



THE FINAL
PLAN IS
HERE.

THANK YOU!

Colorado's Water Plan

Colorado Water Conservation Board
2016



COLORADO

Colorado Water
Conservation Board

Department of Natural Resources

COLORADO'S
WATER PLAN

Measurable Objectives in the plan



CLOSING
THE
GAP.

GETTING TO
ZERO BY 2030.

Supply-Demand Gap

Colorado's Water Plan sets a measurable objective of reducing the projected 2050 municipal and industrial gap from as much as 560,000 acre-feet to zero acre-feet by 2030.



INTEGRATING WATER-SAVING ACTIONS

AND LAND USE
PLANNING.

Conservation

Colorado's Water Plan sets a measurable objective to achieve 400,000 acre-feet of municipal and industrial water conservation by 2050.

Land use

Colorado's Water Plan sets a measurable objective that by 2025, 75 percent of Coloradans will live in communities that have incorporated water-saving actions into land-use planning.



SUSTAINING
OUR AG
ECONOMY

ALONGSIDE
GROWTH.

Agriculture

Colorado's Water Plan sets an objective that agricultural economic productivity will keep pace with growing state, national, and global needs, even if some acres go out of production.



PLANNING FOR STORAGE

AS WE
CONSERVE.

Storage

Colorado's Water Plan sets a measurable objective of attaining 400,000 acre-feet of water storage in order to manage and share conserved water and the yield of IPPs by 2050. This objective equates to an 80 percent success rate for these planned projects.



PROTECTING OUR WATERSHEDS

FOR OUR WAY
OF LIFE AND
ECONOMY.

Watershed Health, Environment, and Recreation

Colorado's Water Plan sets a measurable objective to cover 80 percent of the locally prioritized lists of rivers with stream management plans, and 80 percent of critical watersheds with watershed protection plans, all by 2030.

