: \$300,000

SUMMARY

The Drought Mitigation and Response Plan Implementation Program seeks to implement the recommendations outlined in the Board approved Updated Information Provided in Support of the 2002 Colorado Drought Mitigation and Response Plan. Anticipated activities under the Program include:

- Comprehensive update to the 2002 Colorado Drought Mitigation and Response Plan
- Expanded statewide water conservation and drought planning efforts, including education opportunities for decision makers and the public.
- Continued work on a statewide climate change initiative tied to drought planning efforts and the need for comprehensive water adaptation strategies to deal with potential water shortages.
- Ongoing participation in the National Integrated Drought Information System (NIDIS) early drought warning system in the upper Colorado River Basin
- Plan and host additional Statewide Drought Conference(s).
- Plan and host a series of regional Drought Planning and Mitigation Workshops at various locations throughout the state.
- Prioritize completion of local Drought Plans and Vulnerability and Risk Assessments, through the provision of public information/education as well as technical and financial assistance.
- Review and potential revisions to technical drought planning toolbox components, including updated Guidance for developing local Water Conservation and Drought Mitigation Plans.
- Develop a database to track key information in local Drought Plans and to allow better integration into future Drought Plan updates.
- Support the investigation of potential future climate change and drought impacts through use of Colorado's Decision Support System models.
- Provide seed funding for expanded stream gage improvements, ground water monitoring wells, water system improvements, climate monitoring stations to monitor, assess, and predict future water supplies and vulnerabilities to water supplies due to potential impacts from climate change.

Water Project Construction Program – Project Data

Applicant: Colorado Water Conservation Board

Project Name: ISF Engineering and Technical Support Services

Project Type: Engineering Support Services

County: Statewide

Drainage Basin:
Statewide Drainage
Basins

Water Source: N/A

Total Study Cost: \$150,000

Funding Sources: CWCB

CWCB Investment: \$150,000

Interest Rate: N/A

Term: N/A

This project entails the continued implementation of a statewide engineering and technical support services program to help address consulting engineering and other professional service needs of the Colorado Water Conservation Board's Instream flow and Natural Lake Level Program. The fund will be used to retain consultants to perform engineering support services for the protection of the Board's existing instream flow water rights, providing justification for new appropriations, and providing technical analysis for the transfer of acquired water rights to instream flow use on an as needed basis. In addition, the fund will be used to retain other personal services contract or temporary employees to provide technical and/or data maintenance assistance to ISF program staff.

The CWCB relies upon sound technical investigations to appropriate, acquire, and protect instream flow water rights throughout the state. Due to an increase in water court activities, the workload for the CWCB staff responsible for the protection of the CWCB's existing instream flow water rights continues to grow. For example, resume review activities including injury analyses that provide justification for filing of Statements of Opposition requires significant staff resources. In addition, technical investigations are needed to process the acquisition of senior water rights and to provide technical support and expertise to change the historic uses of the acquired water to instream flow use.

Likewise, engineering support services may be needed to conduct water availability analysis for streams on which the Board is considering appropriating new instream flow water rights. This includes determination of the amount of water that is physically available for the Board's appropriation by analyzing available gage records, analyzing water diversions and call records, using available stream flow models, and developing stream flow models or utilizing appropriate standard methods to develop hydrographs to predict the natural (virgin) streamflows for the each stream under consideration.

Staff initially requested funding for these services in 2005, and \$50,000 was made available in 2006. However, in 2006, staff used available CWCB personal services funds to hire a number of temporary employees to provide needed technical engineering assistance, and as a result funds for this project were not immediately needed. In 2007, staff began utilizing these funds and contracted with two additional part-time contract employees to assist with data maintenance and technical and legal investigations related to new appropriations and acquisitions. These employees are currently under contract and it is anticipated that they will continue to work for the ISF program through this year. In 2008, several field interns will also be hired to collect ISF data and provide support to staff in the appropriation of new ISF water rights.

Water Project Construction Loan Program – Project Data
Non-Reimbursable Investment

Applicant: Randy Seaholm for Colorado Water Conservation Board (CWCB)

Project Name: Colorado River Augmentation Projects – Cost Share

Project Type: Water Supply Protection Section - Colorado River Augmentation

Counties: Various

Drainage Basin: Colorado River

Water Source: Colorado River Basin

Amount Requested in FY2008-2009: \$ 150,000

Estimated Total Project Cost: Unknown

Pursuant to the 7-Colorado River Basin State Agreement, Board staff has been participating in a joint study sponsored by the Southern Nevada Water Authority for the benefit of all 7-Colorado River Basin States looking at both short-term and long-term options for augmenting the water supplies of the Colorado River System. Two potential short-term augmentation options have been identified at this time, weather modification and tamarisk removal. As augmentation projects are identified for implementation, the Colorado River Basin States have agreed to cost share in those efforts. This request is to provide for Colorado's cost share in those efforts. The Colorado River Basin States will utilize these funds in conjunction with any federal dollars or dollars from other sources to fund work in those areas. The overall purpose for this expenditure of \$150,000 is to protect Colorado's compact apportionment in the process.

Colorado has had an ongoing weather modification program for several years and the CWCB has also been involved with the Tamarisk Coalition in the identification of the Tamarisk problem and is beginning to undertake some Tamarisk control projects. These funds would be in addition to Colorado's current programs and responsibilities and used specifically to cost share in Colorado River Basin augmentation projects agreed to by the 7-Colorado River Basin.

Water Project Construction Loan Program – Project Data
Non-Reimbursable Investment

Applicant: Randy Seaholm for Colorado Water Conservation Board (CWCB)

Project Name: Colorado River Delta and Mexican Treaty Issues

Project Type: Water Supply Protection - Colorado River Compact, Mexican Treaty and Colorado River Delta Issues

Counties: Not Applicable, Basinwide

Drainage Basin: Colorado River

Water Source: Colorado River within Mexico, including tributaries and groundwater aquifers

Amount Requested in FY2008-2009: \$ 150,000 from the CWCB Construction Fund

Estimated Total Project Cost: \$ 150,000

Board staff has either been monitoring or working on issues associated with the development of shortage criteria for Mexico, opportunities in Mexico to augment the Colorado River System, and water supplies for the Colorado River Delta in Mexico. The overall purpose for this expenditure of \$150,000 is to protect Colorado's compact apportionment in the process. This will be done in cooperation with the Departments of Interior and State, the Bureau of Reclamation, the IBWC, the 7-Colorado River Basin States and major water and power users. The geographic focus of this effort will be on the Colorado River and Colorado River Delta in Mexico. As the IBWC discusses these issues with Mexico it may become necessary for Colorado to become more deeply involved in those discussions in order to protect the States' interests in Colorado River water.

Board Staff has previously been involved in issues with Mexico, including control of salinity in the Colorado River (Minute 242 of the Treaty) which ultimately led to the establishment of the Colorado River Salinity Control Program. More recently staff was involved in the efforts by Mexico and environmental groups to obtain water from the Colorado River for the benefit of wetlands that had developed along the "Main Outlet Drain" and the Santa Clara Slough (Colorado River Delta). This work led to Minute 306 of the Treaty in 2000.

Water Project Construction Program – Project Data
Non-Reimbursable Investment

Applicant: Ray Alvarado for CWCB

Project Name: Colorado River Water Availability Study

Project Type: Water Supply Study

County: Several

Drainage Basin: Upper Colorado River

Water Source: Upper Colorado River and tributaries

Total Study Cost: \$1 million, requesting \$500,000 with this application

Funding Sources: CWCB Construction Fund

Type of Applicant: Grant

Median Household Income: N/A

CWCB Investment: Currently \$500,000

This request is for additional funding for the SB 07-122 Colorado River Water Availability Study. In SB 07-122 the General Assembly provided \$500,000 to conduct the study. With the writing of the scope and our meetings with the IBCC committee, it is apparent that the \$500,000 provided will not be enough to complete the work SB 07-122 requires. **For FY 07-08, an appropriation of \$500,000 is being sought from the Construction Fund to complete the first two phases of the study.** The program was initially funded in 2007 under SB 07-122, from the Construction Fund. The current total of non-reimbursable investment in the Colorado River Water Availability Study is \$1,000,000.

Water Project Construction Program – Project Data
Non-Reimbursable Investment

Applicant: Ray Alvarado for CWCB

Project Name: South Platte Decision Support System (SPDSS)

Project Type: Decision Support System

County: Several

Drainage Basin: South & North Platte River Basins

Water Source: South & North Platte Rivers and tributaries

Total Study Cost: \$10-15 million, requesting \$1.0 million with this application

Funding Sources: CWCB Construction Fund

Type of Applicant: Grant

Median Household Income: N/A

CWCB Investment: Currently \$10 million

This request is for the continued implementation of the CWCB South Platte Decision Support System (SPDSS). The implementation of the SPDSS is anticipated to take a total of 6 to 7 years to complete as described in the feasibility study and approved by the Board. The SPDSS is currently in its fourth year of implementation. SPDSS is part of the CWCB long-range plan related to the CDSS effort, which is to have a decision support system for each river basin in Colorado. **For FY 07-08, an appropriation of \$1,000,000 is being sought from the Construction Fund to complete the CWCB SPDSS program.** The SPDSS was initiated in 2001 with the approval of \$2,000,000 from the construction fund. The program was again funded in 2002 and 2004, with the approval of \$2,000,000 and \$2,500,000 respectfully, from the Construction Fund. No funds were requested in 2003. In 2005, the program was funded for \$1,500,000 and in 2006 and additional fund request of \$2,000,000 was made. The current total of non-reimbursable investment in SPDSS is \$10,000,000.

