

Interbasin Compact Committee (IBCC)
Thursday, November 30, 2017
Meeting Summary

Attendance

<i>IBCC Member (Present)</i>	Mike Alnutt, Representative Arndt, Dave Bennett (Alt. Metro), Stan Cazier, Sean Cronin, Carlyle Currier, Jeris Danielson, Lisa Darling, T. Wright Dickinson, Joanne Fagan, Brett Gracely (Alt Arkansas), Tom Gray, Steve Harris, Taylor Hawes, Keith Holland, Eric Kuhn, Kevin McBride, Peter Nichols, Cleave Simpson, John Stulp, Wayne Vanderschuere, Bruce Whitehead, Jim Yahn
<i>IBCC Members (Absent)</i>	Jim Lochhead, Melinda Kassen, John Rich, Terry Scanga, Senator Sonnenberg, Bill Trampe
<i>CWCB Staff</i>	Viola Bralish, Craig Godbout, Megan Holcomb, Greg Johnson, Mara MacKillop, Becky Mitchell, Brent Newman, Lauren Ris, Dori Vigil, Ben Wade
<i>CWCB Board Members</i>	Jay Gallagher, Russ George, John McCLOW
<i>Peak Facilitation Group</i>	Heather Bergman, Katie Waller

Action Items & Next Steps

<i>Initiated by CWCB Staff</i>	<ul style="list-style-type: none"> • 2018 Candidate Letter Task Group: Organize a meeting at Colorado Water Congress with Wayne, Sean, Melinda, Bruce, Stan, Lisa, and someone from the Colorado River Water Conservation District to begin discussing a letter to 2018 candidates and bring back a proposal to the next meeting. CWCB staff will prepare rough summary of major concepts from 2010 letter to help inform the discussion. This group could meet via conference call if necessary. • Conceptual Framework Task Group: Organize a meeting at Colorado Water Congress with Eric, Taylor, Kevin, Peter, Jeris, Bruce, and someone from Denver Water to begin discussing the Conceptual Framework and report back at the next meeting. • Funding Concepts Task Group: Organize a conference call with T. Wright, Steve, Cleave, and Melinda to discuss funding and report back at the next meeting. • Next IBCC Meeting: Schedule for late February
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Outcomes

- The IBCC created three task groups to:
 1. Draft a letter to 2018 gubernatorial and legislative candidates about water issues;
 2. Identify next steps for the Conceptual Framework, and
 3. Flesh out new funding concepts.

These task groups will report back at the next meeting.
- The IBCC will meet four times in 2018, and the next two meetings will be in February and April. The IBCC will meet as often as the workload dictates, but the group will have no fewer than four meetings a year.

Introductory Comments

John Stulp, Chairman of the IBCC, welcomed everyone and thanked them for their hard work in addressing Colorado's water issues. Since the completion of the Colorado Water Plan, the IBCC and water planning in general are entering a new phase; now is the time for the IBCC to determine its role going forward to have the most impact. As Mr. Stulp and Colorado Water Conservation Board (CWCB) staff had individual conversations with IBCC members in the fall of 2017, he gained a better understanding of what people think the mission, values, and actions of the IBCC should be going forward. The focus of the meeting today is to identify which of these paths resonates best with the IBCC. There have also been recent changes to CWCB staff and leadership including:

- *Becky Mitchell*, Director
- *Lauren Ris*, Deputy Director
- *Greg Johnson*, Water Supply Planning Section Chief
- *Brent Newman*, Interstate and Fed Section Chief
- *Megan Holcomb*, Water Supply Planning Section Program Manager
- *Jessica Halverson*, Loan and Grant Program Assistant
- *Rachel Pittinger*, Finance Section Program Manager
- *Jack Landers*, Stream and Lake Protection Program Specialist

Vision for the IBCC

IBCC members shared their vision for what the IBCC should accomplish in the coming years in "ten words or less" – listed below.

