

Interbasin Compact Committee (IBCC) Meeting
June 5, 2013
Keystone Conference Center - Keystone, CO

Attendees

IBCC

Mike Allnutt	Steve Harris	Travis Smith
Rick Brinkman	Taylor Hawes	Joe Stibrich
Stan Cazier	Melinda Kassen	John Stulp
Carlyle Currier	Eric Kuhn	Wayne Vanderschuere
Jeris Danielson	Jim Lochhead	Steve Vandiver
Jeff Devere	Kevin McBride	Bruce Whitehead
T. Wright Dickinson	Peter Nichols	Eric Wilkinson
Rep. Randy Fischer (via phone)	John Rich	Jay Winner
	Sen. Gail Schwartz	Jim Yahn

Colorado Water Conservation Board (CWCB)

Jay Gallagher	Diane Hoppe
Alan Hamel	John McClow

Participating Staff

Heather Bergman (Peak Facilitation Group)	Becky Mitchell (CWCB)
Jacob Bornstein (CWCB)	Olivia Salmon (Peak Facilitation Group)
Mike King (DNR)	

Next Steps

Eric Kuhn, Jim Lochhead, Peter Nichols	Work with staff to explore an approach to reconvening the New Supply Subcommittee
IBCC Members	Send comments about the Agriculture and New Supply No/Low Regrets Action Plan to Jacob Bornstein (jacob.bornstein@state.co.us) by 5:00 pm on Wednesday, June 19. (<i>Deadline extended.</i>)
IBCC Members	Send comments about the Conservation No/Low Regrets Action Plan to Kevin Reidy (kevin.reidy@state.co.us) by 5:00 pm on Friday, June 21. (<i>Deadline extended.</i>)
IBCC Members	Send comments about the Nonconsumptive No/Low Regrets Action Plan to Jacob Bornstein (jacob.bornstein@state.co.us) by 5:00 pm on Friday, June 21. (<i>Deadline extended.</i>)
IBCC Members	Contact Viola Bralish (viola.bralish@state.co.us) if interested in joining the Nonconsumptive, Conservation, or New Supply Subcommittees.
IBCC Members	Add upcoming IBCC meeting dates to calendars: August 6, October 1, and December 4. Locations will be announced when they are available.

Executive Order: Overview and Discussion

After welcoming the group, John Stulp provided an overview of how the Executive Order directing the CWCB to develop a state water plan will influence activities of the IBCC during the next 18-24 months. Key points are highlighted below.

- The timeline set out in the Executive Order will require the IBCC to work in lockstep with the CWCB Board. IBCC meetings will be held bi-monthly, staggered with CWCB Board meetings, to facilitate this.
- IBCC members will be responsible for updating basin roundtables about the progress of the Colorado Water Plan. They will also be responsible for bringing the suggestions and concerns of the basin roundtables back to the IBCC and CWCB Board. Future agenda topics for IBCC meetings will be sent out in advance to allow for better communication with basin roundtable members.
- The timeline set out in the Executive Order will require more deadlines and decision points for the work of the IBCC.

Mike King, Executive Director of the Department of Natural Resources, provided the following comments regarding the future direction of the IBCC:

- The Colorado Water Plan will start from the foundation of the IBCC, and the Governor and CWCB Board recognize the work done to date by the IBCC.
- The CWCB Board is counting on the continued, active participation of the IBCC as the Colorado Water Plan is developed.
- There is structure built into the Executive Order, but also flexibility. The development of the Colorado Water Plan is designed to be an open-ended, bottom-up process.
- Respectful, constructive dialogue will be needed as the Colorado Water Plan is developed. When participants see something in the plan they do not like, they will need to identify what they would rather see implemented instead.

James Eklund from the Governor's Office also provided thoughts on the role of the IBCC as the state moves forward with a water plan; these comments are summarized below.

- Meeting deadlines set out by the Executive Order will require a paradigm shift in water management discussions. Decisions will need to be made more quickly.
- It will be important for participants to work toward consensus. If there is disagreement, participants should try to think of changes to an idea that would allow them to accept it.
- The Executive Order provides the political will to accomplish a great deal in planning Colorado's water future. This is an important opportunity.