Water Project Construction Loan Program Project Data
Non-Reimbursable Investment

Applicant: Randy Seaholm for Colorado Water Conservation Board (CWCB)
In Cooperation with Ken Knox, Acting State Engineer and
Carol Angel, Colorado Attorney Generals Office

Project Name: Colorado River Curtailment Studies

Project Type: Study of Colorado River Compact curtailment alternatives for use in the
development of curtailment rules for Colorado River water users

County: Statewide

Drainage Basin: Colorado River Basin and those portions of other drainage basins using
Colorado River water

Water Source: Colorado River and tributaries

Amount Requested in FY 2008-2009: \$500,000

Estimated Total Project Cost: \$ 500,000

Funding Sources: CWCB Construction Fund

Type of Applicant: Government Grant – New Project

The recent multi-year drought and increasing interstate and intrastate demands on the Colorado River has demonstrated that a curtailment of uses of Colorado River water in the Upper Colorado River Basin and in Colorado is possible under the terms of the Colorado River Compact. The Upper Colorado River Basin States have an obligation under the Compact to assure that the 10-year running average of flows at Lee Ferry, Arizona does not fall below 75 million acre feet (maf). The Upper Colorado River Basin States also have an obligation to provide one-half of any deficiencies in the 1.5 maf delivery requirement to Mexico pursuant to the 1944 Treaty with Mexico. The State of Colorado needs to have a plan for curtailing its uses of Colorado River water in an orderly and equitable fashion should such curtailments be required.

The purpose of this study is to gather data (hydrologic, pre & post compact water rights, locations, uses, etc.), identify issues associated with the actual curtailment of uses and to evaluate alternative methods of curtailing Colorado River water users within the State should the terms of Colorado River Compact fail to be met. The effort will necessarily involve some legal research on various issues. The results of the study will be used by the Colorado Division of Water Resources and State Engineer (SEO) to develop administration alternatives and inform decisions leading to the development of curtailment rules for use in water right administration should curtailments pursuant to the terms of the Colorado River Compact become necessary.

Water Project Construction Program - Project Data

Non-Reimbursable Investment

Grantee: Colorado Water Conservation Board **County:** Statewide

Project Name: Colorado Flood Response Program Fund (revised)

Project Type: Program Funds for post event floodplain mapping, flood forecasting, aerial photography, flood mitigation and flood documentation

Drainage Basin: All River Basins in Colorado

Water Source: N/A

Total Project Cost: \$300,000

Funding Source: CWCB Const. Fund

Type of Grantee: State Government

Median Household income: N/A

CWCB Non-Reimbursable Inv.: \$300,000 (refresh up to) **Interest Rate:** N/A **Term:** N/A

The CWCB and General Assembly authorized \$150,000 for the Flood Response Program Fund (Fund) in the 2001 Construction Fund Bill. The Fund was created to give the CWCB the ability to quickly respond to events and have program funds for: flood documentation, flood forecasting and outlooks, post event floodplain mapping, aerial photography, and flood mitigation. This amount was increased in the 2007 Construction Fund Bill to \$300,000 to reflect the increased cost of performing existing functions plus the added services. Previous separate accounts for the added services were rolled into the Fund for the sake of efficiency and accountability.

The current request is to once again refresh the Fund up to \$300,000 for FY 08/09 for: 1) preparation of flood documentation reports for actual events, 2) contract with consulting firms for flood forecasting and weather outlooks during the spring/summer flood season, plus a web-based daily flood threat bulletin, 3) ongoing work and increased demand for evaluating and producing 100-year flood and debris flow hazards in areas affected by natural disasters, 4) assist in flood mitigation activities in communities where flood loss reduction is needed, and 5) develop on-call services for digital/aerial imagery and mapping for post-flood documentation/flood hazard identification. Staff recently added capabilities to enhance the NWS products and to provide regional flood outlooks. There is a growing need to re-evaluate flood hydrology, hydraulics, and levees for use in floodplain studies across as well. **There have not been large flood disasters recently, so Staff has responsibly used the Fund as needed and recognizes that the fully authorized amount would be used major flood years.** Recent Fund expenditures are:

FY06

Intern Fees	Flow Data Development	\$2,800
Larimer County	Boxelder Creek Flood Mitigation Master Plan	\$15,000
Colorado Press Service	Newspaper Flood Clippings	\$280
HDR Engineering	Weather and Flood Forecasting	\$7,900
Ayres Associates	Flood Documentation	\$33,838
UDFCD	Boulder Creek Flood Exercise	\$7,500
PPACG	Fountain Creek Flood Mitigation Study	\$3,850
	Section Operating Expenses	\$3,191

FY07

Environmental Systems	Flood Research	\$810
Colorado Press Service	Newspaper Flood Clippings	\$135
HDR Engineering	Weather and Flood Forecasting	\$35,745
ICON Eng	Flood Documentation	\$42,869
	Section Operating Expenses	\$2,756

FY08 (to date)

HDR Engineering	Weather and Flood Forecasting	\$51,571
Larimer County	Boxelder Creek Flood Mitigation Preliminary Design	\$25,000
TOTAL		\$233,245

Water Project Construction Program – Project Data Non-Reimbursable Investment

Applicant: Colorado Water Conservation Board

County: Statewide

Project Name: Colorado Floodplain Map Modernization Program

Project Type: Matching Funds for Federal Grants

Drainage Basin: All River Basins in Colorado

Water Source: N/A

Total Project Cost (Annual): \$1,900,000

Funding Source: CWCB Const. Fund

Type of Grantee: State Government

Median Household income: N/A

CWCB Non-Reimbursable Inv.: \$500,000 (up to)

Interest Rate: N/A **Term:** N/A

Colorado has received over \$6.7 million in federal grant dollars for floodplain mapping activities as part of the floodplain Map Modernization Program (Program) initiated by FEMA in 2003. The FEMA funds are being matched by CWCB and local cost-share dollars to implement the map update work to create new digital countywide maps. The initial Program funds authorized in the 2003 and all subsequent Construction Fund Bills have provided the required non-federal matching dollars (80/20 cost share program). The State funds are further leveraged by local cost share dollars and in-kind services from many communities thus far. The total funding amounts have been instrumental in keeping Colorado as a lead state within FEMA Region 8 and will continue to benefit Colorado communities in the future. It is expected that significant FEMA funding will continue as long as the Program exists. Program deliverables will become part of the proposed Flood DSS system to increase data capture and enhance Colorado's decision support tools.

The Program potentially impacts the entire state, and the objective is to develop updated countywide floodplain maps using current base map information within a digital environment. The use of GIS technology will be employed for all new countywide studies for ease of distribution, updating and viewing. The table below summarizes funding provided by the CWCB and FEMA/Local governments for CWCB managed projects (in progress or completed).

County	CWCB Funds	FEMA/Local Funds
Archuleta	\$70,990	\$249,220
Boulder	\$11,726	\$413,330
Clear Creek	\$2,950	\$124,105
Delta	\$21,630	\$277,763
El Paso	\$ 75,635	\$1,120,710
Fremont	\$8,091	\$146,240
Garfield	\$30,000	\$325,000
La Plata	\$74,200	\$363,900
Larimer	N/A	\$524,972
Mesa	N/A	\$435,780
Montezuma	\$53,000	\$291,800
Park	\$18,800	\$165,200
Pueblo	\$62,410	\$613,610
Summit	\$21,098	\$189,876
Teller	\$23,100	\$207,900
Weld	\$115,000	\$628,230

Water Project Construction Program – Project Data
Non-Reimbursable Investment

Applicant: Ray Alvarado for CWCB

Project Name: Flood Decision Support System (Flood DSS)

Project Type: Decision Support System

County: Several

Drainage Basin: Several

Water Source: Statewide

Total Study Cost: \$500,000 to \$750,000, requesting \$250,000 with this application

Funding Sources: CWCB Construction Fund

Type of Applicant: Grant

Median Household Income: N/A

CWCB Investment: Currently \$300,000

This request is for the continued implementation of the CWCB Flood Decision Support System (Flood DSS). The implementation of the Flood DSS is anticipated to take a total of 2 to 3 years to complete as described in the pilot study. The Flood DSS is in the process of sending out an RFQ for the implementation based on the recommendations listed in the pilot study. **For FY 07-08, an appropriation of \$250,000 is being sought from the Construction Fund to complete the CWCB Flood DSS program.** The Flood DSS was initiated in 2005 with the approval of \$50,000 from the Severance Tax operational for the pilot study. The program was again funded in 2007, with the approval of \$250,000 again from the construction fund. The current total of non-reimbursable investment in the Flood DSS is \$250,000.

Water Supply Finance and Construction Program – Project Data

Grantee: Colorado Water Conservation Board **County:** Statewide

Project Name: Weather Mod Local Water Users Cost Share Assistance

Project Type: State cost-share with water conservancy districts, water conservation districts, and other water providers for winter-time weather modification to enhance snowpack and streamflow.