- Work with CWCB to use consensus to implement the Colorado Water Plan.
- Continue work on the items listed in House Bill (HB) 1177, identifying where the instruction from the statute intersects with the Water Plan and replacing water leaders with clear intention, including the Governor.
- Develop and disseminate information to support Basin plans and the Colorado Water Plan
- Develop projects, including storage, to meet demands without accelerating agricultural dry-up.
- Support the State in developing a Colorado River contingency plan in accordance with the Water Plan.
- Have a serious conversation about and focus on funding as the Water Plan is implemented.
- Articulate and pursue a mission that is distinct but complimentary to CWCB.
- Continue to educate and update people about water shortages and cost; make people think about the water that is needed to support growth, jobs, and development.
- Use the IBCC for the purpose in HB 1177, because the consensus and diverse statewide membership can become the clearinghouse for what happens.
- Water is precious. Colorado is blessed. Where to go from here?
- Determine the role of the IBCC in assisting CWCB in implementing the Water Plan.
- Lead, communicate, mentor, collaborate, brainstorm, and advocate for Colorado's water future.
- Looking west adds no water; north or east may quench.
- Get past the "us versus them" mentality. Drought is the enemy.
Write a letter to the Governor emphasizing continued collaboration and continued funding.
- The IBCC has been meeting for 12 years to talk about how to establish a State Water Plan, and now is the time to start getting projects done and getting reservoirs built.
- Collaborate with CWCB and get the word out to the Roundtables about Water Plan implementation.

- Renew spirited conversation on statewide Compact compliance and transbasin diversions.
- There is no place in Colorado without a water problem. The IBCC is here to achieve the vision of resolving statewide water issues.
- The IBCC should conduct studies, negotiate compacts, fund projects.
- Prepare the way.
- Identify funding opportunities and work to clarify the Conceptual Framework details while continuing to collaborate with the CWCB.

Reflections on Vision for the IBCC

After the IBCC members shared their visions for the future, Becky Mitchell, Director of CWCB, shared her own thoughts on the IBCC's future. Below are the highlights of her comments.

- The IBCC has been successful in rising above polarization in the past to create shared success. It will continue to be successful if it takes advantage of this past role and continues to serve as a think tank rather than a political organization.
- The diversity of the IBCC is what gives it its influence.
- The IBCC was successful in writing the 2010 letter to the Governor, as it had significant impacts.
- The Conceptual Framework has provided a starting point for all other states working on water issues as well. The work of the IBCC has fundamentally shifted how people approach water issues.
- It is important for the IBCC to prioritize what actions are necessary to continue to make significant impacts in the future in advancing water planning.

Colorado River Presentation

Karen Kwon, First Assistant Attorney General at the Colorado Attorney General's Office, and Brent Newman, Interstate and Federal Section Chief at CWCB, presented information on the legal and planning implications associated with the Colorado River. Both Ms. Kwon and Mr. Newman are happy to answer any questions in the future and serve as a resource to organizations working on water issues. Below are highlights of their presentation.

Background of the Colorado River and Its Administration

- CWCB has the authority to cooperate with the federal government and other states to ensure the greatest utilization of water and protection and assurance of water rights.
- James Eklund is the Governor-appointed representative on the Upper Colorado River Commission (UCRC). The UCRC administers water from the Colorado River to the Upper Division states (Colorado, Wyoming, New Mexico, and Utah).
- The Colorado River Compact was created in 1922 and outlines an agreement between the Upper Division states and the Lower Division states (Nevada, Arizona, California, and Mexico) regarding water allocation and release.
- The Governor's Office, the Attorney General's Office, the Division of Water Resources, and the Department of Natural Resources all work on water issues across the west.
- In terms of Colorado planning efforts, the Colorado Water Plan is a significant guiding document, which the IBCC helped create. This plan addresses concepts and programs for relationships between different water users, water management of existing water systems, and engagement of stakeholders and users.
- Each basin is creating their own implementation plan going forward, taking into account the need for future water supply.