Alan Hamel, Chair of the CWCB Board, provided the following comments regarding the future of the IBCC and CWCB Board as they work together to develop a Colorado Water Plan:

- There will be exciting, challenging discussions as the Colorado Water Plan moves forward. Participants will need to work together and think of the process in terms of "we," not just "I."
- The CWCB Board will be looking for input from the IBCC, basin roundtables, and citizens as they work on developing a Colorado Water Plan.
- Staff will need to prioritize their efforts and think about how to communicate effectively with all constituents to avoid surprises.

Travis Smith, who sits on the IBCC and the CWCB Board, offered the following comments about the Executive Order and the path forward in developing a Colorado Water Plan:

- The political will and urgency of the Executive Order provides a similar context for the IBCC as the efforts behind the 2010 “Letter to the Governors.” In 2010, the IBCC had to work together under a tough deadline to make recommendations, even when total consensus was not achieved in all subcommittees. A similar effort will be needed now.
- The challenge for participants in developing the Colorado Water Plan will be to think in terms of the state’s best interests, and to move from “me” to “we.”

Discussion

- Some group members had questions about the Draft Integrated Schedule for completion of the Colorado Water Plan (distributed to the IBCC via email prior to the meeting) and the role of the IBCC within this schedule. There were concerns that the IBCC’s work would be complete after the finalization of the No/Low Regrets Action Plans. Staff clarified that the exact work plan of the IBCC has yet to be defined, but that the work of the group is expected to be integrated into the state water planning process. Identifying the direction and role of the IBCC in the development of the Colorado Water Plan is a key purpose of today’s meeting.
- Some group members also had questions about what would occur during the year between the development of a draft Colorado Water Plan and the final Colorado Water Plan. Staff clarified that topics may need to be refined, new topics may need to be added, and communication and education would need to take place about the content of the plan. If there are legislative components to the Colorado Water Plan, initiation of legislative efforts will also occur during the year prior to the adoption of the final Colorado Water Plan.
- Senator Gail Schwartz stated that the Water Resources Review Committee will be meeting during the legislative interim and is uniquely positioned to have some foundational conversations that are consistent with the goals of Colorado’s water community. The Water Resources Review Committee hopes to work closely with the CWCB and IBCC to ensure that legislative actions on water are consistent with the goals and objectives of a state water plan. Legislation may be brought forward as early as the next legislative session.
- Some group members had concerns about the role of legislation in the development of a state water plan and the possibility of decisions being made without the full participation of the IBCC and basin roundtables. Senator Schwartz clarified that the only legislative process currently planned is to communicate with the water community and gather information about priorities during the legislative interim.
- Some group members expressed support for language in the Executive Order encouraging water quality and quantity to be discussed conjunctively.
- Some group members had concerns about the degree to which the Colorado Water Plan would address the relationship between land use and water management. One group member stated that land use would come up in later stages of state water planning but that it was not an appropriate topic to address now. Another group member expressed a belief that the Colorado Water Plan must immediately tackle issues of sprawl and building density and how that integrates with water infrastructure and planning. One group

member supported integration of land use issues into water planning if it was done at a local level and with input from the agricultural community.

- The group discussed how to improve communication chains between the basin roundtables, the IBCC, and the CWCB. Many group members expressed their support for a grassroots, bottom-up approach to the development of the Colorado Water Plan and emphasized the role of the IBCC in making sure the plan has support from basin roundtables.
- A group member expressed concern that many organizations (e.g., the State Affairs Committee of the Colorado Water Congress) are not aware of the work already completed by the IBCC and basin roundtables. In addition to communicating with basin roundtables and the CWCB, the IBCC should focus on communicating with the water community as a whole about the state water planning process.
- Some group members had questions about Item III.G in the Executive Order regarding the development of ad hoc panels, specifically questioning whether this item calls for the development of new groups or whether existing groups will be called on to provide expertise and feedback. CWCB Board members clarified that they hope to reach out to both new and existing groups to capitalize on as much talent and knowledge as possible.
- A suggestion was made to coordinate efforts of the CWCB Board and the IBCC as much as possible so that work is not replicated and the groups do not move in different directions.
- Several group members expressed support for the state water planning process from the perspective of their basins. Many IBCC representatives spoke about the diversity of both their roundtable members and the challenges faced by their basins. Some expressed concern that the needs of each basin should be considered in any state water plan but stated they were looking forward to the challenge of working together to find solutions.

