



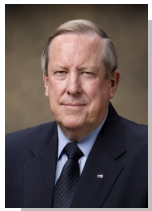
Colorado's Water Supply Future

Interbasin Compact Committee

October 31, 2015

Annual Report

To the House of Representatives Committee on Agriculture, Livestock, and Natural Resources and the Senate Committee on Agriculture, Natural Resources, and Energy



From John Stulp

*Special Policy Advisor to the Governor for Water
Director of Compact Negotiations Interbasin Compact
Committee*

Dear General Assembly, Basin Roundtable, and Interbasin Compact Committee Members,

Thank you to each and every one of you. Over nearly ten years, there were over a thousand basin roundtable meetings and fifty Interbasin Compact Committee (IBCC) meetings — involving nearly 400 diverse roundtable and IBCC members — and thousands of additional stakeholders who participated. Through the water plan outreach and SB 115 hearings performed by members of the general assembly, tens of thousands of Coloradans engaged in water for the first time. The fruits of this amazing process are apparent this year:

- The Basin Implementation Plans (BIPs) were completed.
- The IBCC's conceptual framework is gaining broader support.
- Colorado's Water Plan will be delivered by the end of November, and reflects much of the work of the basin roundtables and IBCC. For instance, agricultural viability concepts proposed by the IBCC task group were incorporated, the latest draft of the conceptual framework was included, and all of the summaries of BIP information were updated.

Combined, this body of work demonstrates the tremendous success we've all had a hand in and would not be possible without you. All of this material can be found at www.coloradowaterplan.com.

Already, several components of Colorado's Water Plan are being implemented. Below are some highlights of recent success that will be helpful tools as the basin roundtables begin implementation.

Broad support for building environmental resiliency was expressed at the Statewide Basin Roundtable Summit this past spring, and several initiatives have already moved forward to help us do this.

- An additional \$1 million from the 2015 projects bill for watershed and stream management plans was allocated.
- Innovative solutions to reducing the number of nonnative fish impacts to endangered species are underway and proving to be successful. For example, the Ridgway reservoir fish derby conducted this summer removed more than 2,000 small mouth bass.
- Pilot projects allowing for agricultural efficiencies to benefit environmental, industrial, and agricultural to agricultural water sharing were also approved by the legislature.
- Colorado Water Conservation Board (CWCB) worked to incorporate stream health in flood recovery efforts in the South Platte, and is helping administer millions of dollars.
- An agreement between Ute Water Conservancy District and the CWCB was negotiated to lease Ruedi Reservoir water for the benefit of the fifteen mile endangered species reach in the Colorado River .



John Stulp letter continued

For agricultural, municipal and industrial water interests:

- CWCB is moving forward with an alternative transfer method pilot on the Catlin Canal in the Arkansas Basin.
- Additional money for Alternative Transfer Methods was allocated.
- Several identified projects and processes are near completion, including Chatfield Reservoir reallocation, which is a multipurpose, multi-partner project.
- Regional municipal water conservation plans are coming together in the Roaring Fork and Gunnison basins, and water providers across the state continue to conserve more water.
- Legislation was passed that will support trainings with land use professionals on how their decisions can impact water use. In addition, this legislation requires conservation plans to consider land use tools.
- The Colorado Water Conservation District will administer \$8 million as part of the Regional Conservation Partnership Program (RCPP) to support on-farm efficiencies that benefit water quality in the Colorado River system, and other environmental benefits.

Other implementation achievements highlighted as being important:

- Education and outreach was mentioned by many tables at the summit as being a priority for increased funding and the need for several education and outreach efforts. Basin roundtable help will be needed to initiate education initiatives. Initial progress includes improved WSRA guidance on education and outreach in the updated application and increased funding of \$6,500 per roundtable to implement the Public Education, Participation, and Outreach (PEPO) education action plans.
- Colorado continues to support innovative and cooperative efforts that will help manage the Colorado River System and prevent a deficit, such as drought contingency planning, demand management concepts, and water bank grants. This work was highlighted by many basin roundtables and the IBCC as being critical to Colorado. As part of this work, Colorado is supporting the Colorado River System Conservation pilot program. \$2.75 million was made available to pay for reductions in consumptive use.