Colorado River Status

- Since hydrology is variable, and there is increasing demand for water, contingency planning is imperative to preemptively identifying solutions for sudden drops in water elevation.
- Dire water situations can happen in either the Upper or Lower Basin, and contingency planning creates more security in the system through greater understanding in the face of an extended drought.
- The Upper Basin, Lower Basin, and Mexico must create contingency plans so that any shortages can be addressed immediately.

Minute 323

- Minute 323 is an amendment to the federal 1944 Water Treaty between the United States and Mexico. Minute 323 was signed in September 2017.
- Minute 323 has terms for environmental water, exchanges, and projects. It also addresses Mexico's share in any shortage or surplus, as well as contingency planning.
- Mexico's participation is dependent on the Lower Basin completing their contingency plan, which will trigger a new agreement between the Upper and Lower Basins.

Drought Contingency Planning

- The concept of the Lower Basin drought contingency plan is to implement incentives to use less water to keep water levels up at Lake Mead in the case of a drought. This plan should maintain critical levels while allowing the Basin to accomplish any agreement terms without taking water from the Upper Basin.
- The current Lower Basin drought contingency plan does not address structural deficits and is a short-term solution; they will need to develop a long-term solution in the future.
- The Upper Basin contingency plan is meant to reduce or eliminate the risk of Lake Powell dropping below minimum power-generating levels, as the creation of electricity brings in additional financial resources to fund environmental compliance programs. More work is being done to further flesh out demand management and the right way of implementing such a practice.
- Once water drops too far below minimum thresholds in Lake Mead or Powell, there is an inability to release water.
- Any desirable drought contingency plan will operate within the existing National Environmental Policy Act (NEPA) framework so it does not have to be redone.
- The System Conservation Pilot Program is designed to develop and test tools that could potentially be used as a part of a drought contingency plan to protect water storage within the Colorado River basin. There is growing interest in this program, and project applications for 2018 are being reviewed in January. This program will be reexamined in 2018 to assess if the pilot program format is adding value.
- The possibility of weather modification is being explored further, and work in Wyoming has shown that it may offer possibilities in the future. This is not a new idea; it is just being expanded.

Compact Compliance Study

- The Attorney General's Office is working with CWCB to better understand the various forums that are discussing these issues.
- The Compact Compliance Study is still in the draft phase and will not be released until it is final, so that it cannot be used against the Attorney General's Office in a later lawsuit.
- The goal of this plan is to evaluate options for curtailing use in an equitable manner, while also eliminating the need for curtailing.
- This document will serve as recommendations for the State Engineer, as that position has the decision-making authority over what to do in the future.
- This study is currently preparing to identify next steps. Feedback is being taken through the legal process, and IBCC members are welcome to contact the Attorney General's Office with comments. The theme of it is continued collaboration and innovation.

Colorado River Risk Study

Eric Kuhn, General Manager of the Colorado River District presented information on Phase II of the Colorado River Risk Study. Below are the highlights of his presentation.

- The three components of the Upper Basin contingency plan are operations, cloud seeding, and demand management. This study is mainly about demand management.
- Demand management is cutting back on existing consumptive uses to maintain critical elevations at Lake Powell and other reservoirs and has never been implemented in the Upper Basin.
- Many people believe that demand management will eventually turn into the long-term use plan for the Colorado River.
- Some of the basin roundtables asked about risks associated with demand management in 2014, which triggered this study. The study focuses on severe drought conditions that supply management alone cannot address.
- Phase I of this risk study focused on how often severe drought events can occur. Phase II has been about using the Colorado River Simulation System (CRSS) to better understand the aggregate demands on the River. This phase is looking at how different demand strategies impact supply to inform recommendations to CWCB. Phase III will synthesize the data from the first two phases to better understand the risk associated with demand management. This phase is open ended, as it will likely occur in conjunction with CWCB.
- While the study is not perfect and CRSS is not highly detailed, this project moves the understanding of demand management in the right direction.
- Ideally, the Statewide Water Supply Initiative (SWSI) will be used to better inform efforts on the West Slope.

