

Interbasin Compact Committee (IBCC)
Thursday, October 18, 2018
Fort Lewis College, Durango, Colorado
Meeting Summary

Special Guest

Colorado Governor John Hickenlooper

IBCC Members Present

Dave Bennett (Metro Alternate), Jackie Brown (Yampa/White Alternate), Stan Cazier, Sean Cronin, Carlyle Currier, Jeris Danielsen, Joanne Fagan, Steve Harris, Taylor Hawes, Keith Holland, Melinda Kassen, Kevin McBride, Andy Mueller, Terry Scanga, Cleave Simpson, John Stulp, Bill Trampe, Bruce Whitehead, and Jim Yahn

IBCC Members Absent

Mike Alnutt, Lisa Darling, T. Wright Dickinson, Tom Gray, Jim Lochhead, Peter Nichols, John Rich, Wayne Vanderschuere, Representative Arndt, and Senator Sonnenberg

Colorado Water Conservation Board (CWCB) Staff

Viola Bralish, Megan Holcomb, Greg Johnson, Becky Mitchell, Brent Newman, Russ Sands, and Dori Vigil

CWCB Board Members

Steve Anderson (Gunnison Basin) and Celene Hawkins (Southwest Basin)

Funding Discussion Panel

Joanne Fagan, Steve Harris, Melinda Kassen, John McClow (Upper Gunnison Water Conservation District), Andy Mueller, Jill Ozarski (Walton Family Foundation), and Cleave Simpson

Facilitation

Heather Bergman and Dan Myers

Audience

Approximately 25 people attended the meeting, including Fort Lewis College President Dr. Tom Stritikus

ACTION ITEMS

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| CWCB Staff | Send a Doodle poll to schedule the next IBCC meeting. |
| IBCC Members | <ul style="list-style-type: none">Send Jill Ozarski suggestions for people to serve on the Management and Advisory Committees.Send Russ Sands suggestions for people to serve on the Implementation Working Group. |

OPENING REMARKS

Colorado Governor John Hickenlooper provided some brief, opening remarks to the group. His comments are summarized below.

- The Governor thanked IBCC Director John Stulp and the IBCC for their role in developing Colorado's Water Plan (CWP).

- The IBCC provided the foundation for creating the CWP. The CWP is a living document that will evolve as the state's water situation does.
- When the Governor and Director Stulp discussed the challenges facing the CWP, they decided to begin from a position of trust rather than focus too narrowly on history. They also recognized that there are different water issues in different parts of the state and have worked to integrate those interests to help people hear one another.
- The Governor has had discussions with the campaigns of both candidates running to succeed him about the importance of maintaining a strong focus on water rights. He will make sure that the work done by the IBCC and others on the next phase of the CWP is not lost under the next administration. The IBCC should be the hand that passes the baton to the next administration on these issues.

Clarifying Question

An IBCC member asked a question after the Governor's remarks. The question is indicated in italics, followed by a response in plain text.

What do you think about opportunities for additional funding for the CWP?

The administration has not released its next budget yet, but it will recommend three years of additional funding (but not full funding) of the CWP to the Joint Budget Committee. The administration has also tried hard to designate a small portion of the budget for transportation infrastructure for use on water projects. Not everyone is on board with that effort, but at some point, people must see that there is a need for new revenue to fund the CWP. Upcoming ballot initiatives and new pressures on severance tax revenues also pose a challenge to securing funds.

STATE DROUGHT BRIEFING

Taryn Finnessy, Senior Climate Change Specialist for the State of Colorado, provided a briefing on the current drought in Colorado as well as the outlook for future conditions. Her briefing is summarized below.

Review of Water Year 2018

- Water year 2018 was the warmest and second driest in 124 years. Many local records for the driest year on record were broken in Colorado, especially in the southern and western portions of the state.
- Much of the Western Slope broke records for the warmest year on record. Almost everywhere in the state experienced above normal temperatures, although temperatures were more moderate on the eastern plains. There were also a record number of 90-degree days across the state.
- In part, high average temperatures were driven by a fivefold increase in high nighttime temperatures that prevented many locations in Colorado from cooling off as much as normal (daytime temperatures were also high).
- The Governor activated the Colorado Drought Mitigation and Response Plan in May and eventually expanded it to include 40 counties around the state.
- The US Department of Agriculture (USDA) has designated nearly all of Colorado's counties as primary natural disaster areas for drought. Doing so provides those counties with eligibility for several USDA drought relief programs.
- There are approximately 150,000 prevent plant acres and 120,000 fail acres in Colorado, mainly along the eastern plains and the southern portion of the state. The number of failed

acres will probably rise next year, partially because of the accounting methods used to determine the number of failed acres.