Drainage Basin: All River Basins in Colorado **Water Source:** N/A

Total Project Cost: \$600,000 (estimated 07-08) **Funding Source:** CWCB Const. Fund

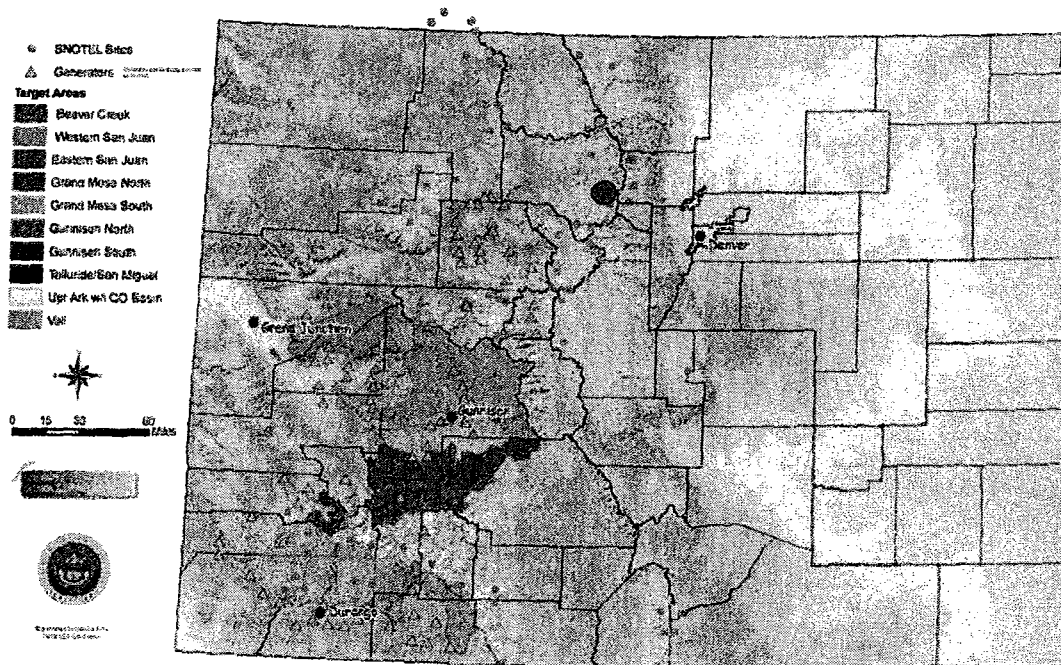
Type of Grantee: Local Government **Median Household income:** N/A

CWCB Non-Reimbursable Inv.: \$175,000 **Interest Rate:** N/A **Term:** N/A

SUMMARY

The purpose of this request is to make CWCB funding available to local water users to cost-share in operations, equipment upgrades, and independent evaluations. The current wintertime cloud seeding programs and generators are shown on the map for: Grand Mesa, Gunnison Basin, Arkansas Basin Water Users, Southwest Basins, and the Upper San Miguel Basin. In addition Denver Water renewed their cloud seeding permit and will have small target area at Winter Park Ski Resort in the first year of their new five year permit.

Weather Modification Sites and Target Areas



● = New target area for Denver Water is Winter Park Ski Resort

Project Impact Area

Water Project Construction Program – Project Data Non-Reimbursable Investment

Applicant: Colorado Water Conservation Board **County:** Weld

Project Name: Cache La Poudre General Investigation Study

Project Type: City of Greeley/Corps of Engineers General Investigation Study for environmental restoration and flood damage reduction in and around Greeley.

Drainage Basin: South Platte River

Water Source: Cache La Poudre River

Total Project Cost: \$1,560,608 (planning)

Funding Source: CWCB Const. Fund

Type of Grantee: Local Government

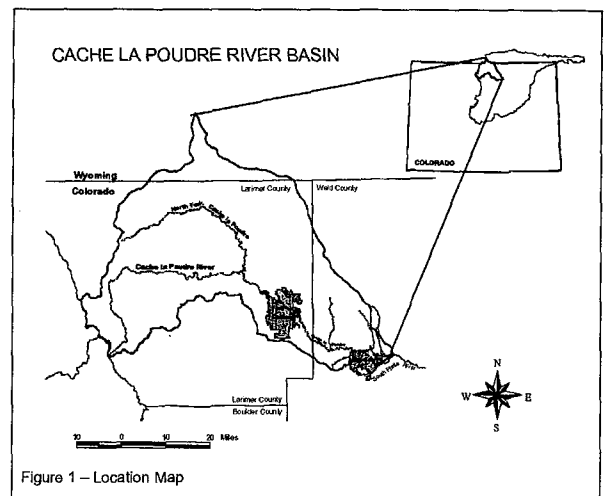
Median Household income: N/A

CWCB Non-Reimbursable Inv.: \$150,000

Interest Rate: N/A **Term:** N/A

The City of Greeley received \$150,000 in CWCB funding through the 2003 Construction fund Bill to match with City funding as part of a 50/50 (cost share) General Investigation Study with the U.S. Army Corps of Engineers (Corps). The purpose of the study is to look at the feasibility of flood damage reduction and environmental restoration in a 17 mile reach within and adjacent to the City of Greeley. Significant flooding in 1999 impacted the northeast part of the City in residential and industrial neighborhoods. Following the flood event, a Project Management Plan and the Federal Cost Share Agreement were developed and finalized. The total project cost estimate is \$1.5 million. Once the Cost Share agreement was in place, the CWCB contracted with Greeley to convey the CWCB matching funds, in February 2006, through contract # 06 PDA 00068. The performance goals of the Corps study include: cultural resources, biology, socio-economic studies, real estate, hydrology, floodplain conditions, hydraulics, Geotechnical, GIS, cost engineering and plan formulation.

The primary objectives of this study are to determine the most beneficial plan to reduce the flood threat to Greeley and improve the riparian ecosystem of the Cache La Poudre River. The previously mentioned studies were aimed at getting the project to a Decision Point, which is the recommended plan for flood damage and environmental restoration projects. The original contract between the CWCB and Greeley was exhausted in 2007, and the Corps had completed most of the model development and necessary background studies. The current request for a Const. Fund Non-reimbursable investment is for an additional \$150,000 in order to continue to match the City of Greeley for achieving the Decision Point. Dave Wells, project manager for the City, presented to the CWCB Members in September 2007 and explained how the CWCB funding and continued State interest in the project will help reduce future flood losses. The partnership is crucial to the ongoing success of the project and is keeping the City and the Corps focused on project goals. If approved, the CWCB funding for Greeley will be used to contract for work tasks, studies, and performance items in the Corps Project Management Plan.



Water Project Construction Program – Project Data Non-Reimbursable Investment

Applicant: Colorado Water Conservation Board

Project Name: Analysis of Climate Change Effects on Colorado Water Resources Study Project

County: Statewide

Drainage Basin: Statewide

Water Source: N/A

Total Project Cost: \$100,000

Funding Sources: CWCB

Type of Applicant: State Agency

Median Household Income: N/A

CWCB Investment: \$100,000

SUMMARY

In order for Colorado to plan effectively for potential water supply impacts from climate change, it is important to understand how and why climate may change in the future and how that may affect the resources upon which the water utility industry depends. The Climate Change Effects on Colorado Water Resources Study Project will include the following activities:

- Explore, compare, and contrast future climate scenarios to be used at the regional level
- Assist in ongoing efforts to superimpose those potential changes on water resource systems to assess system reliability
- Participate in ongoing efforts currently underway by federal agencies, and large water providers in the State, to develop appropriate hydrologic models
- Identify the mechanisms necessary for such hydrologic modeling to be fully integratable in the State's Decision Support Systems
- Analyze how potentially altered streamflow patterns affect water supplies based on new and different call patterns
- Assist water users in their efforts to identify their most critical vulnerabilities, articulate the causes for those vulnerabilities and provide technical assistance
- Assist water users to analyze how climate change and vulnerability, and climate extremes might exacerbate those vulnerabilities
- Collaborate with federal, state, and local water provider efforts to design an analytic process to better address and solve the vulnerability in the face of climate uncertainty
- Provide assistance to water provider in developing a method of decision analysis to narrow in on optimal options for adapting to climate change and variability

While several of Colorado's larger water providers are currently engaged in proactive climate change/adaptive management studies, many mid-size and the majority of the smaller providers lack the tools and resources to begin these analysis. Every effort will be made to leverage to the maximum extent possible appropriated funds for this project to optimize the benefits to as many water users around the State that are working on or contemplating integrating climate change impacts on their system reliability.

Water Project Construction Program – Project Data Non-Reimbursable Investment

Applicant: Steve Miller, CWCB; in cooperation with
Purgatoire River Water Conservancy District
Project Name: Purgatoire River Channel Capacity and Improvement Study
Project Type: Study
County: Las Animas
Drainage Basin: Purgatoire River, a major tributary in the Arkansas Basin
Water Source: Purgatoire River
Total Study Cost: \$100,000 – 200,000 in multiple phases
Funding Sources: Construction Fund
Type of Applicant: CWCB staff and local WCD
Median Household Income: N/A
CWCB Investment: \$50,000

Trinidad Dam is a feature of the Trinidad Project which impounds the Purgatoire River upstream of the City of Trinidad to provide flood control and water supply to the city and lands below, as well as recreation and fishery benefits at Trinidad Lake State park. The project was built by the US Army Corps of Engineers in the 1970's. The US Bureau of Reclamation is manages the irrigation components of the project which are repaid by the Purgatoire River Water Conservancy District ("PRWCD"). Pursuant to the Arkansas River Compact the project is considered a post compact development, and may not materially deplete useable Stateline flows beyond historical uses prior to 1949. Flood control operations at Trinidad must therefore pass all flood inflows at the maximum possible rate limited only by the safe channel capacity through Trinidad in order to not deprive downstream rights, including John Martin Reservoir, an opportunity to utilize historical flood flows.

Since construction of the dam the channel below the reservoir has deteriorated due to vegetative encroachment and land use changes. It is believed that the channel cannot carry the design flood release of 5,000 cfs, and uncertainty as to whether the currently designated release rate of 3,000 cfs can be safely carried. Lower release rates are of concern to downstream water users, particularly the State of Kansas, who benefit from high flood flows, but understand the life and property risks of exceeding the safe channel capacity. Lower release rates also removes a portion of the flood control benefit the project was designed to provide since the flood control space cannot be evacuated as originally designed.