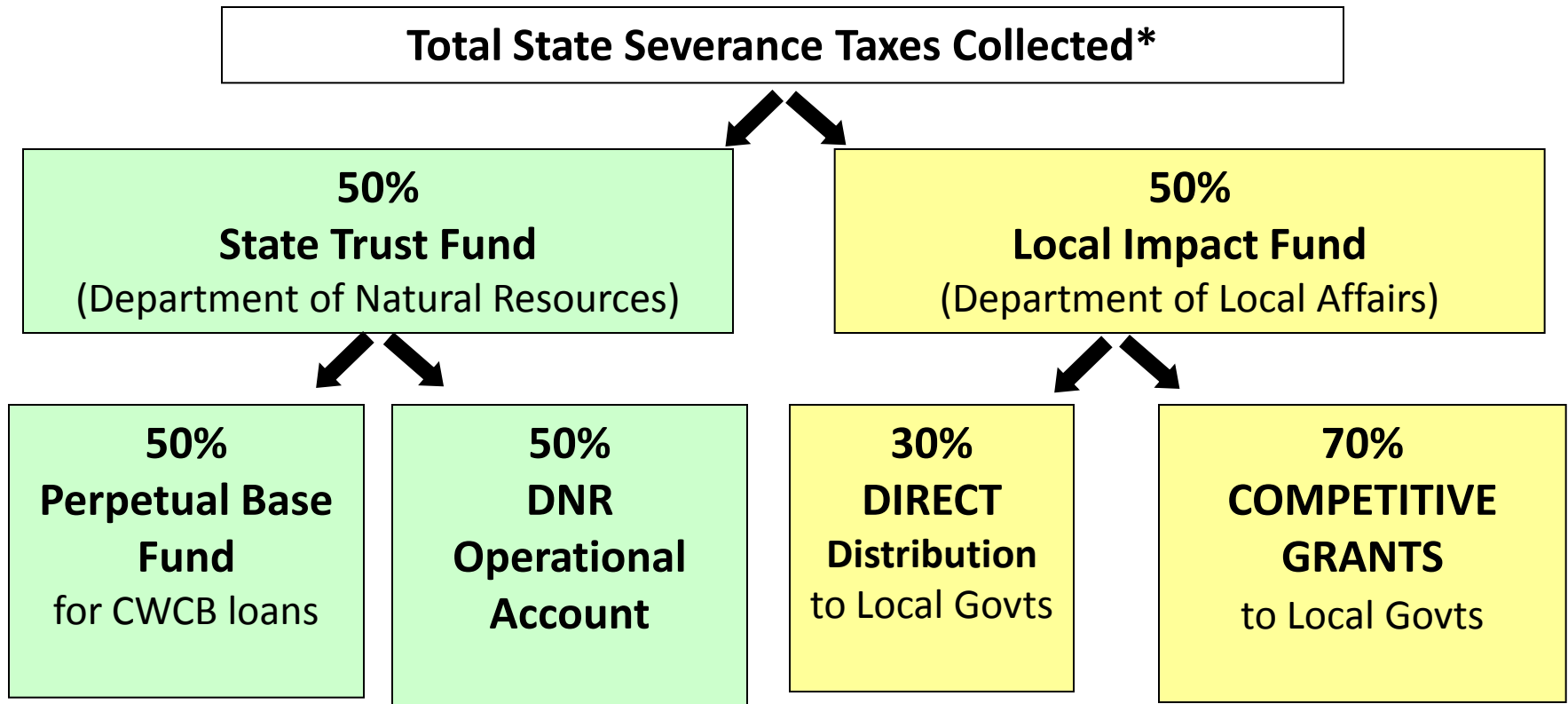


Funding

Colorado's Water Plan sets an objective to sustainably fund its implementation. In order to support this objective, the State will investigate options to raise additional revenue in the amount of \$100 million annually (\$3 billion by 2050) starting in 2020.

Overall State Budget and Severance Tax Summary

How is Severance Tax Distributed?



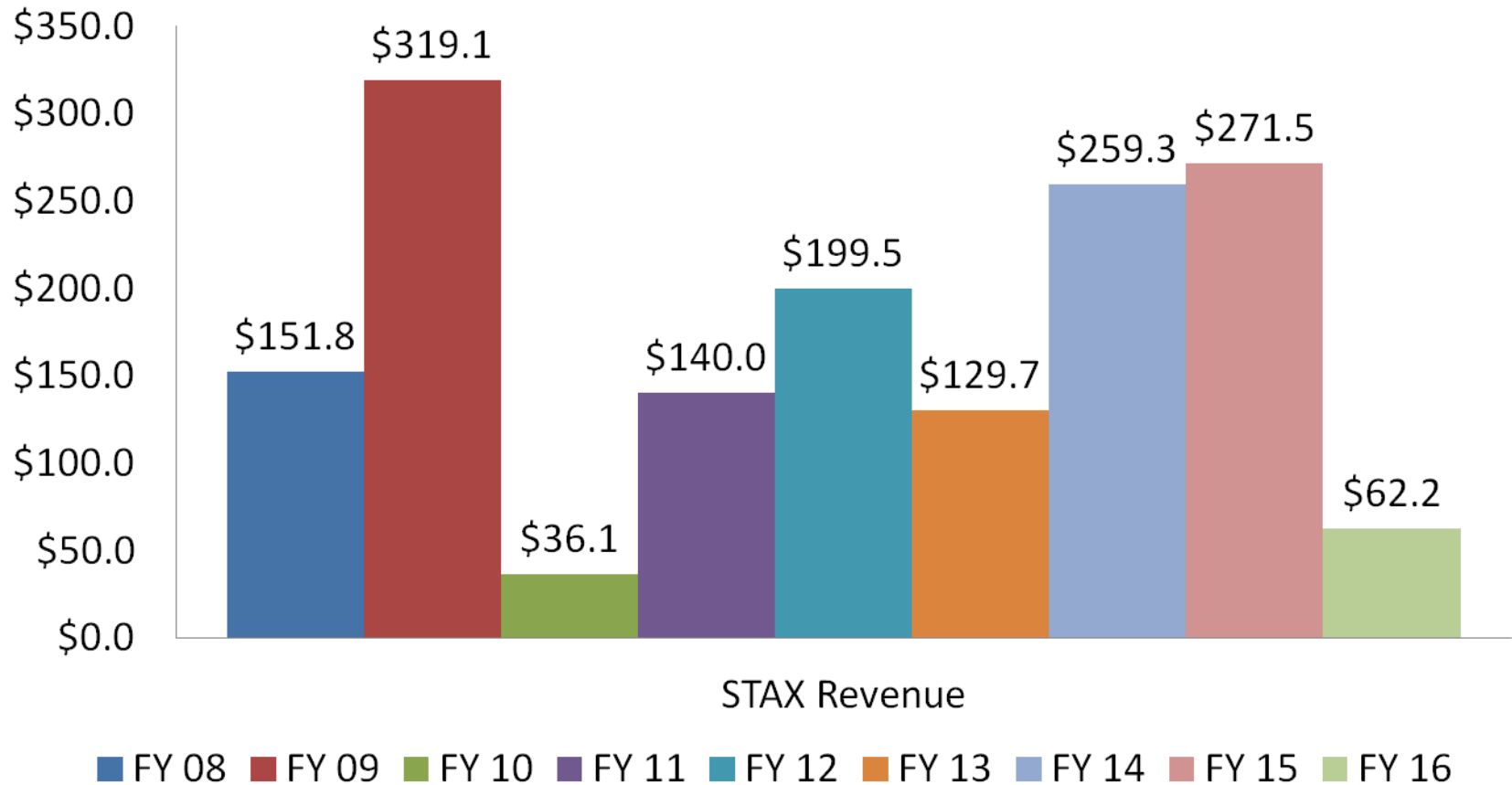
* \$1.5 Million of severance tax is taken “off-the-top” and deposited into the Innovative Energy Fund