South Platte Storage Study

Jim Yahn, manager of the North Sterling and Prewitt Reservoirs, presented information about the South Platte Storage Study. Below are the highlights of his comments.

- Consultants were hired to better understand storage sites along the South Platte River and their feasibility. Five types of projects emerged from this study – reservoir rehabilitation, storage enlargement, on-stream storage, off-stream storage, and aquifer storage and recovery.
- The consultants reviewed the literature and narrowed down a list of possible sites based on feasibility and local knowledge. They chose eight representative projects based on the type

of project and the location on the river and assessed them for feasibility, water availability, and future hydrology.

- There is a unique challenge, because many of the site options are too far downstream when the water is needed further upstream. Storage on the far east part of the river could help Compact issues, but would likely not address issues of availability upstream. When large events occur, it is challenging to store water in a way that is useful and available to the people who need it most. It is likely that the best answer will be to use diverse types of storage.
- This study took future hydrology and reuse by municipalities into account and removed conditional water rights with water availability.
- The draft report should be done by December 15, 2017, and have a final report by the end of the year. It will be posted on the CWCB and South Platte Roundtable websites.

Statewide Water Supply Initiative (SWSI) and Basin Implementation Plan Guidance

Greg Johnson, Section Chief at CWCB presented information about SWSI and basin implementation plan (BIP) guidance. Below are the highlights of his presentation.

- SWSI is a complicated tool and serves an important role in understanding implementation. Unlike in past efforts, SWSI is being used this time to quantify scenario planning at the basin level.
- The State continues to collect data to have more information to inform analyses, and this time used a technical advisory group (TAG) of subject-matter experts to fully flesh out how the analyses will be performed.
- The TAGs reviewed the current documents and gave feedback to CWCB at the end of September. Revisions were made in October, and everything was finalized in November. The final information is available on the [CWCB website](#), including comments and response matrices. All comments will be used to inform the following two phases of the project starting in January (completion of the analyses and documentation/reporting).
- The document outlining work plan options for the IBCC identified how the SWSI process interacts with the basin roundtable process. The first iteration of BIPs resulted in products founded on different interpretations of the task. The CWCB will create more clearly defined sideboards for the next round of BIPs to better inform this process as it relates to funding and other state-level processes.
- The IBCC could potentially play a useful role in helping to identify appropriate parameters for the BIP guidance developed during the SWSI update to inform forthcoming BIP update.
- In addition, the IBCC could potentially play a useful role in identifying the best way to release interim data from the SWSI update to the public to maximize its utility.
- CWCB's 2017 *Ripple Effects* document does a great job at showing how the Water Plan has been implemented to date (available [here](#)).
- The *Water Supply Planning and Permitting Handbook* is also available and identifies ways to maximize the efficiencies of various permitting processes to help with project planning (available [here](#)).
- Additionally, a new IBCC member is needed to serve on the Public Education, Participation, and Outreach (PEPO) work group once a year. Anyone interested should reach out to Greg Johnson.

Future Work Plan of the IBCC

IBCC members worked into small groups to discuss their top priorities for the IBCC to pursue, as well as distribution strategies for any new funding sources that may emerge in the future. Below are the highlights of the group discussions grouped according to the prioritization reported by each small group.

First-Priority Topics

- Engage and develop plan with CWCB for Compact curtailment, including demand management, water banking, shepherding to Lake Powell, equitable curtailment, and funding.
- Based on input from the Roundtables, identify and encourage the development of a project of statewide significance. This would require the Roundtables to both compete and coordinate with one another, and their conversation would be facilitated by the IBCC.
- Reach consensus on both East and West Slope triggers to be used in conjunction with the Conceptual Framework, and continue to work on a roadmap for a statewide project.
- Obtain consensus among IBCC members about the language in HB 1177, specifically whether the IBCC has accomplished its statutory obligations.
- Be a leader on developing funding sources.
- Write a consensus letter to the Governor with recommendations on actions for the next four years.