The study proposed by the U.S. Army Corps will be divided into phases. Phase 1 will consist of surveying, mapping, hydraulic modeling and analysis, and a report determining the actual safe channel capacity under current conditions and identifying channel restrictions. Subsequent work will attempt to identify measures that can restore the channel capacity to the original project design condition. The Corps and USBR have indicated an ability to provide approximately half to 2/3 of the Phase 1 cost during the next 18-24 months. Phase 2 funding is not available at this time, and no Board funds would be used for that purpose until suitable non-state cost-share was obtained. The PRWCD is not directly responsible for flood control operations and is not being asked for a financial contribution to Phase 1, but the local project sponsor will provide coordination and local input.

Water Project Construction Program – Project Data
Non-Reimbursable Investment

Applicant: Steve Miller, CWCB; in cooperation with
Southeastern Colorado Water Conservancy District
Project Name: Arkansas River Basin Water Quality Baseline Study
Project Type: Study
County: Lake, Chaffee, Fremont, Pueblo, Crowley, Otero, Bent, Prowers
Drainage Basin: Arkansas Basin from headwaters to Kansas Stateline
Water Source: Arkansas River
Total Study Cost: \$285,000 in 2 Phases
Funding Sources: Construction Fund
Type of Applicant: CWCB staff and local WCD
Median Household Income: N/A
CWCB Investment: \$100,000 toward 2nd Phase

Conduct a study with the USGS to develop a reliable water quality data network and data base for the Arkansas River basin by collecting and analyzing existing data sources and developing a strategy to fill data and analysis gaps.

Water quality concerns are probably most acute in the Arkansas Basin compared to any other region of the state. Unfortunately, a water quality data set, well distributed in time and space, often does not exist to provide a basis for rationale analysis of these issues. This vacuum is then filled with "pop" science or worse, no science, and emotional and intuitive arguments. Water users and the US Geological Survey staff based in Pueblo have long recognized the need, but funds to design, develop and maintain a creditable water quality data network have been lacking. This grant application, sponsored jointly by CWCB staff and the Southeastern Colorado Water Conservancy District, proposes to remedy that situation by asking USGS to do a comprehensive followup to preliminary work funded by the SECWCD which should be completed in late 2007. The SECWCD has already contributed \$85,000 to fund the ongoing work. It is anticipated that USGS, SECWCD, other water users, and perhaps the Colorado Water Quality Control Division, will provide cost-sharing to offset 50% of the cost of the additional work proposed herein.

**Water Project Construction Program – Project Data
Non-Reimbursable Investment**

Applicant: Ted Kowalski, CWCB

Project Name: Wild and Scenic Rivers Project

Project Type: Exploration of wild and scenic alternatives for protection of water dependent resources within Colorado.

County: Statewide

Drainage Basin: Colorado River basin, other basins using Colorado River water, the Yampa River basin, and perhaps other basins

Water Source: various

Total Study Cost: \$ 400,000

Funding Sources: Construction Fund

Type of Applicant: Government

Median Household Income: N/A

CWCB Investment: \$ 400,000

Background: The Kremmling and Glenwood Springs BLM field offices are currently rewriting their Resource Management Plans and evaluating whether “eligible” streams (under the wild and scenic rivers act) are “suitable” for wild and scenic designation. The Little Snake BLM field office is currently further along in this same process. In addition, the Forest Service, Park Service and other BLM offices are at different stages of similar processes in other basins, including the San Juan Basin. These project funds would be used to facilitate the processes that are occurring in each of these basin to explore alternatives to wild and scenic designation, alternatives that could occur within the wild and designation process.

The purpose of this project is to explore possibilities for protecting water dependent resources, while maintaining the State’s ability to fully use its compact entitlements, where wild and scenic designation is currently being considered by federal agencies. This matter is of great importance to the State. The CWCB has competing roles with regard to this study--protection of the non-consumptive resources values and protection of the State’s ability to fully use its compact entitlements. Wild and scenic designation could affect the State’s ability to fully use its compact entitlements, but it may be an effective tool, especially in combination with other tools, to protect certain water dependent resources. This project could provide benefits to people and organizations within Colorado. This project may facilitate the non-consumptive needs assessments being conducted by the roundtables and through the IBCC and 1177 process.

Water Project Construction Program – Project Data
Non-Reimbursable Investment

Applicant: David Clow, USGS

Project Name: USGS High-Resolution Gridded Sublimation Estimates

Project Type: Research

County: Grand and Larimer

Drainage Basin: Headwaters of South Platte and Colorado basins

Water Source: N/A

Total Study Cost: \$ 100,000

Funding Sources: Construction Fund, USGS Matching Funds. Other funds will be sought by the USGS.

Type of Applicant: Government

Median Household Income: N/A

CWCB Investment: \$ 65,000

Background:

The USGS Colorado Water Science Center would like to conduct and publish a detailed analysis of snow sublimation across 2 watersheds along the Continental Divide near Estes Park . Sublimation data are collected at few locations in Colorado, yet sublimation can play a large role in loss of snowpack. Streamflow and water supply forecasts use coarse estimates of sublimation and are subject to significant over-prediction in years with dry, warm spring weather.

Meteorological stations to accurately measure sublimation are expensive and sparsely located, and the data collected may only be applicable to a limited area. The USGS proposes to install low-cost instrumentation across two watersheds that will also contain a meteorological station. The USGS will study the spatial differences in sublimation across the entire watershed. This information will be used to explore the possibility of improving estimates of sublimation in other basins across Colorado.

The USGS will provide staff, equipment and \$35,000 in matching funds to this project.

**Water Project Construction Program – Project Data
Non-Reimbursable Investment**

Applicant: USGS

Project Name: Denver Basin Pumping-Optimization Modeling

Project Type: Modeling study

County: Several

Drainage Basin: South Platte and Arkansas River Basins

Water Source: Denver Basin groundwater

Total Study Cost: \$128,000, requesting \$83,200 with this application

Funding Sources: CWCB Construction Fund, USGS

Type of Applicant: Grant

Median Household Income: N/A

CWCB Investment: N/A

Past Use of the Funds: New project, no past use of funds

Current Request: The USGS has recently completed a ground-water flow model of the Denver Basin aquifer system in cooperation with the CWCB and the CDWR. This funding request is for a study to use the model to demonstrate a simulation-optimization approach to ground-water management. Optimization modeling consists of using a ground-water flow model to optimize pumping locations and rates with respect to model-computed water-level declines and storage depletion. The goal of optimization modeling is to develop pumping scenarios that minimize water-level declines to extend the useful life of aquifers such as the Denver Basin. Pumping scenarios would be developed cooperatively with the CWCB and other local agencies, and results would be reported in a USGS Scientific Investigations Report. **For FY 07-08, an appropriation of \$83,200 is being sought from the Construction Fund to complete this study.** This is the first request for funding for this study; the USGS will be contributing \$44,800 towards this effort.

Water Project Construction Program - Project Data
Non-Reimbursable Investment

Applicant: CWRRI

County: Statewide

Project Name: Ag Water Conservation Clearinghouse and Canal Efficiency Project

Project Type: Agricultural conservation information clearing house, and management strategies for canal efficiency.

Drainage Basin: Front Range

Water Source: South Platte/Arkansas & tribs

Total Study Cost: \$30,000 + In-Kind

Funding Sources: CWCB Construction Fund

Type of Applicant: Grant

Median Household Income: N/A

CWCB Investment: \$30,000 (this request)

This is funding two project ideas for the Colorado Water Resources Research Institute. Develop a comprehensive clearinghouse of information of agricultural water conservation. The second idea will fund a scientist to carry on work testing new products for new management strategies on Sago Weed and milfoil to address agricultural canal efficiency issues.



Project Impact Area – Statewide

**Water Project Construction Program – Project Data
Non-Reimbursable Investment**

Applicant: USGS

Project Name: 2005 Water Use in Colorado Study
Project Type: Study

County: Statewide **Drainage Basin:** Statewide
Water Source: Water with in Colorado

Total Study Cost: \$\$83,000, requesting \$66,400 with this application

Funding Sources: CWCB Construction Fund

Type of Applicant: Grant

Median Household Income: N/A

CWCB Investment: \$0

Past use of the Funds: New project, no past use of funds.

Current Request: This request is for funding for the estimating 2005 Water Use in Colorado. This proposal seeks to present the 2005 Colorado water-use data that have already been compiled by county for the National Water Use Information Program (NWUIP) of the U.S. Geological Survey (USGS) in a published report specifically for Colorado. This project would extend the differentiation of water use in Colorado, beyond that done for NWUIP, to each major surface-water basin and to ground-water withdrawals by selected aquifer. Water-use would be categorized by use for public supply, domestic, irrigation, livestock, aquaculture, industrial, mining, and thermoelectric power. **For FY 07-08, an appropriation of \$66,400 is being sought from the Construction Fund to complete this study.** This is the first request for funding for this study; the USGS will be contributing \$16,200 towards this study.

Water Project Construction Program - Project Data
Proposed Statutory Revision

Proponent: Colorado Water Conservation Board Staff

Project Name: Chatfield Reservoir Reallocation Project

Project Type: Storage reallocation within an existing federal reservoir

Drainage Basin: South Platte River

Funding Source: CWCB Construction Fund

CWCB Investment: \$~~1~~² million

The CWCB has contracted with the Omaha District of the U.S. Army Corps of Engineers (Corps) to investigate the feasibility of reallocating existing storage space within Chatfield Reservoir. Staff is working with the Corps and a local Coalition to complete a Feasibility Report/Environmental Impact Statement (FR/EIS) for the Chatfield Reservoir Reallocation project (Project), and expects a federal Record of Decision (ROD) during the spring or summer of 2009.