IBCC Role and Direction

Following a discussion of the implications of the Executive Order for future activities of the IBCC, the group discussed how to clarify and define its role in the next 18-24 months as the Colorado Water Plan is developed. The group agreed to move forward with a discussion about new supply, incorporating strategies and agreements generated by the Metro Basin Roundtable, the West Slope Water Caucus, the Basin Roundtable Project Exploration Committee, and the IBCC Draft New Supply No/Low Regrets Action Plan. This approach is consistent with the IBCC work plan included in the 2010 “Letter to the Governors.” The group also discussed the importance of integrating the new supply discussion with other framework elements (i.e., identified projects and processes (IPPs), conservation, agricultural transfers, and nonconsumptive needs). Below is a summary of the discussion.

- Representative Randy Fischer stated that he hoped to be a constructive partner in the process of developing a state water plan. He also stated his support for collaborative planning with the legislature regarding water issues.
- The group discussed reconstituting the IBCC subcommittees established in 2010. The following suggestions were made for modifications to the 2010 subcommittees:
 - Include one member of the CWCB Board and one member of the legislature.
 - Include new members from the IBCC.
 - Open the subcommittees to include basin roundtable participation.
 - Include representatives from the environmental community and water providers.

- The group also discussed the respective roles of subcommittees and the IBCC as a whole. Many group members felt that subcommittees should explore and try to achieve consensus on individual topics, while the role of the larger IBCC body would be to integrate these topics into a cohesive whole. Subcommittees should provide meeting summaries and reports to the IBCC well in advance of meetings so they will have time to review them.
- The group discussed the role of Basin Implementation Plans in the state water planning process. Many group members stated that the Basin Implementation Plans will be integral components of the State Water Supply Initiative (SWSI) and the Colorado Water Plan and should be actively supported by the IBCC. Specific suggestions about how the IBCC can support Basin Implementation Plans included the following:
 - IBCC members can work to communicate with basin roundtable members about the importance of their involvement and reassure them that state water planning is not a top-down process.
 - IBCC members can act as liaisons between basin roundtables and the CWCB throughout the basin implementation and state water planning processes.
 - The IBCC can help the CWCB Board to integrate Basin Implementation Plans into the Colorado Water Plan in a holistic way.
- Some group members suggested that the IBCC shape and contribute ideas to the formation of the ad hoc committees required by the Executive Order. Specific topics for ad hoc committees that might be needed in the state water planning process include:
 - Water quality
 - Land use
 - Legislative issues relating to water court
- The group discussed the need to focus on new supply as a statewide issue that is not being addressed in other venues. Some group members pointed out that several groups in Colorado have expressed support for initiating a conversation about new supply (e.g., the West Slope Caucus Statement, the Metro Basin Roundtable New Supply Development Statement). A group member also pointed out that the principles for having a new supply conversation are in place and that they should be implemented in the near-term.
- As part of this discussion, it was suggested that the new supply task group be reformed to help develop the new supply discussion. The following suggestions were made regarding a new supply task group:
 - Some group members stated that the task group does not have to include the entire IBCC, but key issues brought up by the task group should be vetted by the IBCC. Other group members believe the entire IBCC should be included in the discussion.
 - “Strawman” new supply projects should be developed to allow the task group and IBCC to explore ideas about challenges and opportunities.
 - The new supply task group should not focus on nebulous goals (e.g., acquire X acres of new supply by 2050), but rather come up with specific solutions to be considered by the IBCC.
 - There will need to be a discussion about how the findings regarding new supply will fit in to the rest of the Colorado Water Plan.
- Some group members stressed the importance of building on the No/Low Regrets Action Plans already developed when working on the Colorado Water Plan. Other group

members had concerns about the fact that No/Low Regrets Action Plans do not have complete consensus and that the role of these plans in the state water planning process is unclear.