- Colorado has one of the highest rates of drought impacts reported to the National Drought Mitigation Center (NDMC). These impacts have included calls put on rivers like the Yampa and mainstem San Juan, as well as two (Spring Creek and 416) of the ten largest wildfires in state history. Areas not impacted by drought had significant wind events and record hail events in northeastern Colorado and along the Front Range.

Current Conditions

- The drought has expanded significantly since the Governor's activation of the drought plan on May 1.
- Southeastern Colorado has experienced great relief over the past three months, but northwestern Colorado has had substantial drying over the same time period. Southwestern and south-central Colorado have not seen changes in their drought designations because they have the worst designations possible.
- Conditions are still dry, but there has been some reassuring cooling and precipitation over the past two and a half weeks. For example, Grand Junction has already received 2.5-3 inches of rain during this 18-day-old water year (it received 4.65 inches for all of water year 2018). Above-average precipitation is expected to occur over the next six to ten days across the state.
- The impacts of an El Nino event may begin to appear in a month or so. In Colorado, El Nino events usually mean wetter conditions in southern Colorado and drier conditions in northern Colorado. This is great news for drought-stricken southwestern Colorado, but it raises concerns for northwestern Colorado.
- In October, there have been improvements to the drought on the Western Slope. A slight improvement to conditions is projected through January. Drought conditions are forecasted to persist but will improve in southwestern Colorado. However, it is difficult to say where the north-south threshold for an El Nino event will fall in Colorado. It would be better for Colorado if the threshold fell farther north.

Clarifying Questions

IBCC member asked questions about Finnessy's presentation. Questions are indicated in italics, followed by responses in plain text.

Last spring and early summer, long-term forecasts predicted a wetter than normal monsoon from July to September. This did not materialize. Why were the forecasts so far off?

There were a number of reasons behind the forecast of a strong monsoon season. A strong monsoon did develop but did not come as far north as Coloradoans would have liked. Arizona saw substantial drought relief. Forecasting monsoon seasons is difficult. It is unclear why the monsoons did not come farther north.

Comment: There have been discussions about the benefits (beyond federal funding) of the drought plan. In southern Colorado, the CWCB and Office of Emergency Management funded a mobile radar unit that notified burn areas when major precipitation was coming. That was appreciated, but there should be a permanent radar site in southern Colorado. River flows are at record lows. It is important to point out the benefits of storage. Without reservoirs, people would be hurting even more than they are now.

COLORADO RIVER UPDATE

Brent Newman, Interstate, Federal, and Water Information Section Chief with the CWCB, provided an update on activities on the Colorado River. His comments are summarized below.

Drought Contingency Planning Update

- The Bureau of Reclamation is predicting that the Lower Basin states will need to take shortages in 2020. That has not happened on the river before, but both the Upper Basin and Lower Basin states have planned for it. The 2007 Interim Guidelines are working as they should.
- The Upper Basin states have maintained storage at Lake Powell in keeping with their compact obligations. However, storage at Lake Powell could decline in the face of this 18-year drought, and compact compliance could become more difficult.
- The Upper Basin deals with hydrologic shortages every year, so this is not new for Colorado's water users. In accordance with Chapter 9.1 of the CWP, the State of Colorado will support strategies that maximize available compact water while avoiding river compact deficits. There will be intrastate and interstate efforts to achieve this.
- Drought contingency planning is an ongoing coordinated effort between the seven Colorado basin states and the federal government to reduce the risk of reaching critical reservoir elevations at Lake Powell and Lake Mead.
- If water levels dropped below the critical elevation at Lake Powell, the Upper Basin states would lose control of their own destiny within the Colorado River program. Such a drop would affect irrigation, power production, the environment, and a host of other issues. Drought contingency plans (DCPs) exist to avoid the resulting controversy, conflict, and uncertainty of reservoirs dropping below critical elevations.
- The Colorado River Basin DCP is made up of a Lower Basin DCP and an Upper Basin DCP.
- The Lower Basin DCP consists of an Operational Agreement that determines who will be involved in any needed cuts and a set of interstate agreements on how the cuts will be spread. The Lower Basin is implementing voluntary reductions in water use below the requirements of the Interim Guidelines. Those states can implement more shortages as needed. At certain levels in Lake Mead, those voluntary shortages could reach 1.1 million acre-feet.
- The Upper Basin DCP consists of the Drought Response Operational Agreement and the Demand Management Storage Agreement (DMSA). The DMSA does not create a demand management program in the Upper Basin. Rather, it provides a mechanism for conversations about whether demand management is feasible if Upper Basin states want to implement it, and how it can be made to work within the Colorado River Compact.
- The Upper Basin DCP aims to protect critical reservoir elevations and to maintain the current scheme for reservoirs through 2026.
- A Companion Agreement between the two basins provides enforceability if either or both of the DCPs come into effect.
- While DCPs have changed the way that the rivers are managed, federal legislation would be needed to change river law. The DCPs also represent efforts to implement long-term management on the river.
- The Upper Basin DCP's three chief elements are supply augmentation, drought response operations for Colorado River Storage Project Act (CRSPA) facilities to move water into Lake Powell, and exploration of the feasibility of demand management.
- Drought response operations will entail moving water from one or more of the three Upper CRSPA Units (Aspinall, Flaming Gorge, and Navajo Reservoirs) to Lake Powell. There must be water availability (which varies annually) in the reservoir(s) selected and there must be