The stakeholder driven water planning process is proving that open source policy and planning development works. This approach is being viewed by several other sectors as successful and starting to be adopted.

In order to support implementation of the BIPs, IBCC work product, and Colorado's Water Plan, this report includes the basin roundtable and IBCC roadmap, and BIP implementation grant guidance.

I recognize that many of you are still recovering from the push to complete the BIPs, conceptual framework, commenting on Colorado's Water Plan, and other products. I hope that with the additional grants and some good thinking up front we can move forward and continue our success without exhausting you, our most important resource. This could be a great opportunity to tap into new energy and bring on new members to help out.

Once again, thank you for each of your tremendous efforts,



Basin Roundtable and IBCC Roadmap

The path between now and the end of 2015 is clear, but many of you are asking “what’s after 2015?”

The immediate challenge before us is making progress on implementing both Colorado’s Water Plan and the BIPs over the next couple of years. Developing these plans took effort; implementing them will take great effort as well. Seeing more policies, projects, and methods realized will be an exciting next phase, and will help ensure sufficient water for all our needs in the 21st century. Colorado’s Water Plan also has actionable items that will be designed to help implementation of the BIPs. These tools include funding, permitting, and increasing agility to respond to water management challenges.

Catalysts for implementation: The basin roundtables can facilitate the implementation of the BIPs by working with local governments and project proponents on priorities identified in BIPs. The basin roundtables will continue to advise the CWCB board on policy and funding strategies.

Seeing more policies, projects, and methods realized will be an exciting next phase. CWCB staff will work with each roundtable and the IBCC on developing priorities to move forward in the next few years, based on the BIPs, Colorado’s Water Plan, and the work of the IBCC. Becoming more strategic with the Water Supply Reserve Account (WSRA) grants is already happening in many basins and will be one important tool.

It will be critical to use existing tools and partner with project proponents to complete on-the-ground projects that strategically address Colorado’s needs. It will be important for the basin roundtables to help implement the projects and methods identified in the Basin Implementation Plans, and other actions that will be in the December 2015 water plan.

WSRA implementation grant guidelines:

Several of the basin roundtables are putting together grant proposals for *implementation contractors* to help execute important aspects of their BIPs. To support this implementation work, CWCB is issuing updated WSRA grant guidance for implementation grants. Similar to BIP grants, statewide funds will be available for this purpose at each CWCB board meeting, pending availability of funds. The CWCB encourages this round of grants to be before the CWCB board for consideration by March of 2016 and extend for at least the next two years, with the goal to achieve measurable results and well-defined tasks within that period.

Examples of the types of grants that a roundtable may consider are moving forward with feasibility or design for critical regional or multipurpose projects, or partially funding the implementation of a priority BIP identified project.

Because WSRA Statewide funds are likely to be competitive, cross-basin grants will receive a high priority. Examples of cross-basin grants include developing guidance for local jurisdictions on land use and water



BRT and IBCC Roadmap continued

conservation, assisting with water bank work, or continuing to advance forest and watershed health.

Statewide Water Supply Initiative: CWCB recently completed contracting for the next SWSI update. Methodologies will begin to take shape in the winter time-frame. SWSI will incorporate the BIP work, quantify the scenarios, and reassess the gap by scenario from both an infrastructure perspective, as was previously done, and a water supply perspective. Once SWSI is done, it may be appropriate to update the BIPs. The BRTs will provide important review of SWSI. Based on conversations with the basin roundtable chairs and the example of the Arkansas roundtable, basin roundtables should consider creating a technical review committee or electing a couple members to lead review efforts. Such a committee or group of individuals can help ensure that the focus of the basin roundtables continues to be on implementation.

Caretakers of the BIPs: Moving forward, the basin roundtables will continue to be the caretakers of the BIPs, measure progress, and plan for the future. The right time for the next update will emerge from the progress made on implementing the current draft of the BIPs, and by ensuring that it fits into the sequence of SWSI, the BIPs, and Colorado's Water Plan. Some basin roundtables may choose to do modest edits in the meantime, and CWCB will continue to post any updated versions.