** If Perpetual Base Account revenues exceed \$50M; next \$10M flows to CDPHE’s Small Communities Water and Wastewater Grant Fund.)

Perpetual Base Fund

- Very roughly speaking, the Perpetual Base Fund is a \$380 million fund (although most of that amount is loan receivables) that plays a major role in supporting the CWCB Loan Program and helping build water supply infrastructure in Colorado.
- In an average year, there might be \$50 million in new revenues available for new projects.

History of State's Severance Tax Revenue



General Fund Transfers

- Since FY 2000-01, a total of \$167 million has been transferred from the Perpetual Base Fund to the General Fund to assist in resolving the State's General Fund Budget problems.
- Another \$10.25 million was transferred out of the CWCB Construction Fund.
- A net of \$42.8 million was transferred out of the Severance Tax Operational Fund.
- In FY 2014-15, \$30 million of these transfers were repaid per S.B. 13-236.

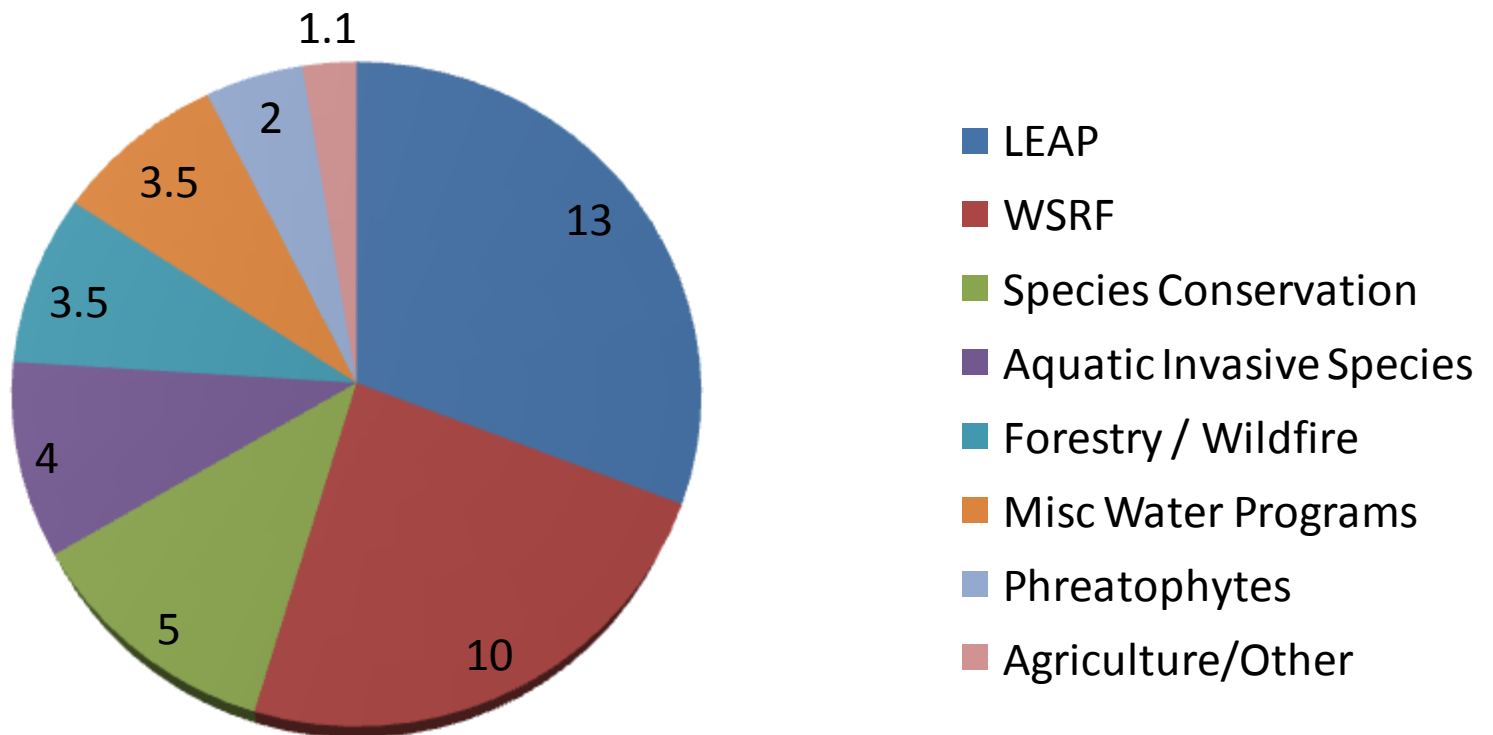
Operational Fund - Tier 1 Programs

Pursuant to Section 39-29-109.3, Colorado Revised Statutes, Operational Fund moneys shall be spent as follows:

- Up to 45% to the Oil and Gas Conservation Commission;
- Up to 30% to the Division of Reclamation, Mining, and Safety;
- Up to 20% to the Colorado Geological Survey, and;
- Up to 5% to the Colorado Water Conservation Board.

Operational Fund -Tier 2 programs in FY 2015-16

Sales



Current Projections

- Legislative Council Staff are projecting that severance tax revenue in FY 2015-16 will be \$62.2 million (a 77% decline from FY 15) and will rebound to \$147 million in FY 2016-17.
- Under this forecast, Tier 2 programs will be cut by 11.7% in FY 2015-16 and 41% in FY 2016-17.