a plan for recovery of storage at those facilities. Any action will also comply with the requirements of the relevant authorities, permits, etc.

Demand Management Update

- Coloradoans will not be asked to send water downstream unless there is a plan to conserve it. No storage plan that is created would fall under the Interim Guidelines. If Colorado cannot develop a demand management plan (DMP) that users buy into and that is technically sound, Colorado will veto it, as will the other three Upper Basin states. Any demand management system would need to be a temporary, voluntary, and compensated reduction of water diversions that would otherwise be used consumptively. Demand management would serve as a second line of defense (after the CRSPA reservoirs) if critical elevations were breached at Lake Powell.
- Discussing demand management presents questions about the prior system of appropriation among the Upper Basin states, ways to respect local communities that do not support it, a feasible way of accounting for preserved water, and who would administer the system. These questions would need to be answered clearly before determining whether an operational DMP is right for Colorado and the Upper Basin. A variety of forums, including the Compact Compliance Study and the Colorado Water Bank Working Group, are discussing these questions.
- The CWCB is conducting an extensive information and outreach campaign to discuss demand management and how the Colorado River is being managed. CWCB staff are trying to reach all four corners of the state and to engage with anyone who wants to discuss these issues. CWCB staff have learned a lot about what would need to be known about how demand management would affect communities around the state before pursuing such a plan.
- Some of the primary considerations surrounding demand management that staff have heard so far include:
 - Consistency with water law
 - Preservation of water rights
 - Economic and environmental considerations
 - Monitoring and verification of water conservation
 - Sideboards
 - Administration
 - Water court
 - Benefits and burdens shared
- The CWCB wants to be prepared for worst-case scenarios like a state not signing a DMP or a DMP that insufficiently protects elevations at Lake Powell.
- The CWCB and the Colorado Attorney General are not assessing involuntary or anticipatory curtailment scenarios.
- The CWCB will draft a policy statement based on input it has received from Coloradoans to guide implementation of any DMP in Colorado. No DMP will work without a public engagement process.

Interstate and Intrastate Effort Timeline

- In the next few months, the Lower Basin states will review the commitments made in the Lower Basin DCP. Hopefully, all seven states will say that there is a path to move forward at the December Colorado River Water Users Association meeting.
- The Arizona legislature will decide whether or not to accept the DCP after they convene in January.

- The conversation within Colorado will continue for however long it takes to do things the right way.
- The IBCC and Basin Roundtables can help by providing a forum for scoping work for ongoing technical analysis and by identifying stakeholder concerns.

Clarifying Questions

IBCC members asked questions about Newman's presentation. Questions are indicated in italics, followed by responses in plain text.

Do you anticipate a need for legislation concerning either the DCP or a DMP?

This has not yet been determined. There are too many unknowns surrounding demand management.

What happens next in terms of answering the most pressing questions surrounding these two efforts?

The next couple steps are interstate efforts, then providing a recommendation to the CWCB itself, which will say how to engage stakeholders and to start answering those questions. Those conversations will take place sometime after January.

How would a DMP respond to either a compact cull or lake level drop in Lake Powell (or both if they happened simultaneously)?

If elevations dropped below critical levels in Lake Powell, the DMP would help by creating a releasable pool to meet compact obligations free of the Interim Guidelines. The Upper Basin states have between now and 2026 to set up a program that works if needed. The challenge will be to get enough water in that pool by 2026. This could entail a phased approach with modifications or moving water from a CRSPA reservoir to Lake Powell (which would be subject to the Interim Guidelines).