Interbasin Compact Committee: The CWCB will also continue to rely on the Interbasin Compact Committee to deliberate and find consensus around difficult issues that warrant interbasin communication and debate. One important aspect of this work will be to further develop the strategy for developing an additional source of funds to implement priorities identified in the BIPs and Colorado's Water Plan (as described below). The IBCC will also continue its critical role in assisting with communication with the Basin Roundtables (BRTs) and stakeholders across Colorado.

Funding: In order to be fully successful, some of the new sources of funding identified in Colorado's Water Plan will need to be developed. To successfully move forward with any public funding initiative, Colorado will need your help and support. The goal is to use the least amount of new revenue to have the maximum benefit to address Colorado's environmental, recreational, municipal, and agricultural needs. At the very least, the projects and methods identified in the basin implementation plans will likely need some additional cost assessment and prioritization work as part of SWSI and basin roundtable engagement.



WSRA BIP Implementation Grant Guidance

Basin roundtables are expected to facilitate the implementation of their BIPs by supporting BIP identified projects, methods, and initiatives. As part of this work, the CWCB encourages BRTs to submit grant proposals to help implement BIPs.

Logistics: Similar to BIP grants, statewide funds will be available for this purpose at each CWCB board meeting, pending availability of funds. The CWCB encourages this round of grants to be submitted to the CWCB by February 1st to be presented to the CWCB board for approval in March of 2016. Grants should achieve measurable results and well-defined tasks. As a rule of thumb, approximately 1/3 of a basin's implementation grant request can come from the statewide account, and 2/3 from the basin account. However, for cross-basin grants ½ from basin accounts and ½ from statewide account will be acceptable.

Grants for each of the roundtable's priorities may be grouped into one application or separated into different ones. The *implementation contractors* should be focused on implementation of specific BIP components, and not general roundtable technical or coordination support. Until these grants are submitted, basin roundtables may choose to reserve a portion of their basin account for BIP specific purposes.

It is expected that each roundtable will move forward two to five projects, methods, and initiatives in this initial phase of BIP implementation.

Types of Grants: Each grant must include a tie to one or more roundtable goals and measurable outcomes and indicate how the grant will measurably address them. The CWCB's expectation is that requests will as a whole be well balanced, facilitating projects, methods, and initiatives that support a variety of interests (e.g., municipal, environmental, agricultural, and recreational needs along with infrastructure, sustainability and efficiency).

Examples of the types of grants that would be considered are:

- Feasibility or design for critical regional, multi-partner, or multi-purpose projects,
- Partially funding the implementation of a priority BIP identified project or method, or
- Developing an initiative that supports efforts across local communities.

Cross-basin grants: Several BIPs have overlap, and cross-basin implementation grants may be the most effective path forward. Examples of grants that could be cross-basin include:

- Developing guidance for local jurisdictions on land use and water conservation,
- Assisting with water bank work, or
- Continuing to advance forest and watershed health.
- Stream Management Plans for streams that span more than one basin

Because WSRA Statewide funds are likely to be competitive, cross-basin grants will receive a high priority. In order to encourage these cross-basin grants, a higher percent of statewide account funds will be available to match basin account funds, as described above.



Statewide Basin Roundtable Summit 2015

The fourth Statewide Basin Roundtable Summit was held in Westminster, CO. on March 12, 2015. It was attended by members of the nine basin roundtables and interested members of the public. Roughly 300 individuals participated in total, 46% were basin roundtable members.

The Summit included presentations and panel discussions on creative solutions for the future. Participants were seated at diverse discussion tables to encourage integrative and cross-basin dialogue about Colorado's Water Plan and the Interbasin Compact Committee (IBCC) Draft Conceptual Framework.

The table discussions allowed various stakeholders to come together and draft ideas they would like to see incorporated in Colorado's Water Plan.

Based on post-Summit surveys, 96% of respondents rated the 2015 Summit good, very good, or excellent.