- A suggestion was made to initiate a subcommittee on storage. Some group members stated that storage will be covered in the conversations of other subcommittees. Other group members believe there needs to be a conversation about how to establish a process for prioritizing storage projects. One IBCC member suggested that the storage conversation be bundled with a discussion of IPPs through one subcommittee or task group.
- A group member stated the importance of clarifying how information from the Colorado Water River Availability Study (CRWAS) Phase II and the Compact Compliance Study will fit into the state water planning process. Another group member stated the importance of moving ahead with the Colorado Water Plan in the absence of definitive “answers” from CRWAS Phase II and the Compact Compliance Study. “Educated assumptions” may need to be made in order to meet the deadlines set by the Executive Order.
- A group member stated that the IBCC needs to initiate a dialogue about how consumptive and nonconsumptive needs integrate as part of the state water planning process. All four “legs of the stool” (conservation, IPPs, agricultural transfers, and new supply) should be integrated and dealt with equally. Other group members stated that new supply is a keystone issue and if that issue is addressed sufficiently, the other legs of the stool will fall into place.
- Some group members had questions about whether the Colorado Water Plan will need to be approved by the State Legislature. Staff clarified that some components of the plan might need legislative intervention but that the plan itself does not require legislative approval.
- Some group members had questions about the impacts of changes in political leadership on the Colorado Water Plan. Staff clarified that state water planning is a grassroots effort that will be conducted independent of politics or who is governor.

Public Education, Participation and Outreach (PEPO) Workgroup Update

Jeff Devere provided an overview of the 2014 Scope of Work for PEPO; key points are highlighted below.

- The PEPO workgroup’s directive is to engage decision makers and broader stakeholders with the activities of the IBCC and the state water planning process.
- The PEPO workgroup plans to take a multi-tiered approach this fiscal year, focusing on statewide messaging while also tailoring their education and outreach for individual basins.
- A new employee will be hired to coordinate PEPO’s work, put together marketing materials about the work of the IBCC and the basin roundtables, and develop messaging that articulates the state water planning process in a way that will be palatable to the general public.

Agriculture and New Supply No/Low Regrets Action Plan

Jacob Bornstein provided an overview of the No/Low Regrets Action Plan framework, highlighting the following points:

- No/low regrets actions are good options to move forward in the near-term, no matter what the future scenario is.
- The No/Low Regrets Action Plans draw together IBCC ideas going back to the 2010 “Letter to the Governors” and will ultimately be migrated into SWSI and the Colorado Water Plan.
- Full consensus is not required for each no/low regrets action item; rather, these action plans represent a suite of options to consider.
- Staff is looking for feedback about whether anything extremely egregious needs to be removed from the plans, or if additional content is needed.

Minimize Statewide Agricultural Acres Transferred (per Basin Goals) and Implement Alternative Agricultural Transfers

Peter Nichols provided an overview of this section from the No/Low Regrets Action Plan, drawing attention to the fact that content was added about developing incentives programs, establishing alternative transfer methods (ATM) pilot projects, and developing water quality infrastructure.

Discussion

- Some group members had questions about the term “pilot project” when the project called for measures that were permanent in nature (e.g., conservation easements, infrastructure). Other group members clarified that these pilot projects could be considered pilot *demonstration* projects that contain permanent elements but are designed to explore and illustrate the impacts of taking certain actions.
- A suggestion was made to call out water banking as its own potential specific action, because it is referenced in many places as a useful strategy.
- Some group members had questions about the process and timeline for developing the guidelines mandated by House Bill (HB) 1248. Other group member clarified that this issue will be on the agenda for the July CWCB Board meeting, and that “strawman” guidelines will be presented to the IBCC to solicit feedback. Some group members indicated that there may be opposition to the implementation of HB 1248, but others are optimistic that the CWCB will be able to implement two to three small pilot projects by the 2014 irrigation season. Some group members expressed their hope that the process for developing guidelines will be transparent and inclusive.
- A group member had a question regarding the establishment of basin goals for agricultural transfers and whether regulations or incentives would be developed. Staff clarified that the process is still open-ended.
- An IBCC member stressed the importance of coordinating legislative efforts regarding agricultural transfers so that they fit together cohesively.
- A group member suggested that language regarding the free market and basin goals for agricultural transfers be modified to convey the fact that ATMs will utilize incentives to work within the free market rather than bypassing it entirely.

Planning and Preserving Options for Existing and New Supply

Joe Stibrich provided an overview of this section of the No/Low Regrets Action Plan, pointing out that this portion of the document incorporated feedback from the last IBCC session which focused on developing a cross-basin agreement or agreements and the need to develop and evaluate a multi-purpose “strawman” for each new supply project.