Has space been secured for that water?

That is what the DMSA will do. It requires the Secretary of the Interior to make space available free of charge.

Would each state have a piece of the releasable pool? Would each put in a proportional amount of water?

This has not yet been determined. That will be a major part of the Upper Colorado River Commission's discussions next year.

What is the State's staff capacity to answer questions surrounding the DMP? Should there be a line in the water projects bill to help with that? Will the State Engineer's Office be involved?

That is unclear. The State Engineer's Office will be critical to this process, though.

Will the policy adopted by the CWCB address any of the interstate concerns? Our Basin Roundtable thinks that intrastate issues need to be addressed before this process can move forward.

The CWCB agrees. The intrastate conversation has been taking place in the DCP process and now the identification of concerns surrounding demand management. Both conversations inform each other, but they are different. Colorado has time to explore the technical and political aspects of demand management the right way. The CWCB policy will address those concerns.

What are the goals of the forthcoming CWCB policy?

The Board will try to address the concerns highlighted by the public.

Do you think that there is a difference between critical reservoir elevations and compact compliance?
The power pools are a proxy for compact compliance, but it is important to Colorado water users to avoid jeopardizing Colorado River programs.

When discussing the anticipatory curtailment scenario, what is the difference between the minimum power pool and actual compact compliance? Are they administered differently?

The CWCB has not assessed that yet. It is focusing on making sure that any DMP is temporary, voluntary, and compensated.

What is the role of the IBCC in intrastate decisions?

That is a question for CWCB leadership, but the IBCC detailed that role well in Chapter 8 of the Conceptual Framework.

IBCC FUNDING TASK GROUP DISCUSSION

Task Group members, representatives of the Colorado Ag Water Network, and representatives of the Keystone, Walton, and Gates group (herein, Keystone Group) discussed their work on the funding questions surrounding the CWP. Their comments are summarized below.

Background and Timeline

- The funding conversation has been an ongoing part of the CWP since 2015, particularly throughout the past year.
- There has been confusion about the relationship between the work of the IBCC Funding Task Group, the Colorado Ag Water Network, and the Keystone Group. Today's meeting provides an opportunity to clarify.
- Director Stulp and CWCB Director Becky Mitchell were asked to participate in the Keystone Group discussion. They have encouraged the Keystone Group to be transparent with the IBCC and Basin Roundtables as it moves forward with its discussion.
- The Colorado Ag Water Network is an agricultural water initiative made up of members of the Colorado Cattlemen's Association from every basin in the state. The group has met in parallel with the Task Group and the Keystone Group processes this year and is focused on agricultural productivity.
- The IBCC Task Group first met in February of this year and produced a first draft of the funding document discussed at the IBCC meeting that month. Another draft was produced in April. The Task Group solidified a draft at a meeting on June 27 and emailed that draft to the full IBCC with information about the Task Group's work, developments with the Keystone Group and a request for feedback. The Task Group met with the Keystone Group at the Colorado Water Congress in August and sent another email to the full IBCC asking for feedback by September 20.
- Most feedback the Task Group has received has been from Basin Roundtables. The feedback has been used to substantively change the draft to its current form.
- In their conversations this month (October), the Task Group identified seven major topics of concern or interest in the document as it currently stands. These topics are:
 - Stakeholder input
 - Clarify purpose
 - Conceptual Framework
 - Rolling average
 - Healthy aquifers
 - Water rights protection
 - Compact category language

- There are three major topics that the IBCC has discussed within the funding conversation: funding categories, the funding mechanism, and governance. It should be noted that the CWP has a number of measurable outcomes and that funding for the next thirty years is one of those.
- There are a number of legal questions surrounding the funding discussion. Attorneys have briefed some members of the Keystone Group on the respective advantages of using a ballot initiative or legislation to secure additional funding for the CWP. It should be noted that state and local government officials can be educational resources for someone who asks about these topics but cannot advocate for or against a ballot initiative.

