## Schedule 1

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# Department of Natural Resources Department Description

FY 2009-10 Budget Request

**NOVEMBER 1, 2008** 

The Colorado Department of Natural Resources (DNR) is responsible for the management of the water, land, wildlife, minerals/energy/geology and outdoor recreation resources of the State. Its mission is to develop, preserve and enhance Colorado's natural resources for the benefit and enjoyment of current and future citizens and visitors.

The Department of Natural Resources consists of ten divisions, which includes the Executive Director's Office. Collectively, they carry out the Department's responsibilities for natural resources management, which includes use or access to some resources, promotion of the development of select resources, and the protection or preservation of other resources. The divisions are:

Division of Reclamation, Mining and Safety Colorado Water Conservation Board

Colorado Geological Survey Division of Water Resources

Oil and Gas Conservation Commission Division of Wildlife

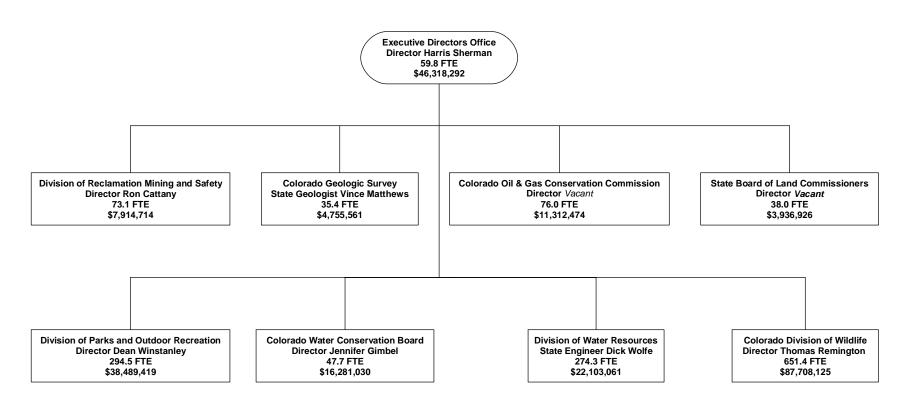
State Board of Land Commissioners Division of Forestry

Parks and Outdoor Recreation

Most of the divisions have boards and/or commissions that develop regulations and exercise other oversight powers. Some specific programs have advisory boards. Collectively, there are 15 citizen boards, commissions and advisory boards that assist the Department.

Each division has a director who reports to the Executive Director of the Department and, in some cases, receives advice or policy direction from a board or commission. These divisions have offices and employees located throughout Colorado, with over 60 percent of the Department's employees located outside the metropolitan Denver area. The Department has employees in 58 of the 64 counties in the state.

## **Colorado Department of Natural Resources**



1550.2 FTE \$238,819,602 Total Funds \$32,118,044 GF \$181,970,014 CF \$7,374,280 RF \$17,357,264 FF

## **The Executive Director's Office (EDO)**

Executive Director Harris Sherman was appointed by Governor Ritter. The Executive Director's Office develops policy on matters that overlap divisional responsibilities, provides comments on federal programs and legislation affecting Colorado, advises the Governor on natural resources issues, and coordinates the legislative activities of the Department. The office also provides budget and planning coordination, accounting, financial management support, human resources services, information technology services, public information and environmental education coordination, and other services to the divisions. The office is funded by indirect cost recoveries (payments from divisions) and includes approximately 4% General Fund. The office is located in downtown Denver.

The Executive Director's office provides leadership and support to the Department in meeting its strategic objectives. It concentrates on the priority resource management issues that develop as state, federal and local policies become known to the Department. It provides leadership and functional support for general administrative duties to the divisions of the Department. Sub-programs include:

- Administration and Policy Development This sub-program includes the overall administration of the Department, the administration of the office and the function of policy development and program implementation related to the various boards, commissions and divisions of the Department. It also includes the administration of pass through funding received by the Department for use by our divisions, other state agencies or cooperators on departmental programs. The program also supports the Executive Director and divisions in its dealings with local, county, and state agencies, the Governors Office, the General Assembly, federal land management agencies and Congress.
- Human Resources This sub-program is responsible for carrying out all HR duties for the entire department. This includes all facets of maintaining our workforce. Activities include: position classification; announcements and testing for new positions, promotions and vacancies; maintaining all personnel records and information; providing counseling and guidance on initial employment, career advancement and retirement; and risk management activities including liability, property loss and safety issues. The office also assists agencies in employee training and maintains a grievance process. The function supports the department's diverse workforce goals. The sub-program advises executive staff and management and divisions on statewide policy issues as well as establishes departmental policy on human resource matters. The unit ensures compliance with applicable laws and regulations.
- Accounting/Purchasing This program is responsible for directing, controlling, and managing the accounting/procurement operations and functions in the Department of Natural Resources. The Department has an annual budget of \$ 245 million.

This section works closely with the Department's divisions, program directors, budget/information technology services/human resources staff, the State Controller and State Purchasing to ensure efficient and effective management of all financial resources.

- Budget This group is responsible for the formulation and execution of the Department's annual budget process. As part of this process, the Budget group takes the lead in developing the Department's Strategic Plan. This function also provides input on legislation, including the development of fiscal notes analyzing a variety of revenue and expenditure proposals and legislative initiatives proposed by, or affecting, the Department. The unit also responds to request for financial information or analysis requested by the Governors Office and the General Assembly. The unit also supports the divisions on a variety of revenue, expenditure, and financial analysis or issues that are facing the Department. The program is also responsible for providing budget execution and coordination for the programs and work packages in the Executive Directors Office. Finally, the function administers central appropriations and allocations for the divisions.
- Information technology. This program provides leadership as well as operational support of the information technology (IT) functions of the department. It thus supports the overall pursuit of division and department strategies and objectives by providing an IT-based operational environment that is both effective and efficient. The program is responsible for the establishment, update, and enforcement of IT strategies, plans, policies, standards, and procedures as provided by guidance received from the Governor's Office, the Executive Director, and the DNR IT Executive Board. In addition, this program provides for the direct delivery of several departmental enterprise—class services such as infrastructure, network, and system applications operations, centralized Internet/Intranet operations and maintenance, project management support, and GIS coordination.

## **Division of Reclamation, Mining, and Safety (DRMS)**

The Division of Reclamation, Mining, and Safety assists in the development of Colorado's mining industry in an environmentally protective manner while ensuring that mined land is reclaimed to a beneficial use. The division also reclaims, restores and abates hazards and environmental degradation problems caused by past, pre-law mining practices for which there is no continuing reclamation responsibility and assures safe mine conditions for workers and visitors to active mines. The programs in this division are the Coal Regulatory Program, the Inactive Mine Reclamation Program, Minerals Regulatory Program, and the Mine Safety and Training Program. The administrative functions of DRMS include information technology, budget/financial and customer service activities. Joint education activities are performed per available staff and funding. The purpose of the program is to provide division-wide services, such as maintaining mine operator database, imaging system, GIS data, and the website and to prepare and process all

budget and financial transactions, and to respond to customer contacts. The division is funded by severance tax, fees, and federal funds; and maintains offices throughout the state.

The **Coal Program** is a regulatory program charged with the review and approval of coal mining and reclamation permits. Ongoing monitoring, inspection and enforcement duties are performed at coal mining operations to ensure that permit provisions and mining regulations are followed. Currently, the program regulates 45 coal mines and 126 exploration permits, for which approximately \$197 million in financial warranties are held by the Mined Land Reclamation Board. The Coal Program functions through a Cooperative Agreement with the federal Department of the Interior, Office of Surface Mining Reclamation and Enforcement (OSM). The Cooperative Agreement allows the Coal Program to regulate all coal mining in Colorado under specific performance guidelines. This state primacy was granted in 1980 and is maintained and protected to ensure that State interests are implemented. Existence of the state Coal Program is also required to allow federal funds to be allocated to the Colorado Inactive Mines Program.

The Coal Program is funded by a federal grant (79 percent) from OSM, and by severance tax revenues (21 percent). The ratio of federal funds to the required state matching funds is based upon the amounts of mine acreage permitted on federal versus state lands. The federal mine acreage calculation includes any land within a permit that includes federally owned surface acreage and/or mineral sub-surface acreage.