Discussion

- Some group members had concerns about the financial options outlined on page 19, particularly with how the document might create controversy about the use of taxes. Other group members stressed that when acceptable projects are identified, it will take significant financial resources to implement them, and funding options should be identified in the document. A suggestion was made to reference a 2008 CWCB report describing future water needs and the amount of money that would be required to fund them.
- A group member suggested that further elaboration about the Compact Compliance Study be included on page 17 of the document.
- A group member stated that a discussion about acquisition of water rights and rights-of-way is premature at this stage. Staff clarified that many steps will have to be taken prior to this one.
- A group member drew attention to the discussion of state bonding authority on page 19, stating that the Colorado Water Resources and Power Development Authority already has this authority.
- A group member suggested that the Water, Infrastructure, and Supply Efficiency partnership be highlighted in the portion of the document dealing with multi-purpose project components.
- Some group members had concerns about the Socio-Economic Compensation (Development Fund) referenced on page 21 of the No/Low Regrets Action Plan, specifically with the concept of trading money for water. Other group members stated that if financial compensation is required for new supply projects but not for agricultural dry-up, it creates an uneven playing field and might drive further agricultural dry-up.
- A suggestion was made to add text to the discussion about “strawman” new supply projects referencing the guidelines of the Basin Roundtable Project Exploration Committee about what a good new supply project looks like.
- A group member raised questions about whether measurable components would be included in each potential future action. Staff clarified that the Executive Order required a focus on more immediate issues and that measurable outcomes might need to be addressed at a later stage in the process.

Conservation No/Low Regrets Action Plan

Wayne Vanderschuere and Taylor Hawes provided an overview of the Conservation No/Low Regrets Action Plan and the activities of the Conservation Subcommittee. Key points are summarized below.

- Conservation efforts need to move past the status quo, and active measures will require political will. Compared to new supply and agricultural transfers, however, conservation should be a relatively easy component to support.
- Potential future actions outlined in the Conservation No/Low Regrets Action Plan include:
 - Improved tracking of conservation measures
 - Establishment of statewide conservation goals with intermittent benchmarks
 - Continued support of local implementation of best conservation practices

- Enhanced incentives for conservation
- Exploration of legislative concepts for conservation
- Implementation of education and outreach efforts
- Several members of the Conservation Subcommittee are working on a conservation discussion paper to supplement the Conservation No/Low Regrets Action Plan.

Nonconsumptive No/Low Regrets Action Plan

Melinda Kassen provided an overview of the Nonconsumptive No/Low Regrets Action Plan; key points are highlighted below.

- Two potential future actions were migrated to other No/Low Regret Action Plans.
- The potential future actions included in the Nonconsumptive No/Low Regrets Plan form a step-wise process for implementing nonconsumptive projects.
- Nonconsumptive projects will come out of Basin Implementation Plans, but Basin Implementation Plans will need to take account of statewide goals and measurable outcomes.
- Tracking requirements will be important to confirm whether or not nonconsumptive projects are working.
- Creative approaches will be needed to identify funding mechanisms for nonconsumptive projects.

Next Steps for No/Low Regrets Action Plans

- The IBCC, with staff support, is responsible for engaging basin roundtables with these documents. IBCC members committed to taking the No/Low Regrets Action Plans to their basin roundtables for comment. Governor appointees were encouraged to share the document with others in their community.
- Comment deadlines for the No/Low Regrets Action Plans are as follows:
 - Agriculture: June 14 (*Deadline extended to Wednesday, June 19, at 5 pm*)
 - New Supply: June 14 (*Deadline extended to Wednesday, June 19, at 5 pm*)
 - Conservation: June 19 (*Deadline extended to Friday, June 21, at 5 pm*)
 - Nonconsumptive: June 19 (*Deadline extended to Friday, June 21, at 5 pm*)
- The Conservation and Nonconsumptive Subcommittees will be meeting to review and address comments on the preliminary No/Low Regrets Action Plans. IBCC members are encouraged to join these subcommittees to participate in those discussions.

Upcoming IBCC Meetings

- August 6, 2013, location to be determined
- October 1, 2013, location to be determined
- December 4, 2013, location to be determined