Funding Discussion Panel

- The Colorado Ag Water Network is a diverse group of farmers and ranchers working together across the state. Farmers and ranchers have the majority of the senior water rights in Colorado and are often the sources for water taken through buy-and-dry for other needs. It is important for farmers and ranchers to be involved in discussions of what needs to be in a funding plan to implement the CWP.
- Over the past year, the Colorado Ag Water Network has discussed ways to ensure that there is enough water to keep agriculture productive. Storage is crucial to that goal because its availability to municipal, recreational, and environmental water uses reduces the pressure on agricultural water rights to meet those needs.
- Agricultural users can lease out water for storage uses to prevent permanent losses of those water rights through buy-and-dry. In some cases, alternative water transfers (ATMs) could also be used if the leasing language is flexible.
- Agricultural stakeholders requested that a focus in the funding document be changed from “agricultural sustainability” to “agricultural productivity” because the word “sustainability” has often been taken to mean agriculture without science and technology.
- The Task Group has been iteratively developing the buckets in the funding document. There have been difficult conversations around some of these buckets, but Task Group members compromised and took this document as far they could. At some point, stakeholders with political expertise will have to take the responsibility of representing the Task Group’s intentions in the political process while also appealing to the electorate.
- The Task Group and the Keystone Group have been working together in greater harmony since late July. There were initial concerns that the Keystone Group was not listening to the Task Group very well, but the Keystone Group ultimately adopted language for its documents from the Task Group and the Colorado Ag Water Network.
- The Keystone Group is composed of a broad group of civic leaders with experience outside of the water policy world who will be valuable in getting any potential ballot initiatives passed to fund the CWP.
- Remaining concerns that Task Group members have for the funding conversation include:
 - The need for a winning strategy for convincing the public or the legislature that a new fee or tax to fund the CWP is worthwhile.
 - The need for interest beyond the water community in funding water issues.
 - Issues with severance tax funding and the broader need for a stable funding stream to complete projects.
 - A missed opportunity to have a water funding ballot initiative during a drought year when water is more salient for Coloradoans than usual.
- Hopes that Task Group members have for the funding conversation include:
 - An opportunity to include water users in all corners of the state in this process.

- A new farm bill in the US Senate that might allow irrigation districts to access Environmental Quality Incentives Program (EQIP) funds.
- A poll from a few years ago that showed that Coloradoans made water their top priority when asked what they were willing to pay to protect.
- The potential that a water funding initiative on the ballot in 2020 would not need to compete with as many potential funding initiatives as it would have this year.

Keystone, Walton, and Gates Group Update

- The Gates and Walton Family Foundations have been collaborating on this project since January because both foundations believe in the CWP. The CWP still has a funding gap of \$100 million a year that will need to be filled to for it to be fully implemented.
- Someone outside of government was needed to lead the effort to cover the funding gaps in the CWP. As engaged organizations in Colorado, the two foundations decided to fund a process facilitated by the Keystone Group to develop a funding plan for the CWP. The foundations did not direct the outcome of the process but rather wanted to create documents driven by process participants.
- The Keystone Group included members from across the state and beyond the water community. The water community would have a hard time getting something funded by itself, as the recent experiences of the transportation and education communities have shown. The Keystone Group is committed to working to secure water funding at the legislature or on the ballot.
- The Keystone Group is committed to the idea that this proposal can be successful only if it works for everyone who cares about water in Colorado (municipalities, farmers, businesses, environmental groups, etc.). That does not mean that all of those groups will favor everything in the proposal, but something needed to be included in the proposal that helps each of them.
- There is a lot of suspicion in the water world about why the foundations are doing this work. The reality is that they care about the future of Colorado. The Keystone Group participants wrote this proposal, not the foundations.
- The Keystone Group proposal evolved with input from the Colorado Ag Water Network and the IBCC. The process has been transparent, and the Keystone Group and the foundations have been open to suggestions for change.
- The Keystone Group has worked to distill its funding categories into principles with corresponding examples. A subgroup has been wordsmithing the document and will meet one more time to finalize its details, as will the full Keystone Group.
- The foundations have brought in consultants who specialize in ballot initiatives, and the Keystone Group has learned a lot about how difficult it is to get a revenue measure passed by voters.
- The Keystone Group process is funded through October 30, and the group hopes to achieve general consensus on the proposal by then. The group is also determining next steps. The foundations are committed to spending money to advance this work, which will require outreach staff, pollsters, lawyers, etc.
- There may be another committee formed by people outside of government who have the legal ability to determine the language of a ballot initiative or legislation, the timing of such an action, etc. This Management Committee would be responsible for representing their constituencies in making those decisions. An Advisory Committee of those who cannot participate in the Management Committee process for legal reasons could provide technical advice.

- The Keystone Group members present at today's meeting want to hear from the IBCC about any "nonstarters" that the Keystone Group may need to work on further before it finalizes its proposal.