"Diversity of opinions and ideas spurred creative thinking on the part of all participants at my table."

-Survey Respondent on which aspect of the Summit was the most worthwhile

SUMMIT GOALS

GOAL ONE

Engage Basin Roundtable members and the public to help further develop critical aspects of Colorado's Water Plan.

GOAL TWO

Provide a form for Basin Roundtables to share their thoughts statewide.

GOAL THREE

Raise awareness statewide regarding the status of the IBCC's Conceptual Framework and allow for additional input from Basin Roundtables.

GOAL FOUR

Help Colorado's Water Plan be consistent with the Basin Implementation Plans with regard to funding, permitting, legislative concepts, and agricultural viability.



2015 Post-Summit Evaluations

In order to gauge participant reactions to the 2015 Basin Roundtable Summit, electronic evaluations were distributed to each participant. Highlights from completed evaluations are provided below.

- Nearly all survey respondents (96%) rated the 2015 Summit excellent (21%), very good (51%), or good (23%).
- The majority of respondents (62%) chose *table discussions* as the most worthwhile aspect of the Summit
- *Meeting members of other roundtables and interested public* was also a highly rated component of the Summit.
- Over 80% of respondents believe Colorado's Water Plan is headed in the right direction.
- 73% of respondents felt they had enough time to ask any outstanding questions they had regarding Colorado's Water Plan.
- The panel regarding the *permitting section* of Colorado's Water Plan received the highest level of "It improved my understanding" responses.
- The Summit improved a majority of attendees' understanding on the IBCC Conceptual Framework, and the permitting, funding, and agricultural viability sections of Colorado's Water Plan.
- 71% of respondents said they were "Completely prepared" or "Mostly prepared" for the discussions at the individual tables.
- Respondents overwhelmingly supported more meetings to further roundtable-to-roundtable discussions, such as additional summits, joint-roundtable meetings, statewide initiatives, and recommendation-sharing on specific topics between roundtables, the IBCC and CWCB.

Overall, do you believe the Colorado's Water Plan process is heading in the right direction?

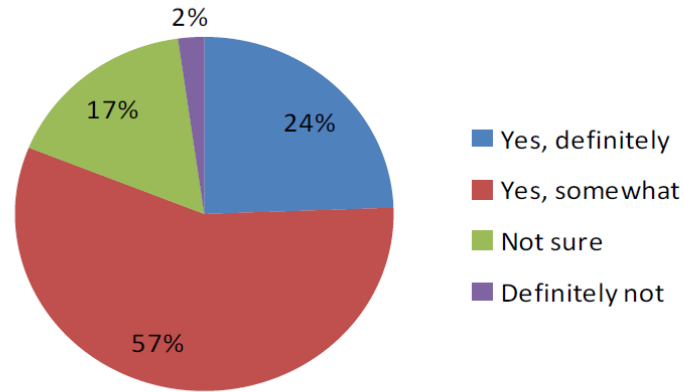


Figure 1: Post-Summit survey question results.

Which aspect of the Summit do you feel was the most worthwhile?