The division's **Inactive Mine Reclamation Program** (IMP) was established in 1980 to address the hazards and environmental problems arising from abandoned mines in Colorado. It was instituted under the provisions in the Surface Mining Control and Reclamation Act (SMCRA) of 1977, which gives the states that have approved Coal mining regulatory programs under Title V of SMCRA the ability to assume exclusive responsibility and authority to reclaim abandoned mine lands within their borders. Mines abandoned prior to 1977 are eligible for the program. The program was launched with a comprehensive inventory of hazards and environmental problems associated with past mining activities, which revealed an estimated 23,000 abandoned mined sites throughout the state. Using this inventory, Colorado prepared a statewide reclamation plan, which was approved by the U.S. Department of the Interior, Office of Surface Mining (OSM) in June 1982. Approximately 7,500 abandoned mined land sites have been addressed through this program, and 37 underground coal mine fires pending safeguarding and containment.

The program also carries out the Colorado Mine Subsidence Protection Program (MSPP) and the Colorado mining non-point source pollution projects. The MSPP was established to pay for damage to Colorado homes that result from subsidence over abandoned coal mines (the surface ground settles and sinks over former underground coal mine tunnels). The program was established in 1987 by a \$3 million federal grant. The money was invested in a trust fund, which is restricted for addressing subsidence issues only, is

designed to provide a self-sustaining fund to cover property damage claims and help offset administrative costs. A private company is contracted to handle enrollment and administrative details.

The Colorado Nonpoint Source Program involves working in cooperation with the Department of Public Health and Environment's Water Quality Control Division, U.S. Environmental Protection Agency, Bureau of Land Management, U.S. Forest Service and watershed stakeholders to determine the extent of the environmental problems associated with mine waste, mill tailings and acid mine drainage and provide options to address these environmental problems. Funding for the program comes from Section 319 of the Clean Water Act, Colorado Water Quality Control Division, Colorado Severance Tax funding and other funding from federal partners (the federal grant from the Office of Surface Mining cannot be used for environmental and water clean-up issues). If water quality issues are not addressed at abandoned mines, Colorado's streams would continue to be degraded from pollutants from historic mining operations. More partnerships are needed to leverage federal funding. Additional severance tax funding was obtained which increases the number of water quality projects that can be addressed each year – an estimated 150 sites remain.

The types of minerals regulated by the **Minerals Program** are metals, such as gold, silver and molybdenum, and construction materials, such as sand, gravel, marble and flagstone and number approximately 1,588 mines. Under the Hard Rock Minerals and Construction Materials acts, the Mined Land Reclamation Board (Board) and the Minerals Program (Program) issue and enforce mining and reclamation permits for all non-coal mines in Colorado on state, federal and private lands. The Minerals Program does not receive royalty payments, nor does the program track the payment of royalty payments. The program is funded from revenue generated from statutory fees on permitted mines and from severance taxes. Fines paid by operators for mining violations accrue to the State's General Fund.

The Mined Land Reclamation Board (Board) holds approximately \$370 million in financial warranties (bonds) posted by operators and financial warrantors to fund the State's obligation to reclaim a mine site in the event that an operator defaults, resulting in permit revocation and bond forfeiture.

The Minerals Program also regulates approximately 228 active prospecting operations. These activities generally involve exploration for commercial-grade deposits of metals, oil shale, uranium, and rock aggregate products. In order to carry out the statutory requirements of the Mined Land Reclamation Act, the Minerals staff reviews new mine permit applications, amendments and technical revisions to permits, permit transfers, notices of temporary cessation, and annual permit reports; responds to inquiries and holds discussions with the public, industry, environmental groups, and media; and works with local, state and federal government agencies. In addition, the staff participates in monthly Mined Land Reclamation Board meetings and communicates Board actions to affected parties.