The fundamental scope of the Project is to look converting flood control storage space in the Reservoir, which owned by the Corps, into joint-use water supply storage space to benefit Front Range water providers and the downstream environment. The maximum volume for the reallocation analysis is 20,600 acre-feet based on an antecedent flood model that was approved by the Corps.

An original consortium of 16 water users (now 15) signed Letters of Commitment with the CWCB pledging cost-share funding assistance and legitimate interest in potentially receiving reallocated storage space within the reservoir. Each water user would ultimately be responsible for the costs associated with obtaining storage space. The CWCB is pursuing a contract with the Corps authorizing use of the space for water supply purposes. The total cost of the Project is estimated to be more than \$100 million which includes the cost of the storage space (payment to the federal government for use of the existing facility), cost of environmental mitigation, and cost of recreation mitigation. Annual O&M costs would also be required.

The Project enjoys broad support from a strong coalition of upstream, instream, and downstream interests and from all nine members of Colorado's Congressional Delegation. A Senate Joint Resolution (SJR07-019) was also sponsored by numerous members of the General Assembly supporting the Project. A large Coalition of stakeholders are not only behind the project, but have also indicated their strong willingness to mitigate environmental and recreation impacts resulting from the reallocation of storage space. The Project is viable, and the benefits are tremendous especially when compared to alternatives such as constructing a new storage facility.

Staff now proposes a **statutory change** within the 2008 Projects Bill **that will authorize the CWCB to:** Contract with the US Army Corps to hold storage space in the reservoir; contract with local entities who will utilize the reservoir storage space; loan money and receive money from entities to undertake mitigation, operational and maintenance activities; create a agency fund and transfer ~~five~~^{two} million dollars into the fund for project purposes; undertake such action as is necessary, including the award of contracts to public and private entities, to undertake mitigation and construction activities to effectuate the storage of water in the reservoir.

Water Project Construction Program – Project Data

Applicant: Colorado Water Conservation Board

Project Name: Funding Water Acquisitions for Instream Flow Use

Project Type: Acquisitions of Water Rights for Instream Flow Use

County: Statewide **Drainage Basin:** Statewide **Water Source:** Statewide

Total Project Cost: \$1,000,000

Funding Sources: Severance Tax Trust Fund Perpetual Base Account

Type of Borrower: N/A **Median Household Income:** N/A

CWCB Investment: \$1,000,000 **Interest Rate:** N/A **Term:** N/A

This program would provide funds to the CWCB to apply to the costs of acquiring water rights for instream flow ("ISF") use. Currently, to acquire water for ISF use, the Board primarily relies upon donations of water directly from water rights owners or from organizations such as the Colorado Water Trust. (The Board has a small amount of funding in place for temporary leases of water rights for ISF use). Because not all ISF protection needs can be met through new ISF appropriations, the CWCB staff has been focusing on reinvigorating the water acquisition prong of the ISF Program. Among other benefits, water acquisitions can be a valuable supplement to decreed ISF water rights or provide ISF protection on streams where a new appropriation could not be made due to water availability issues. Not all water rights owners are willing to donate their water to the CWCB; most would like to realize an economic benefit from conveying, loaning or leasing their water to the CWCB for ISF use. CWCB staff has been working with other state agencies and conservation groups to identify opportunities for water acquisitions and for obtaining funding for such acquisitions. Because these groups can provide some funding toward water acquisitions, a combination of CWCB funds with its partners' funds would result in an increase in acquisitions of water for ISF use.

The funds will be used to pay for the lease or purchase of water rights for ISF use, and for related costs of such transactions, such as preliminary evaluations of the feasibility of a temporary or permanent transfer of a water right for ISF use, historical consumptive use analyses of the subject water right, water rights appraisals and title searches, and negotiating and finalizing the agreement(s) necessary for the transaction. The net effect of the funding provided by this project would be more protection of the natural environment of Colorado's streams coupled with economic benefit to those water rights owners interested in and willing to provide water to the CWCB for ISF use.

Water Project Construction Program – Project Data Non-Reimbursable Investment

Applicant: Steve Miller, CWCB; in cooperation with
Tamarisk Coalition
Project Name: Tamarisk Control Cost-sharing Grant Program
Project Type: Riparian Restoration Program
County: Statewide
Drainage Basin: All major river basins
Water Source: Surface and groundwater in all major river basins
Total Program Cost: In excess of \$4 million
Funding Sources: Construction Fund
Type of Applicant: CWCB staff and non-profit entity
Median Household Income: N/A
CWCB Investment: \$1,000,000

Authorizes the state treasurer to transfer \$1 million from the un-obligated balance of the Severance Tax Trust Fund Operational Account into the Colorado Water Conservation Board Construction Fund for the purpose of funding a Tamarisk Control cost-sharing Grant Program. This will allow the Board to move into "on-the-ground" tamarisk control efforts after 3 years of mapping, inventorying, and planning. It is hoped that significant federal funds will be available to assist in this effort, but even if federal appropriations for the newly authorized large demonstration effort do not materialize, Colorado can begin to move forward on its own. The Tamarisk Coalition believes that using existing federal, local, and private funds and in-kind services, every state dollar can be leveraged 3-4 times, meaning that the state share of costs for these projects will be in the 25% range.

Tamarisk (also known as salt cedar) and Russian Olive are invasive (non-native) phreatophyte ("water loving") vegetation that have massively displaced native riparian vegetation throughout most watersheds in Colorado over the last 50 years. Negative impacts of tamarisk colonization include lost habitat values, reduced public access to stream corridors, degradation of river channels and reduction in flood conveyance capacity, and non-beneficial consumption of scarce water supplies.

In 2003 Gov. Bill Owens issued Executive Order D00203 directing "DNR, the Dept. of Agriculture, and any other state agency ... to take measures necessary to eradicate tamarisk on public lands within 10 years ..." and to "submit a report ... outlining a viable plan to achieve the eradication ... " In January 2004 DNR submitted the required plan to Governor's. The plan recommends a local watershed based approach to tamarisk control, with the state providing a technical assistance and coordinating role. On Oct. 11, 2006 the President signed the "Salt Cedar and Russian Olive Control Demonstration Act", PL 109-341. The Act directs federal agencies to assess the infestation and develop funding and management strategies. An \$80 million demonstration project grant program is authorized, but to date no funds have been appropriated for this purpose. Over the last 3 years CWCB has contributed \$115,000 to the Tamarisk Coalition to support a statewide tamarisk and Russian Olive mapping and inventory project. Numerous local and federal agencies have contributed in-kind services to this now completed effort. In FY07-08 the CWCB will be providing \$82,500 to the Tamarisk Coalition for local watershed planning efforts and a small-scale control grant program.

Water Project Construction Program – Project Data 2008 Proposed Legislation

Applicant: Colorado Water Conservation Board

Legislation Topic: Clarification of Water Conservation Plan Elements

County: Statewide

Drainage Basin: Statewide

Water Source: N/A

Total Project Cost: N/A

Funding Sources: N/A

Type of Applicant: State Agency

Median Household Income: N/A

CWCB Investment: N/A

SUMMARY

The proposed statutory change would be included in the 2008 Construction Fund Projects Bill as follows:

SECTION XX. §37-60-126 Colorado Revised Statutes, is amended to read:

37-60-126. Water conservation and drought mitigation planning – programs – relationship to state assistance for water facilities – guidelines – water efficiency grant program – repeal.

(4) A plan developed by a covered entity pursuant to subsection (2) of this section shall, at a minimum, ~~consider~~include the following plan elements:

Currently, the statute identifies the elements to be minimally considered in all water conservation plans submitted to the State by a covered entity. Currently the statute identifies the minimum planning elements that shall be “considered” by all covered entities as they develop and/or update their Water Conservation Plans. However, the term “considered” has resulted in different interpretations pertaining to the extent to which and the manner in which these elements are to be considered for planning and implementation. Interpretations include that the planning elements be thought of and qualitatively analyzed but in the end many not have to be incorporated or accounted for in the final Plan. Whereas, the CWCB staff is interpreting the term “consider” to mean that planning elements shall be included in the Plan, unless the entity is legally constrained from implementing a particular water conservation element, such as water reuse.

NOTE: This bill has been prepared for the signature of the appropriate legislative officers and the Governor. To determine whether the Governor has signed the bill or taken other action on it, please consult the legislative status sheet, the legislative history, or the Session Laws.



HOUSE BILL 08-1346

BY REPRESENTATIVE(S) Curry, Borodkin, Fischer, Gardner C., Green, Hodge, Looper, Massey, McFadyen, Roberts, Rose, Solano, Sonnenberg, Stafford, White, King, and Scanlan;
also SENATOR(S) Isgar, Brophy, Gibbs, Kester, Kopp, Mitchell S., Penry, Schwartz, Shaffer, Tapia, Taylor, Tochtrop, Ward, and Wiens.

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 Colorado water conservation board construction fund. (1) Pursuant to section 37-60-122 (1) (b), Colorado Revised Statutes, the Colorado water conservation board is hereby authorized to loan moneys from the Colorado water conservation board construction fund to enable the construction of the following water resources projects or the purchase of water rights with the following priority:

Priority	Borrower - Project	Loan Amount
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Capital letters indicate new material added to existing statutes; dashes through words indicate deletions from existing statutes and such material not part of act.