Colorado Water Plan - Funding

Estimated Water Supply Needs \$20B

70%

- Water Providers - \$14B
- Conventional Financing – Rates

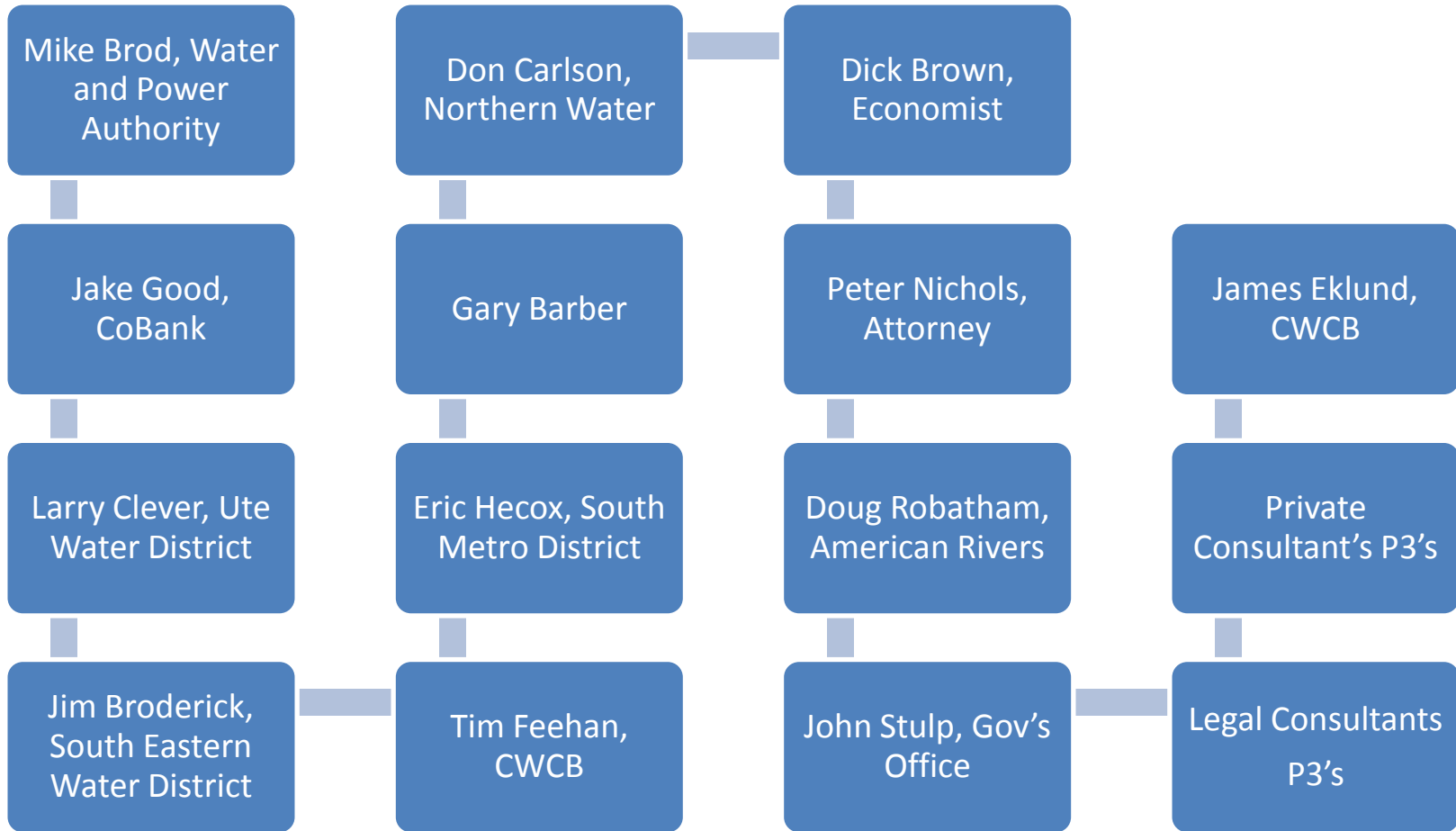
15%

- State – Existing Funding Sources - \$3B
- Sev. Tax, Revolving Funds, etc.

15%

- State – New Funding Sources - \$3B
- Public Initiatives, Foundations, etc.