The Mine Safety and Training Program (MSTP) is charged with protecting the health and safety of miners, the public and the mining community from mining-related hazards. This mission is accomplished through a cooperative and coordinated effort between the federal government, local governments, and the mining industry. The program trains between 6,000-7,000 miners per year and distributes over 500 copies of training DVD's and videos annually. Program activities include performing site-specific mine health and safety training and education in all aspects of mine operations, production and distribution of new, effective mine safety training materials, certification of coal mine officials, and inspection of tourist mines, and idle or abandoned mines. New training materials produced by the MSTP are nationally recognized and assist in providing effective, consistent mine safety instruction in Colorado and nationwide. The program also collects and preserves mining information. Federal funding for the program is provided by the U.S. Department of Labor/Mine Safety and Health Administration, which is the federal health and safety enforcement agency that ensures that mine operators adequately train employees and comply with federal safety regulations (they do not provide training services). Additional federal funds from the U.S. Dept. of the Interior/Office of Surface Mining and appropriated through the state's Coal Regulatory Program, support one Blasters Certification position. The remainder of the program's funding is from the State's Severance Tax revenue.

The MSTP, through an agreement with MSHA, conducts the testing and certification of over 200 coal mine officials per year, without which coal mines could not operate. The State certification process is geared toward the specific conditions found in Colorado coal mines, which directly aids in reducing injury and fatalities in coal mines in the State. Inspection and regulation of tourist mines safeguards the public and employees from mine hazards and serious accidents or fatalities. Maintenance of historic mine information and coal production records also provides a valuable service to the public and the mining community, allowing them to access the information in a timely manner.

## Colorado Geological Survey (CGS)

The mission of the Colorado Geological Survey (CGS) is to help reduce the impact of geologic hazards on the citizens of Colorado, to promote the responsible economic development of mineral and energy resources, to provide geologic insight into water resources, and to provide geologic advice and information to a variety of constituencies.

To meet its goals, the Colorado Geological Survey has three programs:

1) **Environmental Geology and Geologic Hazards Program;** The CGS Environmental Geology and Geologic Hazards Program is charged to reduce the impact of geologic hazards on citizens and property, provide high-quality information to the people of

- Colorado through published and digital reports and maps, and to increase the awareness and understanding of geologic hazards and geology-related water quality and ground water issues in Colorado.
- 2) **Mineral Resources and Mapping Program**; The CGS Mineral Resources and Mapping Program is charged to improve the economy of Colorado and encourage private industry to responsibly explore and develop the State's mineral and energy resources by providing geological maps, reports, statistical data, and other information.
- 3) **The Colorado Avalanche Information Center**. The CGS Colorado Avalanche Information Center is charged to promote safety by reducing the impact of avalanches on recreation, industry, and transportation in the State through a program of forecasting and education, and by providing high-quality information and education to the people of Colorado through published and digital reports, maps, and educational aids.

The CGS Environmental Geology and Geologic Hazards Program is charged to provide geoscience data and expertise regarding geologic hazards, water quality and hydrogeology to safeguard life and promote the prudent use of land and natural resources in Colorado. This program strives to reduce the impact of geologic hazards and adverse environmental impacts to citizens and property, and to provide expert advice, investigation, and support to federal, state and local-government agencies. It includes responses to protect lives and property during and after geologic-hazard emergencies.

One purpose of this program is to collect water quality data throughout the State in watershed headwater areas and locations where few or no data exist. This effort is especially focused on identifying, distinguishing, and quantifying natural background conditions of water quality (water quality largely unaffected by human activity) primarily in high-mountain, headwater areas. This information is important for understanding remediation and clean-up potential for downstream areas. These efforts are accomplished with various funding from Federal, State, and local agencies, or from the DNR Operational Account of the Severance Tax Trust Fund.

Another purpose of this program is to collect data about statewide geologic hazards, such as hydrocompactive, evaporative, swelling or heaving soils, debris flows, landslides, and earthquakes. As development moves into new areas, this background information and data collection is valuable to developers, citizens, and local governments as a basis for planning, design, and mitigation of geologic hazards. Activities include: studies and investigations of the impact of geology on water resources, water quality, and development, field tests and analyses, publication and distribution of databases, maps, and investigative reports.

The CGS Mineral Resources and Mapping Program is charged to promote the development of mineral and energy resources of Colorado and to provide geological maps and other technical reports that depict geological hazards and mineral and energy resources.

