



**COLORADO**

**Colorado Water  
Conservation Board**

Department of Natural Resources

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**TO:** Colorado Water Conservation Board Members

**FROM:** Lauren Ris, CWCB Deputy Director

**DATE:** July 15-16, 2020

**AGENDA ITEM:** 21. Water Plan Grants Overview for FY 19/20 and Recommendations for FY 20/21

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**Recommendation:**

Staff recommends the Board approve amending the Water Plan Grants Criteria and Guidelines (attached) to bring grant recommendations to the March 2020 Board meeting to accommodate a single grant application deadline of December 1, 2020.

**Introduction:**

This agenda item will provide the Board with an overview of the FY 19/20 Water Plan Grant approval process and timeline and a recommendation for changing the Board's grant approval timeline for FY 20/21.

The Water Plan Grant (WPGrant) applications that will be reviewed at this Board meeting in Agenda Item 21 were received by the February 1, 2020 deadline and were scheduled to be considered for final approval at the May 20, 2020 Board Meeting. Staff postponed this agenda item until the July Board meeting given the uncertain economic circumstances surrounding the state budget and potential Construction Fund impacts.

Giving the ongoing economic uncertainty, staff is recommending a cautious approach to budgeting for this program for the next three fiscal years. In order to ensure a viable Water Plan Grant Program in the face of declining severance tax revenue and the potential ongoing General Fund shortfall, CWCB staff anticipates needing to stretch available funding over three fiscal years. In order to effectively budget for these conservative assumptions, staff recommends moving from two grant rounds to one, with a December 1, 2020 application deadline for Board consideration in March 2021. This will allow staff to make strategic recommendations by evaluating and scoring all of the applications at one time and will better align with the Board approval schedule for Statewide Water Supply Reserve Fund Grants.

**Background:**

The 2019 Projects Bill (SB19-221) included \$7 million for projects or activities that aim to make progress on the measurable objectives identified in Colorado's Water Plan. FY 19/20 had two grant rounds, with applications due August 1, 2019 and February 1, 2020. The Board considered the first round of recommendations in November 2019. Table 1 provides a summary of the



WPGGrant categories, including the appropriated funding, the total requested, and the end balance for FY 2019-20.

| WPGGrant Category        | SB 19-221           | SB 19-212           | General Fund Distribution (1) | FY 19-20 Beginning Balance (2) | Total Recommended FY20 Application Round 1 | Total Recommended FY20 Application Round 2 | FY 19-20 End Balance |
|--------------------------|---------------------|---------------------|-------------------------------|--------------------------------|--------------------------------------------|--------------------------------------------|----------------------|
| Agriculture              | \$ 1,000,000        |                     | \$750,000                     | \$1,752,598                    | \$1,104,084                                | \$279,625                                  | \$368,889            |
| Engagement & Innovation  | \$ 500,000          |                     | \$101,047                     | \$662,987                      | \$389,626                                  | \$273,361                                  | \$0                  |
| Environment & Recreation | \$ 1,500,000        |                     | \$750,000                     | \$2,250,925                    | \$248,000                                  | \$1,395,908                                | \$607,017            |
| Conservation & Land Use  | \$ 1,000,000        |                     | \$750,000                     | \$1,979,891                    | \$708,939                                  | \$712,722                                  | \$558,230            |
| Water Storage & Supply   | \$ 3,000,000        |                     | \$750,000                     | \$3,803,114                    | \$200,000                                  | \$1,753,240                                | \$1,849,874          |
| General Fund             |                     | \$ 8,300,000        |                               |                                |                                            |                                            | \$ 5,198,953         |
| <b>Total</b>             | <b>\$ 7,000,000</b> | <b>\$ 8,300,000</b> |                               |                                | <b>\$ 2,650,649</b>                        | <b>\$ 4,414,855</b>                        | <b>\$ 8,582,964</b>  |

Notes: (1) General Fund distribution per initial discussion at start of FY and added additional funding to Engagement line based on demand and discussion at January 2020 board meeting, (2) Includes rollover balance from previous year,

The 2020 Projects Bill (HB20-1403) included \$7.5 million for the Water Plan Grant Program, with appropriations to each grant category as specified in Table 2.

| WPGGrant Category        | SB HB 20-1403       |
|--------------------------|---------------------|
| Agriculture              | \$ 1,500,000        |
| Engagement & Innovation  | \$ 500,000          |
| Environment & Recreation | \$ 1,500,000        |
| Conservation & Land Use  | \$ 1,000,000        |
| Water Storage & Supply   | \$ 3,000,000        |
| <b>Total</b>             | <b>\$ 7,500,000</b> |