Pagosa Area Water & Sanitation District Water Activity Enterprise - Dry <u>Gulch</u> <u>Reservoir Project Land Purchase</u>	\$11,217,060
Total	\$11,217,060

(2) The Colorado water conservation board may make loans for the construction of the project specified in subsection (1) of this section from such moneys as are or may hereafter become available to the Colorado water conservation board construction fund. Said loans shall be in the amount 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 funds 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. 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
	Republican River Water Conservation District Water Activity Enterprise - Republican River Compact Compliance <u>Pipeline</u>	<u>\$60,600,000</u>

Total

\$60,600,000

(2) The Colorado water conservation board may make loans for the construction of the project 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 funds 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 3. Satellite monitoring system maintenance - 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 department of natural resources, for allocation to the division of water resources, for the fiscal year beginning July 1, 2008, the sum of three hundred fifty thousand dollars (\$350,000), or so much thereof as may be necessary, for renovation of existing gauging stations, replacement of outdated collection platforms and upgrading of transmission components of the satellite monitoring system established and operated pursuant to section 37-80-102 (10), Colorado Revised Statutes, stream gage flood hardening projects, and data collection efforts related to flood forecasting and warning.

(2) The moneys appropriated in subsection (1) of this section shall remain available for the designated purposes until they are fully expended.

SECTION 4. Colorado drought mitigation and response plan implementation program - 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 department of natural resources, for allocation to the Colorado water conservation board, for the fiscal year beginning July 1, 2008, the sum of three hundred thousand dollars (\$300,000), or so much thereof as may be necessary, to implement the major recommendations identified in the 2002 Colorado drought mitigation and response plan. The program will be used to develop and implement a comprehensive and effective state drought plan.

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

SECTION 5. Instream flow engineering and technical support services - 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 department of natural resources, for allocation to the Colorado water conservation board, for the fiscal year beginning July 1, 2008, the sum of one hundred fifty thousand dollars (\$150,000), or so much thereof as may be necessary, for engineering support services to assist staff in conducting technical analysis and providing expert testimony needed to resolve or defend existing instream flow water rights, establish new instream flow appropriations, and change the use of acquired water rights for instream flow use.

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

SECTION 6. Colorado river augmentation project development - 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 department of natural resources, for allocation to the Colorado water conservation board, for the fiscal year beginning July 1, 2008, the sum of one hundred fifty thousand dollars (\$150,000), or so much thereof as may be necessary, to support the Colorado river seven basin states in undertaking projects and studies looking at short- and long-term options for augmenting the water supplies

of the Colorado river system. As projects are identified, the Colorado river seven basin states have agreed to cost share in the efforts of which these funds will provide Colorado's share.

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

SECTION 7. Colorado river compact and Mexican treaty issues - 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 department of natural resources, for allocation to the Colorado water conservation board, for the fiscal year beginning July 1, 2008, the sum of one hundred fifty thousand dollars (\$150,000), or so much thereof as may be necessary, for operating expenses and activities of Colorado's representatives associated with either participation or monitoring the Colorado river issues under the Mexican treaty, including the development of shortage criteria for Mexico, Colorado river system augmentation opportunities, and protections for the Colorado river delta.

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

SECTION 8. Colorado river water availability study - continuation - 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 department of natural resources, for allocation to the Colorado water conservation board, for the fiscal year beginning July 1, 2008, the sum of five hundred thousand dollars (\$500,000), or so much thereof as may be necessary, for the board to continue the model development phase of the Colorado water needs and alternatives analysis, otherwise known as the Colorado river water availability study, authorized in section 15 of Senate Bill 07-122. The board shall continue to work in full consultation with, and the active involvement of, the basin roundtables and shall continue to consider current and potential future in-basin consumptive and nonconsumptive needs. Further, it is expected that the board will request additional funding in future years to undertake the model implementation phase of the study and recommend whether additional studies or phases of study should be undertaken.

(2) The amounts appropriated in this section are in addition to amounts appropriated previously for the Colorado water needs and alternatives analysis. The moneys appropriated in subsection (1) of this section shall remain available for the designated purposes until the project is completed.

SECTION 9. Continuation of the South Platte decision support system - 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 department of natural resources, for allocation to the Colorado water conservation board, for the fiscal year beginning July 1, 2008, the sum of one million dollars (\$1,000,000), or so much thereof as may be necessary, for the board to continue development of the South Platte decision support system.

(2) The amounts appropriated in this section are in addition to amounts appropriated previously for the South Platte decision support system. The moneys appropriated in subsection (1) of this section shall remain available for the designated purposes until the project is completed.

SECTION 10. Colorado river compact - state water right administration issues and options 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 department of natural resources, for allocation to the Colorado water conservation board, for the fiscal year beginning July 1, 2008, the sum of five hundred thousand dollars (\$500,000), or so much thereof as may be necessary, for the board to undertake a study to identify issues associated with the administration of state water rights in the Colorado river basin under the terms of the Colorado river and upper Colorado river compacts, to evaluate options to avoid the curtailment of uses if at all possible, and to evaluate options for curtailing uses in Colorado in an equitable manner should the terms of the Colorado river compact fail to be met. The study is to be used by the state to look at options openly for avoiding curtailments if possible and by the state engineer to develop curtailment rules for use in water right administration should curtailments become necessary under the terms of the Colorado river compact.

(2) The moneys appropriated in subsection (1) of this section shall

remain available for the designated purposes until the project is completed.

SECTION 11. Restoration of flood response fund balance. The state treasurer shall transfer a total of three hundred thousand dollars (\$300,000), or so much thereof as may be necessary, from the unreserved cash in the Colorado water conservation board construction fund to the flood response fund created in section 37-60-123.2, Colorado Revised Statutes, in order to restore the unencumbered balance in the flood response fund to three hundred thousand dollars (\$300,000).

SECTION 12. Continuation of the Colorado floodplain map modernization program - 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 department of natural resources, for allocation to the Colorado water conservation board, for the fiscal year beginning July 1, 2008, the sum of five hundred thousand dollars (\$500,000), or so much thereof as may be necessary, in order to restore the unencumbered balance in the previously appropriated map modernization account to five hundred thousand dollars (\$500,000) and for the board to continue to assist with the preparation of revised and improved floodplain studies and maps for communities throughout Colorado and to participate in federally sponsored floodplain map modernization activities.

(2) The amounts appropriated in this section are in addition to amounts appropriated previously for the Colorado floodplain map modernization program. The moneys appropriated in subsection (1) of this section shall remain available for the designated purposes until the project is completed.

SECTION 13. Continuation of the Colorado flood decision support system - 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 department of natural resources, for allocation to the Colorado water conservation board, for the fiscal year beginning July 1, 2008, the sum of two hundred fifty thousand dollars (\$250,000), or so much thereof as may be necessary, for the board to continue to develop a statewide flood decision support system in order to provide a clearinghouse of flood hazard information, timely and well organized flood outlook data

products, weather modification information, stream restoration facts, levee and dam inventories, and other flood-related statistics to be used by a variety of engineers, floodplain managers, and emergency response agencies through an organized web site providing links between data sources, users, and state flood protection staff.

(2) The amounts appropriated in this section are in addition to amounts appropriated previously for the Colorado flood decision support system. The moneys appropriated in subsection (1) of this section shall remain available for the designated purposes until the project is completed.

SECTION 14. Continuation of the weather modification program - 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 department of natural resources, for allocation to the Colorado water conservation board, for the fiscal year beginning July 1, 2008, the sum of one hundred seventy-five thousand dollars (\$175,000), or so much thereof as may be necessary, for the board to continue to assist water conservation districts, water conservancy districts, and other water providers with the development of cloud seeding programs that provide benefits to all beneficial uses of water through snowpack enhancement.

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

SECTION 15. Continuation of the Cache La Poudre river floodway 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 department of natural resources, for allocation to the Colorado water conservation board, for the fiscal year beginning July 1, 2008, the sum of one hundred fifty thousand dollars (\$150,000), or so much thereof as may be necessary, for the board to continue to participate in a floodplain improvement feasibility study along the Cache La Poudre river in the city of Greeley. The purposes of the study are to define specific improvement projects to reduce flood damage, restore the riparian environment, create recreation opportunities, improve water quality, and

other associated environmental watershed and floodplain enhancements.

(2) The amounts appropriated in this section are in addition to amounts appropriated previously for the Cache La Poudre river floodway project. The moneys appropriated in subsection (1) of this section shall remain available for the designated purposes until the project is completed.

SECTION 16. Climate change effects on Colorado water resources 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 department of natural resources, for allocation to the Colorado water conservation board, for the fiscal year beginning July 1, 2008, the sum of one hundred thousand dollars (\$100,000), or so much thereof as may be necessary, for the board to begin developing and implementing a water adaptation strategy to address potential impacts from climate change and variability on Colorado's water resources. The study will include an analysis of how climate may change in the future and how that may affect the resource upon which the water industry depends.

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

SECTION 17. Purgatoire river channel capacity and improvement 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 department of natural resources, for allocation to the Colorado water conservation board, for the fiscal year beginning July 1, 2008, the sum of fifty thousand dollars (\$50,000), or so much thereof as may be necessary, for the board to participate with the Purgatoire river water conservancy district and the United States Army corps of engineers in a study to determine the actual safe channel capacity of, and remedial measures for, the Purgatoire river downstream of Trinidad dam.