Second-Priority Topics

- Along with the State, take an active role in assisting with the identification and planning of a regional South Platte project that has statewide benefit. This should be a multi-purpose, multi-party, administrable, regional water supply project to reduce the South Platte gap and decrease transbasin project development pressures.
- Move the next steps of the Framework forward. Both the Front Range and the West Slope Roundtables need to be engaged. Finish the Colorado River Risk Study by the middle of 2018, and then challenge a smaller group to develop an action plan for what comes next. Give the group a real deadline and then commit the resources to further the detailed planning.
- Continue statewide education of the need for water development, particularly on the East Slope to prevent dry-up for agriculture around the state.
- Write a letter to the gubernatorial candidates outlining the IBCC's role and emphasizing collaboration, water development, and funding.
- Initiate a process to integrate individual plans to meet the 2050 water demand.
- Create a process for the IBCC to support the State of Colorado in developing a plan for Colorado River Compact compliance.

Third-Priority Topics

- Work with the State to increase the ability to reuse and recycle water supplies to the largest extent legally possible, while preserving existing uses and with sensitivity to resulting impacts.
- Start on a letter from the IBCC to candidates for elected office in 2018 and their appointees. Get it done before the election, and use the 2010 letter as a starting point.
- Review the allocation for Water Supply Reserve Account and Water Plan implementation funding. Ensure there is proper accountability for the funds.
- After completing our statutory obligation, identify specific projects of statewide significance prior to a funding campaign.

- Inform the next administration by writing a letter.
- Build consensus for a new funding approach and provide guidance and parameters for distribution.

Strategies for Funding Sources

- Build consensus among stakeholders about the needs, as it is critical to have agreement or consensus across sectors prior to launching an initiative.
- Use existing funding entities and processes to distribute funds, rather than creating a new entity.
- Develop guidelines in conjunction with CWCB for use of the money, ensuring that the money is allocated into several categories so that no single use can monopolize the funds.
- The IBCC would act as a conversation promoter and eventually come up with a list of popular statewide projects that balances geographic distribution and uses of funds. These hard conversations should occur early in the process rather than later.

Discussion of the Future Work Plan of the IBCC

After each group reported its discussion, IBCC members discussed how the various tasks should be prioritized. Below are the highlights of their conversation.

Implement the Framework

- This is in the charge to the IBCC in HB 1177.
- There needs to be an agreement around the principals of the framework and implications for potential projects.
- Since it was challenging to get consensus on the Framework, it is important to begin to move it forward, while not renegotiating it terms.
- Implementing the framework should not intersect with Compact compliance too much in order to honor the organizations and states working on interstate issues.

Letter

- It would be a good idea to target those running for an elected seat during the election in order to keep partisan issues out of water. This could be followed by doing a deeper dive with elected officials and their appointed officials.
- It is not clear if the best strategy would be a one-page document or a packet of more robust information. There are benefits and drawbacks to both approaches.
- If this is to be done for the 2018 election cycle, the IBCC needs to take action quickly.

Funding

- There seem to be two different approaches to funding. One is to identify projects and then fund them, while the other is to use strategy in allocation up-front to inform the projects that are brought forth. There are benefits and drawbacks to both approaches.
- Regardless of which approach is chosen, the IBCC is the right body to be having the discussion about funding strategy.
- Having identified projects for funding will be necessary in order to pass any sort of referendum and garner Roundtable support. However, this could possibly include a list of criteria and project categories as well.
- It is probably not realistic for the IBCC to expect to identify projects in 2018, but it is possible in the future.