Clarifying Questions

IBCC members asked questions about the funding discussion. Questions are indicated in italics, followed by responses in plain text.

What lessons can be taken from this year's ballot initiatives and what is the contingency plan for the failure of a ballot initiative?

That is why the Keystone Group has a legislative strategy. The group will work with the legislature while preparing for the chance to appear on the ballot in 2020. The Keystone Group is watching this election closely to inform its own voter outreach efforts.

Has there been a discussion about frontloading some of the money for certain categories like the Colorado River Compact?

Both the Task Group and the Keystone Group have discussed the need to build flexibility into this process, which is reflected in the Task Group's fourth identified topic of interest in the latest draft document, a rolling average. Language in the ballot initiative or legislation could allow for funding to be allocated using a rolling average over ten years so that it can be distributed among different buckets in anomalous years before moving elsewhere. There is a need for all interest groups to have assurances that their buckets will receive money while still providing enough flexibility to respond to times of large need in other buckets. The groups do not have a solution to this yet.

Water is a local issue, and local government is trusted more than the state or federal governments. Have there been discussions about a joint ballot strategy for raising some funding at the local level and some at the state level?

Not yet, but the Management or Advisory Committees could consider that as a group. It is a good idea but adding local issues might make a complicated effort even more complicated. It is difficult to coordinate statewide and local ballot initiatives at the same time. The CWCB has invested money in implementing the CWP in over 50 counties. That success that the CWCB has had with limited resources on the local level could be part of the campaign's message.

Has there been any baseline polling yet?

There has not been any specific to this initiative, but the foundations have done some on statewide land and water issues as recently as April. The takeaway is that water is not a top priority when people are asked about important issues, but is a top priority when people are asked what they are most willing to pay to protect. There has also been some preliminary polling on funding sources. There will be more details on polling when the Management and Advisory Committees convene.

Who is legally able to help with outreach?

There are legal and political issues preventing government employees or board members from doing that work. These individuals can represent themselves in conducting education or outreach on an issue or sharing what they know about an initiative, but they cannot tell people to vote yes or no on an initiative or a piece of legislation. The CWCB can vote to support certain efforts but cannot spend money on them. There are still questions about the legal roles for the IBCC and the Roundtables, as well. The Advisory Committee may be a good way for state staff to participate. Additionally, the Colorado Water Congress has a stewardship program for convening citizens and organizations to advocate and raise funds once the Water Congress has taken a position on an issue. That is another option.

When will the geographic distribution of funding be discussed?

The current Keystone Group document states that the geographic distribution of funds across the state is a goal of the process. This will probably be refined further when the Advisory Committee makes recommendations to the Management Committee. The money probably should not be distributed via the Water Supply Reserve Fund, but it could be allocated via CWP grants. It is an important detail.

When will governance be discussed further?

The Keystone Group has had initial conversations about governance but has not come to any firm conclusions.

Will the consultants help craft the language for a ballot initiative? Have they provided feedback on ways to simplify the message?

Detailed policy conversations and a more succinct message are both important. The former is crucial in determining what people with expertise in water policy are interested in doing. Whatever form the funding categories ultimately take, any public campaign would focus on clean, safe drinking water.

Feedback on Keystone, Walton, and Gates Group's Funding Strategy

IBCC members provided feedback on the Keystone Group funding strategy and discussed the seven suggestions for improvement that the Task Group made to the Keystone Group.

- The Basin Roundtables could be a valuable part of the governance system for this process.
- A footnote on page five of the funding strategy should read “bring Western Slope water to the East Slope,” not “bring Western Slope to the East Slope.”
- IBCC members should think of a project that they want to do in their basins and check it against these categories. If it does not fit these buckets, they should communicate this to the Keystone Group. That type of feedback is how the strategy will become something that can pass statewide.
- The IBCC discussed changes to Task Group’s seven preliminary suggestions for change. The discussed changes addressed the importance of:
 - Clear communication between the IBCC, Basin Roundtables, Keystone Group, and other involved groups.
 - Clarifying that language discussing “funding gaps” refers to the need for supplemental funding for both unfunded and underfunded projects.
 - Acknowledging the need for additional funding for categories that have not had access to traditional funding sources.
 - Removing confusing language about “any programs that have evolved” from the Conceptual Framework.
 - Eventually returning to the question of whether some buckets will take more money than others as part of the “Rolling Average” point.
 - Acknowledging challenges stemming from aquifer depletion across the state.
 - Underlining the fact that water rights protection is overarching and not limited to agriculture.
 - Addressing all of Colorado’s compacts.
- The IBCC thanked the Task Group for their hard work. The feedback provided today will be submitted to the Keystone Group under the name of the full IBCC. Jill Ozarski will communicate what she heard at this meeting to the Keystone Group and will circle back to

the Roundtables as the process continues. IBCC members will send Ozarski any suggestions they have for people to sit on the Management or Advisory Committees.