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

SECTION 18. Arkansas river basin water quality baseline 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 department of natural resources, for allocation to the Colorado water conservation board, for the fiscal year beginning July 1, 2008, the sum of one hundred thousand dollars (\$100,000), or so much thereof as may be necessary, for the board to participate with the southeastern Colorado water conservancy district and the United States geological survey to develop a reliable water quality data network for the Arkansas river basin.

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

SECTION 19. Wild and scenic rivers 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 department of natural resources, for allocation to the Colorado water conservation board, for the fiscal year beginning July 1, 2008, the sum of four hundred thousand dollars (\$400,000), or so much thereof as may be necessary, for the board to work with stakeholders within the state of Colorado to explore alternatives to wild and scenic designation and to explore alternatives that would fall within the wild and scenic designation process.

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

SECTION 20. High resolution gridded sublimation estimate 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 department of natural resources, for allocation to the Colorado water conservation board, for the fiscal year beginning July 1, 2008, the sum of sixty-five thousand dollars (\$65,000), or so much thereof as may be necessary, for the board to participate with the United States geological survey in a study to provide high resolution estimates of processes that remove moisture from snowpack by developing and testing a relatively low-cost network of instruments for measuring snowpack moisture losses in the Colorado river watershed and in the headwaters of the South Platte river basin. The study will have broad applicability to other Colorado river basins and the results will be used to more accurately estimate watershed runoff.

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

SECTION 21. Denver basin pumping optimization model - 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 department of natural resources, for allocation to the Colorado water conservation board, for the fiscal year beginning July 1, 2008, the sum of eighty-four thousand dollars (\$84,000), or so much thereof as may be necessary, for the board to participate with the United States geological survey in performing ground water flow modeling to optimize pumping locations and rates with respect to model-computed water level declines and storage depletions of the Denver basin aquifer system. The modeling will be used to develop pumping scenarios that minimize water level declines to extend the useful life of aquifers.

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

SECTION 22. Agricultural water conservation clearinghouse and canal efficiency 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 department of natural resources, for allocation to the Colorado water conservation board, for the fiscal year beginning July 1, 2008, the sum of thirty thousand dollars (\$30,000), or so much thereof as may be necessary, for the board to participate with the Colorado water resources research institute in developing an internet web-based searchable database of agricultural water conservation information and to develop management strategies for Sago pondweed, a submersed aquatic plant causing problems in irrigation canals along the front range of Colorado.

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

SECTION 23. Estimated 2005 water use in Colorado - 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 department of natural

resources, for allocation to the Colorado water conservation board, for the fiscal year beginning July 1, 2008, the sum of sixty-seven thousand dollars (\$67,000), or so much thereof as may be necessary, for the board to participate with the United States geological survey to present the 2005 Colorado water-use data compiled for the national water use information program of the United States geological survey in a published report specifically for Colorado. The board will develop in cooperation with the geological survey a detailed project scope of work to ensure that the published data is in a useful format that can be used in the Colorado decision support system and other Colorado water conservation board activities.

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

SECTION 24. Subsection (1) of section 15 of chapter 224, Session Laws of Colorado 2005, is amended to read:

Section 15. **Oak creek flood control mitigation feasibility 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, for the fiscal year beginning July 1, 2005, the sum of one hundred sixty-seven thousand dollars (\$167,000), or so much thereof as may be necessary, for the board to participate with the city of Florence, Colorado, in the Oak creek ~~reservoir~~ FLOOD CONTROL MITIGATION feasibility study to be prepared by the United States Army corps of engineers. ~~Other participating entities include the town of Coal Creek, the town of Rockvale, and the town of Williamsburg.~~

SECTION 25. Article 60 of title 37, Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW SECTION to read:

37-60-120.1. Chatfield reservoir reallocation project - authority - repeal. (1) IN ORDER TO PROMOTE THE GENERAL WELFARE AND SAFETY OF THE CITIZENS OF THIS STATE AND UTILIZE REALLOCATED STORAGE SPACE AVAILABLE IN THE FEDERAL FLOOD CONTROL PROJECT KNOWN AS CHATFIELD RESERVOIR, THE BOARD HAS UNDERTAKEN THE CHATFIELD RESERVOIR REALLOCATION PROJECT, REFERRED TO IN THIS SECTION AS THE "PROJECT", IN COORDINATION AND COOPERATION WITH A LOCAL COALITION

AND WITH PARTICIPANTS WHO HAVE EXECUTED LETTERS OF COMMITMENT WITH THE BOARD. THE IMPLEMENTATION OF THE PROJECT WILL RESULT IN BENEFITS TO SOUTH PLATTE RIVER WATER USERS AND THE DOWNSTREAM ENVIRONMENT WITHOUT ADVERSELY IMPACTING OTHER RIVER BASINS. THE IMPLEMENTATION OF THE PROJECT WILL REQUIRE THE BOARD TO CONTRACT WITH THE UNITED STATES ARMY CORPS OF ENGINEERS, REFERRED TO IN THIS SECTION AS THE "CORPS", TO HOLD AND ALLOCATE STORAGE SPACE IN THE RESERVOIR AND TO UNDERTAKE SUBSTANTIAL ACTIVITIES RELATED TO THE MITIGATION OF ENVIRONMENTAL AND RECREATION IMPACTS CAUSED BY THE INCREASE IN RESERVOIR WATER LEVELS.

(2) THE BOARD IS HEREBY AUTHORIZED TO ACT AS AN AGENT OF THE PROJECT PARTIES TO IMPLEMENT THIS SECTION. THROUGH AN AGENCY FUND THE BOARD MAY COLLECT AND DISBURSE MONEY FROM ANY ENTITY TO IMPLEMENT THE PROJECT AND TO MEET THE OBLIGATIONS CONTAINED IN AN INTERGOVERNMENTAL AGREEMENT, PROJECT PARTNERSHIP AGREEMENT, OR OTHER CONTRACT, REFERRED TO IN THIS SECTION AS AN "AGREEMENT", WITH THE CORPS OR OTHER ENTITY THAT IS REQUIRED TO IMPLEMENT THE PROJECT. NOTWITHSTANDING ANY OTHER LAW, INCLUDING SECTION 24-30-1303, C.R.S., THE BOARD AND THE DEPARTMENT OF NATURAL RESOURCES ACTING THROUGH ITS AGENCIES SHALL HAVE THE AUTHORITY TO ENTER INTO ANY AGREEMENT WITH THE CORPS OR OTHER ENTITIES, INCLUDING CONSULTANTS AND CONTRACTORS, THAT IN THE BOARD'S DISCRETION IS NECESSARY TO IMPLEMENT THE PROJECT; HOWEVER, SUFFICIENT FUNDS SHALL HAVE BEEN MADE AVAILABLE TO THE BOARD FOR SUCH PURPOSES. THE AUTHORITY GRANTED BY THIS SUBSECTION (2) INCLUDES: THE ABILITY TO HOLD STORAGE SPACE IN THE RESERVOIR; TO CONTRACT WITH, AND ALLOCATE STORAGE TO, LOCAL ENTITIES WHO WILL UTILIZE THE RESERVOIR STORAGE SPACE; TO UNDERTAKE MITIGATION AND LONG-TERM OPERATION AND MAINTENANCE OF THE PROJECT; TO PAY THE COSTS OF STORAGE OR OTHER NECESSARY EXPENSES; AND TO OTHERWISE IMPLEMENT THE PROJECT. THE BOARD HAS THE EXPRESS AUTHORITY, IN EQUITABLE PARTNERSHIP WITH THE PARTICIPANTS, TO UNDERTAKE SUCH ACTION AS IS NECESSARY, INCLUDING THE AWARD OF CONTRACTS TO PUBLIC AND PRIVATE ENTITIES, TO UNDERTAKE MITIGATION CONSTRUCTION AND LONG-TERM OPERATION AND MAINTENANCE AND RELATED ACTIVITIES; TO LEASE, SUBLEASE, OR ASSIGN STORAGE SPACE RIGHTS; AND TO OTHERWISE EFFECTUATE THE STORAGE OF WATER IN THE RESERVOIR. IN THE EVENT OF A CONFLICT BETWEEN THE APPLICATION OF STATE OR FEDERAL LAW OR RULES, INCLUDING CHAPTER 3 OF THE STATE FISCAL RULES IN EXISTENCE AS

OF THE EFFECTIVE DATE OF THIS SECTION, FEDERAL LAWS AND RULES SHALL APPLY.

(3) THIS SECTION IS REPEALED, EFFECTIVE AT THE END OF THE PROJECT. SUCH REPEAL SHALL NOT AFFECT THE VALIDITY OF ANY ACTION TAKEN PURSUANT TO THIS SECTION. THE DIRECTOR OF THE BOARD SHALL, IN WRITING, PROMPTLY NOTIFY THE STATE TREASURER AND THE REVISOR OF STATUTES WHEN THE PROJECT IS COMPLETED.

SECTION 26. Chatfield reservoir reallocation 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 department of natural resources, for allocation to the board, for the fiscal year beginning July 1, 2008, the sum of two million dollars (\$2,000,000), or so much thereof as may be necessary, to implement the project. The moneys appropriated in this section shall remain available for the designated purposes until the project is completed.

(2) Any remaining balance from the moneys appropriated in this section shall revert to the Colorado water conservation board construction fund at the end of the project.