- Roundtables could bring projects to the IBCC; the IBCC could then serve as the coordinator of competing forces. All projects should be discussed at the IBCC to see the diversity of interests they are meeting.
- There are limited locations that can accommodate the construction of a large project.
- It was decided that water infrastructure should not be added to the infrastructure legislation that is expecting to come forward in 2018. However, that does not mean that projects could not receive funding through a referendum.
- Water could be tied to growth, as the two are closely intertwined.
- Any funding should promote the sustainability of the agriculture industry rather than its dry-up.
- Funding needs to be discussed as a sustainable framework, not just meeting immediate funding needs.
- Any ballot initiative on water would likely pass easily if presented during drought conditions.
- The basin roundtables must have consensus before projects can be funded.
- Most referenda are defeated because their purpose, projects, and outcomes are not clear to the voters.

Water Supply Reserve Funds

- This is something that the IBCC must do and must ensure CWCB does not forget that.
- Under the current system for allocation of WSRF funds, different basins have different amounts of money in their basin fund balance. One potential solution to enhance equity between basins and address potential liabilities of having excess funds exposed to transfers per legislative decisions would be to cap basin fund balances at a certain level (i.e. per available funding refresh each account up to X amount).
- The Legislature has facilitated the creation of criteria and guidelines, and it is up to the IBCC and the Roundtables to decide how to allocate the money.
- The Water Supply Reserve Fund (WSRF) Committee talked about revisiting and revising this allocation and decided not to pursue it further.
- These funds need to be used, otherwise other people will not use them and they will go away in the future.

Shepherding

- Shepherding is a tactic that allows water that is conserved by lessening consumptive uses to get to the place that it is legally intended without being diverted by intervening water rights.
- Other groups are addressing this issue and may be better equipped to do so than the IBCC.
- It would be good for members of the IBCC to have more information about the history and legal status of this practice, as it is one piece of larger Compact issues. This will inform future IBCC discussions exploring whether there is any added value by weighing in on this issue.
- The IBCC should weigh in on shepherding, because it is more complicated than it seems.
- There should be two-way communication on issues like this between the IBCC and the Roundtables.
- There is no way to discuss demand management without discussing shepherding.

After discussing the above topics, the IBCC agreed to the following:

- The first priority for 2018 should be drafting a letter to elected officials and those running for office, as it is time sensitive. Wayne Vanderschuere, Sean Cronin, Melinda Kassen, Bruce Whitehead, Stan Cazier, someone from the Colorado River District, and Lisa Darling will write a first draft of the letter before the next meeting based on today's discussion. CWCB staff and Peak Facilitation will help organize this discussion, and it will ideally occur in-person at Colorado Water Congress.
- The second priority for 2018 will be the Conceptual Framework. Eric Kuhn, Taylor Hawes, Kevin McBride, Peter Nichols, Jeris Danielson, and someone from Denver Water will work with CWCB staff to begin framing this conversation before the next meeting. They will meet at Colorado Water Congress, if possible, with a conference call as the alternative.
- The third priority involves T. Wright Dickinson, Steve Harris, Cleave Simpson, and Melinda Kassen meeting before the next meeting to further explore the issue of funding to frame it for a full IBCC discussion.
- Any task group that needs additional information or resources should contact CWCB staff.

Meeting Schedule

Members discussed what the IBCC meeting schedule should look like in 2018 and in the future. Many thought that the IBCC should meet as often as necessary to accomplish tasks, but not meet solely for the sake of having a meeting. IBCC members agreed to meet at least four times a year, but the group could possibly meet more frequently during the first and second quarters of 2018. The IBCC will meet again in February and April. The CWCB will send out a Doodle poll to identify the best dates for the first meeting. The February meeting will address candidate letters, Conceptual Framework, and funding.

Task Groups

Task groups have been used by the IBCC in the past to expedite work, but they are not currently being actively used. Should task groups be used, they should have a clear mission and purpose as well as geographic and interest-based membership diversity. IBCC members agreed to create task groups when necessary, and three task groups will be used at this time to start work on drafting a letter to 2018 candidates, flesh out the Conceptual Framework discussion, and discuss funding distribution concepts as outlined above.