## POLICY NUMBER: 15

## SUBJECT: CONSIDERATION AND APPROVAL OF FISH AND WILDLIFE RESOURCES FUND APPLICATIONS FOR INSTREAM FLOWS AND RIVER RESTORATION PROJECTS.

EFFECTIVE DATE: September 12, 2002

POLICY: The Colorado Water Conservation Board (CWCB) will accept applications throughout the year for grants from the Fish and Wildlife Resources Fund for the appropriation or acquisition of instream flow water rights and river restoration construction projects to mitigate the effects of the construction, operation, and maintenance of water diversion, delivery, and storage facilities.

> Applications for mitigation grants from the Fish and Wildlife Resources Fund will be accepted for the following types of projects:

- 1. The appropriation or acquisition of water rights for the purpose of preserving or improving the natural environment to a reasonable degree to mitigate the impact of an existing water facility.
- 2. River restoration feasibility studies and construction projects that are designed to directly mitigate or significantly improve the environmental impacts of existing water facilities.

The CWCB may, in any year, approve grants to fund any project in the above categories that the Board deems worthy of funding through the Fish and Wildlife Resources Fund. In order to protect the long-term integrity of the Fish and Wildlife Resources Fund, instream flow and river restoration projects mitigating the impacts of existing water supply facilities will be limited to 40% of the Fish and Wildlife Resources Fund balance as of July 1, 2002.

The project applicant must have completed a fully executed funding contract with the CWCB within 2 years of the grant authorization by the CWCB, or the Board will consider de-authorization of the grant.

- PURPOSE: To establish an approval process for instream flow and river restoration construction project grants from the Fish and Wildlife Resources Fund.
- APPLICABILITY: This policy and procedure applies to applications for instream flow or river restoration construction project grants from the Fish and Wildlife Resources Fund.
- PROCEDURE: Prior to a Board meeting, the CWCB staff will prepare for the Board's consideration a summary of the technical, financial, and institutional characteristics of each proposed instream flow water right appropriation or acquisition, river restoration feasibility study or construction project. Each application will be reviewed for conformity with the goals and

objectives of the CWCB Strategic Plan. Grant applications will be considered only in the following two categories:

- 1. The appropriation or acquisition of water rights for the purpose of preserving or improving the natural environment to a reasonable degree to mitigate the impact of an existing water facility.
- 2. River restoration feasibility studies and construction projects that are designed to directly mitigate or significantly improve the environmental impacts of existing water facilities.

The Board will consider and CWCB staff will evaluate and recommend to the Board grant <u>applications for appropriation or acquisition of water</u> <u>rights</u> to be held by the Board based on the following project types:

- Instream flow water rights that assist in the administration of compact-entitled waters, or address problems relating to compact-entitled waters,
- Instream flow water rights that facilitate the resolution of federal water rights issues, and
- Instream flow water rights that assist in the recovery of threatened or endangered wildlife species or the conservation of existing wildlife species within riparian ecosystems.

The Board will consider and CWCB staff will evaluate and recommend to the Board grant applications for <u>river restoration feasibility studies and</u> <u>construction projects</u> based on the following:

- Soundness of the project design, work plan or plan of study,
- The need for the proposed project,
- The need for financial assistance.
- Financial, technical, or administrative participation or coordination by all affected local governments.
- NOTE: Recognizing that future needs and responses to those needs cannot be predicted with certainty, the Colorado Water Conservation Board reserves the right to recommend for funding any instream flow acquisition, river restoration construction project, or study that it determines would mitigate the effects of an existing water supply facility and furthers the purposes of the Fish and Wildlife Resources Fund.

Approved by the CWCB September 12, 2002 Agenda Item #16a