SECTION 27. The introductory portion to 37-92-102 (3), Colorado Revised Statutes, is amended to read:

37-92-102. Legislative declaration - basic tenets of Colorado water law. (3) Further recognizing the need to correlate the activities of mankind with some reasonable preservation of the natural environment, the Colorado water conservation board is hereby vested with the exclusive authority, on behalf of the people of the state of Colorado, to appropriate in a manner consistent with sections 5 and 6 of article XVI of the state constitution, such waters of natural streams and lakes as the board determines may be required for minimum stream flows or for natural surface water levels or volumes for natural lakes to preserve the natural environment to a reasonable degree. In the adjudication of water rights pursuant to this article and other applicable law, no other person or entity shall be granted a decree adjudicating a right to water or interests in water for instream flows in a stream channel between specific points, or for natural surface water levels or volumes for natural lakes, for any purpose

whatsoever. The board also may acquire, by grant, purchase, donation, bequest, devise, lease, exchange, or other contractual agreement, from or with any person, including any governmental entity, such water, water rights, or interests in water in such amount as the board determines is appropriate for stream flows or for natural surface water levels or volumes for natural lakes to preserve or improve the natural environment to a reasonable degree. At the request of any person, including any governmental entity, the board shall determine in a timely manner, not to exceed one hundred twenty days unless further time is granted by the requesting person or entity, what terms and conditions it will accept in a contract or agreement for such acquisition. Any contract or agreement executed between the board and any person or governmental entity that provides water, water rights, or interests in water to the board shall be enforceable by either party thereto as a water matter under this article, according to the terms of the contract or agreement. The board may not accept a donation of water rights that either would require the removal of existing infrastructure without approval of the current owner of such infrastructure or that were acquired by condemnation. The board may use any funds available to it ~~other than the construction fund created in section 37-60-121~~, for acquisition of water rights and their conversion to instream flow rights. The board may initiate such applications as it determines are necessary or desirable for utilizing water, water rights, or interests in water appropriated, acquired, or held by the board, including applications for changes of water rights, exchanges, or augmentation plans. Prior to the initiation of any such appropriation or acquisition, the board shall request recommendations from the division of wildlife and the division of parks and outdoor recreation. The board also shall request recommendations from the United States department of agriculture and the United States department of the interior. Nothing in this article shall be construed as authorizing any state agency to acquire water by eminent domain or to deprive the people of the state of Colorado of the beneficial use of those waters available by law and interstate compact. Nothing in this subsection (3) shall impact section 37-60-121 (2.5). Any appropriation made pursuant to this subsection (3) shall be subject to the following principles and limitations:

SECTION 28. Article 60 of title 37, Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW SECTION to read:

37-60-123.7. Acquisitions of water for instream flows. (1) IN ADDITION TO ANY OTHER MONEYS APPROPRIATED FROM THE COLORADO

WATER CONSERVATION BOARD CONSTRUCTION FUND, UP TO ONE MILLION DOLLARS IN THE FUND ARE CONTINUOUSLY APPROPRIATED TO THE BOARD ANNUALLY TO PAY FOR THE COSTS OF ACQUIRING WATER, WATER RIGHTS, AND INTERESTS IN WATER FOR INSTREAM FLOW USE. THE TOTAL AMOUNT OF SUCH CONTINUOUS APPROPRIATION THAT IS UNENCUMBERED IN ANY FISCAL YEAR SHALL NOT EXCEED ONE MILLION DOLLARS. THE PRIMARY PRIORITY FOR EXPENDITURES OF THESE REVENUES SHALL BE THE COSTS OF WATER ACQUISITIONS FOR EXISTING OR NEW INSTREAM FLOW WATER RIGHTS TO PRESERVE THE NATURAL ENVIRONMENT TO A REASONABLE DEGREE. THESE REVENUES ALSO MAY BE USED IN LIMITED CIRCUMSTANCES FOR THE COSTS OF WATER ACQUISITIONS TO PRESERVE THE NATURAL ENVIRONMENT OF SPECIES THAT HAVE BEEN LISTED AS THREATENED OR ENDANGERED UNDER STATE OR FEDERAL LAW, OR ARE CANDIDATE SPECIES OR ARE LIKELY TO BECOME CANDIDATE SPECIES, SUPPORT WILD AND SCENIC ALTERNATIVE MANAGEMENT PLANS, OR PROVIDE FEDERAL REGULATORY CERTAINTY.

(2) PRIOR TO ANY EXPENDITURE OF FUNDS UNDER THIS SECTION, THE BOARD SHALL ADOPT CRITERIA AND GUIDELINES REGARDING ITS IMPLEMENTATION OF THIS SPENDING AUTHORITY. THE BOARD SHALL APPROVE ANY EXPENDITURE OF FUNDS PURSUANT TO THIS SECTION. WITHIN THREE MONTHS AFTER THE END OF ANY FISCAL YEAR DURING WHICH THE SPENDING AUTHORITY CREATED PURSUANT TO THIS SECTION IS EXERCISED, THE BOARD SHALL REPORT TO THE GENERAL ASSEMBLY REGARDING HOW SUCH SPENDING AUTHORITY WAS EXERCISED.

SECTION 29. Tamarisk control cost-sharing grant program - appropriation. (1) In addition to any other appropriation, there is hereby appropriated, out of any moneys in the severance tax trust fund operational account not otherwise appropriated, to the department of natural resources, for allocation into the Colorado water conservation board construction fund, for the fiscal year beginning July 1, 2008, the sum of one million dollars (\$1,000,000), or so much thereof as may be necessary, for the board to finance a tamarisk control cost-sharing grant program.

(2) The moneys appropriated in subsection (1) of this section shall remain available for the designated purposes until the project is completed and shall not be subject to the two-year reserve requirement contained in section 39-29-109 (1) (c) (III) (A), Colorado Revised Statutes.

SECTION 30. The introductory portion to 37-60-126 (4), Colorado

Revised Statutes, is amended to read:

37-60-126. Water conservation and drought mitigation planning - programs - relationship to state assistance for water facilities - guidelines - water efficiency grant program - repeal. (4) A plan developed by a covered entity pursuant to subsection (2) of this section shall, at a minimum, ~~consider~~ INCLUDE A FULL EVALUATION OF the following plan elements:

SECTION 31. Section 7 (1) of chapter 352, Session Laws of Colorado 2007, is amended to read:

Section 7. **Arkansas river basin decision support system feasibility 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 department of natural resources, for allocation to the Colorado water conservation board, for the fiscal year beginning July 1, 2007, the sum of two hundred thousand dollars (\$200,000), or so much thereof as may be necessary, for the board to complete a feasibility study for a decision support system in the ~~upper~~ Arkansas river basin. ~~upstream of Pueblo reservoir.~~ The study shall determine the feasibility of developing a decision support system for the ~~upper~~ Arkansas river basin, taking into account the basin-specific needs and water resource challenges and shall identify the scope, functions, and elements of the decision support system as well as the data needs, costs, and schedule to develop the decision support system.

SECTION 32. The introductory portion to section 2 (1) of House Bill 08-1346, enacted at the Second Regular Session of the Sixty-sixth General Assembly, is amended to read:

Section 2. **Water project loan authorizations from the severance tax trust fund perpetual base account.** (1) Pursuant to ~~section 39-29-109 (1) (a) (I)~~ SECTION 39-29-109 (2) (a), 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:

SECTION 33. 39-29-109.3 (2), Colorado Revised Statutes, as enacted by House Bill 08-1398, enacted at the Second Regular Session of the Sixty-sixth General Assembly, is amended BY THE ADDITION OF A NEW PARAGRAPH to read:

39-29-109.3. Operational account of the severance tax trust fund - repeal. (2) Subject to the requirements of subsections (3) and (4) of this section, if the general assembly chooses not to spend up to one hundred percent of the moneys in the operational account as specified in subsection (1) of this section, the state treasurer shall transfer the following:

(I) (I) TO THE COLORADO WATER CONSERVATION BOARD CONSTRUCTION FUND CREATED IN SECTION 37-60-121 (1), C.R.S., FOR THE BOARD TO FINANCE A TAMARISK CONTROL COST-SHARING GRANT PROGRAM, FOR THE STATE FISCAL YEAR COMMENCING JULY 1, 2008, ONE MILLION DOLLARS.

(II) THIS PARAGRAPH (I) IS REPEALED, EFFECTIVE JULY 1, 2010.

SECTION 34. Section 29 of House Bill 08-1346, enacted at the Second Regular Session of the Sixty-sixth General Assembly, is amended to read:

Section 29. **Tamarisk control cost-sharing grant program - 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 department of natural resources, for allocation to the Colorado water conservation board, for the fiscal year beginning July 1, 2008, the sum of one million dollars (\$1,000,000), or so much thereof as may be necessary, for the board to finance a tamarisk control cost-sharing grant program.

(2) The moneys appropriated in subsection (1) of this section shall remain available for the designated purposes until the project is ~~completed~~ and shall not be subject to the two-year reserve requirement contained in ~~section 39-29-109 (1) (c) (A), Colorado Revised Statutes.~~ COMPLETED.

SECTION 35. Effective date. (1) This act shall take effect upon passage; except that:

(a) Section 29 of this act shall not take effect if House Bill 08-1398 is enacted at the Second Regular Session of the Sixty-sixth General Assembly and becomes law;

(b) Sections 32, 33, and 34 of this act shall take effect only if House Bill 08-1398 is enacted at the Second Regular Session of the Sixty-sixth General Assembly and becomes law.

SECTION 36. 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.

Andrew Romanoff
SPEAKER OF THE HOUSE
OF REPRESENTATIVES

Peter C. Groff
PRESIDENT OF
THE SENATE

Marilyn Eddins
CHIEF CLERK OF THE HOUSE
OF REPRESENTATIVES

Karen Goldman
SECRETARY OF
THE SENATE

APPROVED _____

Bill Ritter, Jr.
GOVERNOR OF THE STATE OF COLORADO