Statewide Funding Committee



Statewide Funding Committee



Water Plan Funding Action Summary

Recommended Funding Initiatives

Public Funding Source – Dedicated to Water

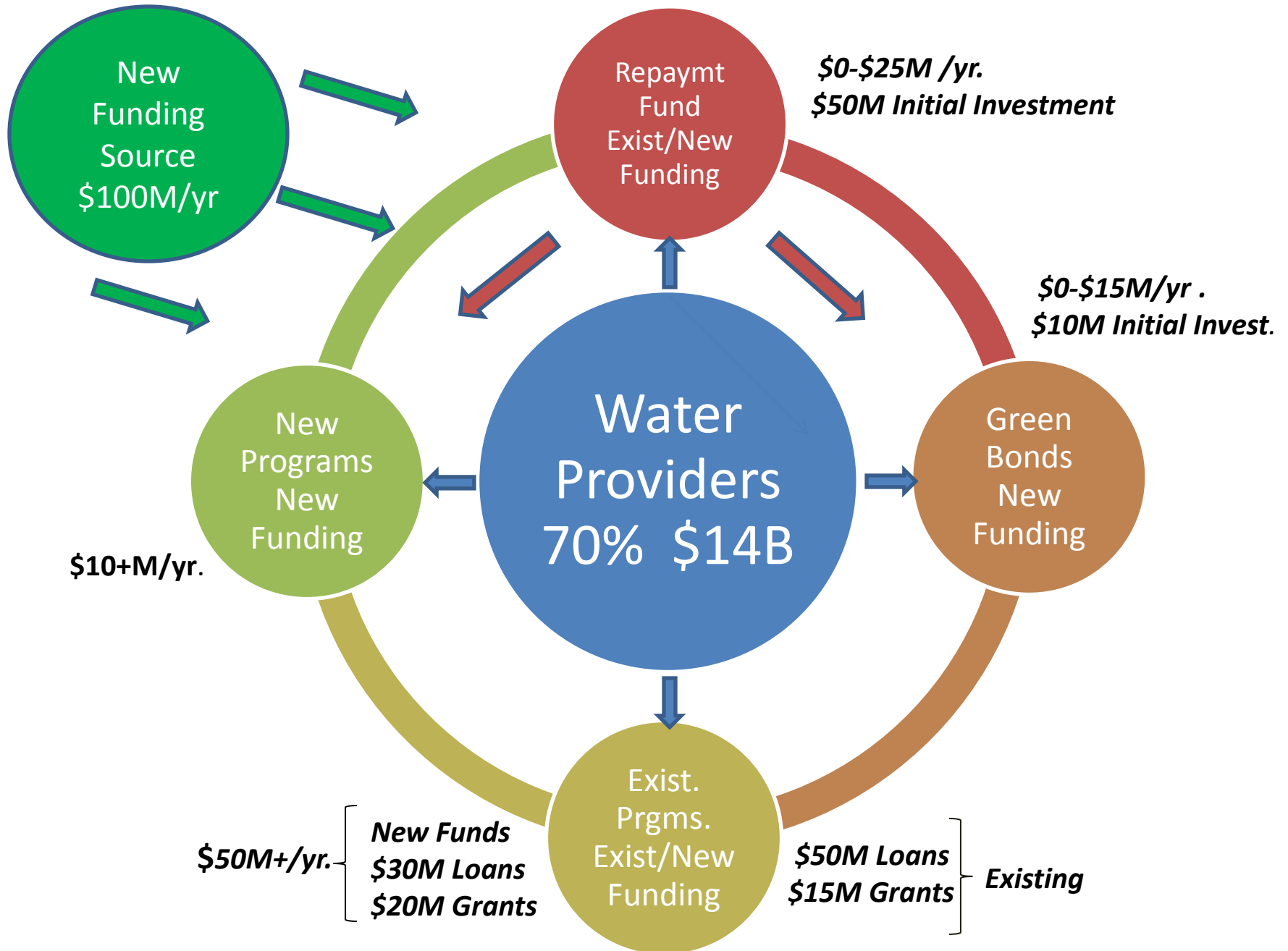
State Repayment Guarantee Fund

Impact or Green Bonds

Expansion of WSRA Grant Program

Public - Private Partnerships

Water Education and Outreach



\$100M Annual Revenue

\$25M

\$15M

\$10M

\$50M

**Repayment
Fund**

**Green
Bonds**

**New
Programs**

**Existing
Programs**

Initial Invest. \$50M

Bal. \$50M-\$200M

Initial Invest. \$10M

Bal. \$10-\$50M

Educ. & Outreach
Support Agriculture
Support Conserv.
Others?

Loans \$50M - \$80M

Grants \$15M - \$35M

- * *Watershed Restor.*
- * *WSRA*
- * *Water Efficiency*
- * *Emergency Drought*
- * *Fish and Wildlife*
- * *STOA NRI*
- * *STBP/CF NRI*

Water Plan Action Items Moving Forward

Repayment Guarantee Fund - \$50M Investment

Expand CWCBA Authority - Treated Water Projects

Transfer of \$5M Annually from STBF to CF

Additional \$1M in Funding - Watershed Program

Modern Method/PMP for Spillway Sizing

Investigate Funding Opportunities - Foundations

Water Plan Action Items to be Pursued

Impact or Green Bonds - \$10M Investment

Overview and Modifications to WSRA Program

Establish Education and Outreach Program

Development of CWCB Policies to Support Funding, Programs, and Projects

SWSI 2016 Update to Include BIP IPP review

Water Plan Action Items Needing Feedback

Public Funding Source

**Developing a Pilot Multi-Partner, Public – Private,
Shared Infrastructure Project in next 2 yrs.**

State Tap Fee