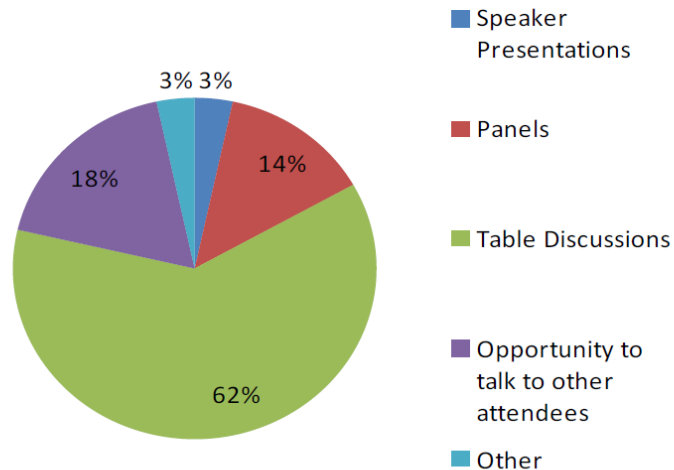
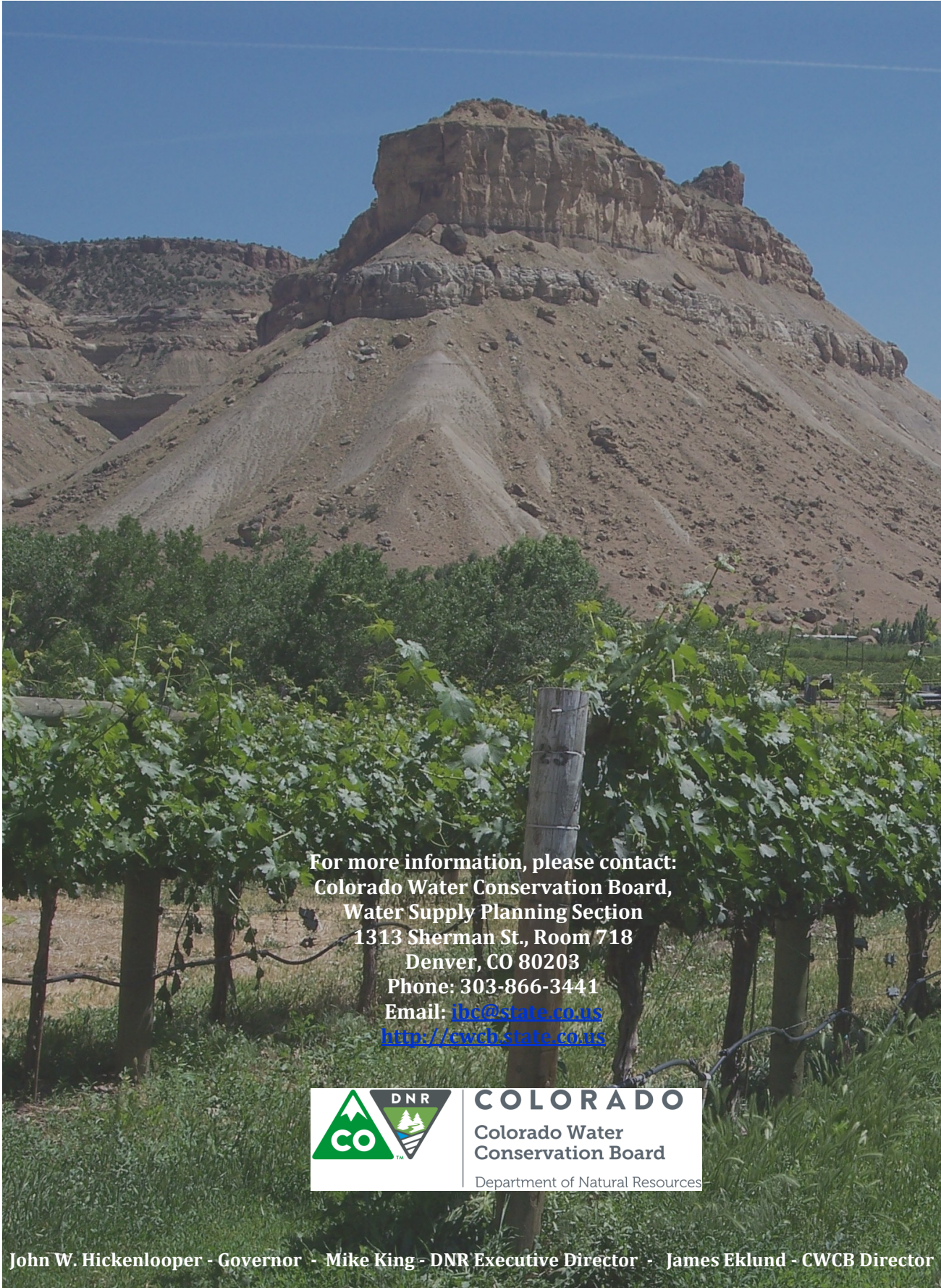


Figure 2: Post-Summit survey question results.



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