- The IBCC's final recommendations for change to the Keystone Group are listed below.

1. Stakeholder Input

Moving forward, it is important to have clear communication and input opportunities for the IBCC, the Basin Roundtables, and other interested stakeholders who will be critical to the success of any effort. *Note: no changes were made to this comment.*

2. Clarification of Purpose

It is important to better define that the purpose of new funding is to supplement existing funding sources to better address the various gaps identified in the CWP. This means that new funding would be used to increase the overall amount of funds available through existing sources and to provide additional funds to support projects that are not currently eligible for funding through existing mechanisms or programs. *Note: there should also be a link to the section of the CWP that discusses the funding gaps.*

3. Conceptual Framework

The reference to the Conceptual Framework should be moved out of the infrastructure section and moved to another section, perhaps the introduction. It is also important to clarify that the Conceptual Framework in the CWP addresses new transmountain diversions. State funding made available for all or part of a new transmountain diversion should be consistent with the relevant parts of the Conceptual Framework. *Note: a link to the Conceptual Framework should be included.*

4. Rolling Average

Given the uncertainties and inherent fluctuations of needs and priorities, a ten-year rolling average (or longer) is likely necessary to provide flexibility in balancing funds between categories. In addition, depending on drought conditions and the need for potential drought contingency operations, a reserve fund may be helpful for the Compact category. *Note: no changes were made to this comment.*

5. Healthy Aquifers

Along with healthy waters above ground, it is important to note that the health of our groundwater and the preservation of aquifer storage is critical to meeting multiple needs in many parts of the state.

6. Water Rights Protection

Water rights protection is critical to all projects that occur in Colorado. The reference to water rights protection should be removed from the agriculture category and moved up to the introductory language. It should be rephrased to focus less on programs and more on the overall importance of protecting water rights.

7. Compact Category Language

It is important to ensure that language in the Compact section is not too specific to the Colorado River and addresses all of Colorado's compacts. The language should be a more generic reference to the importance of full development of Colorado's water allocation in all of its compacts with other states.

WELCOME FROM FORT LEWIS COLLEGE

Fort Lewis College President Dr. Tom Stritikus welcomed the IBCC to Fort Lewis and highlighted the role that Fort Lewis has to play in rural development and the future of America. He told the IBCC that Fort Lewis has a grant to support internships for Native students in issues central to tribal nation building, including water. IBCC members whose organizations are interested in hosting a paid intern should email Dr. Stritikus at president@fortlewis.edu.

SWSI UPDATE AND INITIATION OF THE BASIN IMPLEMENTATION PLANNING PROCESS

Russ Sands, Senior Program Manager for the Water Supply Planning Section with the CWCB, provided an update on the Statewide Water Supply Initiative (SWSI) and the Basin Implementation Plan (BIP) process. His comments are summarized below.

- Today's meeting is the first step in the BIP process.
- SWSI is being updated as a technical component of the CWP. SWSI is a stakeholder-driven process that will use methodologies put forward by a technical advisory group (TAG) of stakeholders. It is different from the previous iteration of SWSI because the CWCB is doubling down on its investment in Colorado Decision Support Systems (CDSS) and is thinking of gaps through both hydrological modeling and the five scenarios outlined in the CWP.
- Those scenarios were developed as part of an iterative process with the Roundtables. There is a "cone of uncertainty" spanning from now until 2050. As Colorado moves down this cone, there will be decision-making points for changing course as needed.
- The draft 2050 population projections from the new SWSI are below the highest projections from SWSI 2010.
- The CWCB has developed a new costing tool designed to help the Roundtables complete their BIPs and hopes to launch a pilot of that tool in December.
- The three primary recommendations for SWSI that the CWCB has received from stakeholders are to provide a toolbox (data, costing, etc.), tell the SWSI story (what is it?) and unify the branding of SWSI and the CWP.
- In the SWSI's first phase (which runs through the end of the year), the CWCB is focused on modeling, meeting with the Roundtables, making data user-friendly, and releasing the costing tool and population data.
- Phase 2 will involve convening an Implementation Working Group (IWG) that begins meeting in January, hosting and recording technical webinars, and releasing a report in July.
- Phase 3 will include a Basin Summit in September and more work on the BIPs.
- Key themes that the CWCB has heard surrounding the BIPs and CWP updates include:
 - Questions about the need to work on BIP updates given that funding is low and the BIPs were updated relatively recently
 - The fact that BIP updates take a lot of time and could be made easier.
 - A need for better project metrics (according to 61% of those polled).
 - Support for the concept of the IWG (according to 65% of those polled).
 - Requests for CWCB support with getting updated projects into a database while retaining basin control of the projects (according to 88% of those polled).
- CWCB staff are making three funding requests to the Board:
 - Integrate SWSI by standardizing it, helping Roundtables to use the Identified Projects and Process (IPP) database, and/or updating the data for House Bill 1051.
 - Address the cost of BIPs themselves (the average cost during the last round was \$450,000) by funding the Roundtables to do the updates, creating a central BIP/IPP

document with a contractor serving as a liaison with Roundtables around the state, and/or standardizing all or key parts of the BIPs.

- Update the CWP (including its scope and printing costs) by administering a statewide survey and engaging with people outside of the water community.
- The IWG's work could include:
 - Exploring concepts to address in the BIPs.
 - Determining appropriate intervals for revisiting the BIPs.
 - Deciding what should go in the SWSI toolkit.
 - Identifying the aspects of the BIPs that are critical to standardize.
 - Creating an online IPP database.
 - Reviewing each chapter of the SWSI.
 - Determining next steps for the Basin Summit and beyond.

Group Discussion

IBCC members discussed Sands' presentation. Their comments are summarized below.

- Some Basin Roundtables are starting to face challenges in replacing seasoned members. There are questions about how those who are retiring can pass knowledge from their basins along in the context of state planning.
- The five SWSI scenarios do not seem related to any decision that will be made in water court in terms of water rights protection. Planning should be more integrated.
- It is important to note that there was no surface water modeling in the last SWSI update, so this update will make identifying places to target projects much easier.
- This SWSI update is focusing on providing additional detail to inform local planning. Hopefully, the IWG will discuss scenario planning and the complexity it creates.
- There is a need to acknowledge the good work done on a variety of related plans around the state and to better integrate those planning efforts.

IBCC PLANNING EXERCISE

IBCC members worked in small groups to discuss what the IBCC should work on over the next few years. The ideas of each group are summarized below:

- Group 1:
 - Discuss Colorado River Basin demand management issues.
 - Further the role of the IBCC in performing a vetting role for the State.
 - Address the importance of a feedback loop with the Roundtables.
 - Discuss the potential for the IBCC to troubleshoot the integration of SWSI and the CWP.
 - Explore ways to meet demand growth and to address the limitations of supply.
 - Have important conversations on demand management, hydrology, and an interbasin compact before the CWP is updated.
- Group 2:
 - Discuss demand management and the potential for an interbasin compact.
 - Hold joint meetings with the Basin Roundtables to assess issues and concerns with the CWP and DMP.
 - Do not just meet to receive updates.
- Group 3:
 - Educate the new legislature.
 - Coordinate with funding groups like the Water Supply Reserve Fund.

- Work on interbasin communication and coordination on risk studies, compact issues, DCP, the Conceptual Framework, etc.
- Group 4:
 - Discuss Colorado River Compact issues, including demand management.
 - Discuss new funding and funding distribution.
 - Educate the legislative and executive branches after the election.
- Group 5:
 - Discuss the demand management portion of the DCP and other compact compliance issues.
 - Ask the State Engineer's Office to develop scenarios for administering compact compliance.
 - Discuss how water could be shepherded.
 - Put off the CWP update.
 - Stay informed about the reservoir on the South Platte.
 - Do not get involved in standardizing the IPPs.
- Director Stulp and Section Chief Johnson acknowledged the group's desire to discuss demand management in the future while adding that there will be many other actors involved in drought and demand management conversations. They also stated their support for considering the idea of standardizing the IPPs and updating the CWP (but not in the next year or two) and acknowledged that the group does not just want to sit through updates. No decisions have been made yet on what the IBCC will discuss in the future.

NEXT STEPS

- Peak Facilitation will send out a meeting summary and the CWCB will put together a Doodle for the next meeting, which will probably be held in February. The revised IBCC comments on the Keystone Group funding document and PDFs of the PowerPoint slides from today's meeting will be sent out with the meeting summary.
- Group members should contact the CWCB if they have feedback on today's topics from their Roundtables.