The purpose of this program is to promote the development of mineral and energy resources. This is accomplished through the publication and distribution of reports, charts, directories, and maps. These publications provide information about the location and character of mineral and energy deposits, location of active mines and quarries, production summaries, and annual reports on industry activity in Colorado. Geological maps and other technical reports provide baseline data on mineral and energy deposits that may lead to the inception of exploration and development programs. Activity reports, directories, geological maps, and technical reports also provide useful information to local government planners and citizens interested in Colorado's mineral resources. These data are used to make informed land use decisions. Only 22% of Colorado's 7.5-minute quadrangles have been mapped at a useful scale of 1:24,000. A dedicated long-term mapping program will complete maps in the most critical areas. Funding for the Geological Mapping Program comes from the U.S. Geological Survey National Cooperative Geological Mapping (NCGM) Program, with matching funds from the DNR Operational Account of the Severance Tax Fund.

The Colorado Avalanche Information Center was created to promote safety by reducing the impact of avalanches on recreation, industry, and transportation in the State through a combined program of forecasting, education, and applied research. Population growth in Colorado has resulted in more people in the avalanche-prone areas of the State, for both travel and recreation. Therefore, there is increased demand for forecast services and avalanche safety training. The purpose of this program is to promote avalanche safety by reducing the impact of avalanches on recreation, industry, and transportation in the State through a combined program of forecasting, education, and applied research. It provides high quality information to: (1) the users of Colorado's backcountry, in order to make recreation safer; (2) the ski industry to support their snow safety efforts at developed recreation areas; and (3) State agencies for the traveling public and State employees. This program increases awareness of avalanches through published and digital reports, maps, educational aids, avalanche-safety courses, and provides expert advice for personal and public safety in times of high and extreme avalanche danger via the news media and hotlines.

## Oil and Gas Conservation Commission (OGCC)

The mission of the Colorado Oil and Gas Conservation Commission (COGCC) is to promote the responsible development of Colorado's oil and gas natural resources. The Administration and Hearings section performs the following functions:

- Planning and forecasting COGCC activities, revenue and expenditures to manage financial resources as well as to prepare the annual budget request.
- Acting as liaison to the Department Executive Director's Office, Human Resources and Accounting Sections to provide input into Department decisions and to take information back to staff regarding Department policy.
- Administering appropriations from the Oil and Gas Conservation and Environmental Response Fund, the Severance Tax Operational Account, and the Underground Injection Control Federal Grant for their effective and efficient use.

- Serving as the agency media contact and preparing press releases, brochures, and other public information regarding COGCC activities.
- Assisting the Commission in conducting hearings, holding local public forums, developing policies, and implementing rules, regulations, and orders.
- Performing proactive outreach to parties such as the oil and gas industry, local governments and other interested groups to share information about issues of concern, to form committees, and to work on rulemaking.
- Responding to inquiries and investigating complaints.

The mission of the Information Section is to promote the responsible development of Colorado's oil and gas resources and to protect the health, safety and welfare of the state's citizens by processing, reviewing and publishing operator submitted reports and applications and responding to customer inquiries.

The Information section consists of the Production and Levy, Permitting, Systems, and Records Administration units. The Information Section performs the following functions:

- Collecting, reviewing for compliance, processing, storing and tracking oil and gas well information, production volumes and conservation levy volumes and values in the State of Colorado. The data that is collected is designed to supply information on the complete life cycle of the oil and gas wells.
- Compiling and storing well information, production, and levy data in a database and document imaging system that is used to validate the data to facilitate day to day operations and to respond to public inquiries.
- Ensuring that oil and gas operations and regulatory reporting are in compliance with the rules, regulations and orders of the Commission.
- Reviewing all drilling permit applications for regulatory compliance.
- Ensuring that oil and gas operators are properly registered and meet the financial surety requirements for oil and gas operations.
- Managing the Local Area Network and the COGCC Internet Website to disseminate COGCC information to the public, government agencies, and other customers.

The mission of the Operations section is to ensure technical compliance with the COGCC rules and regulations. The Operations section performs the following functions:

- Reviewing information and applications for approval, including production and injection well applications, technical well information, pit applications, land farms, remediation work plans for exploration and production waste cleanup operations and requests to plug and abandon wells.
- Performing field inspections of drilling, production, and injection wells and well abandonment, pit and landfarm operations and exploration and production waste cleanup operations to ensure compliance.
- Responding to inquiries and investigating complaints regarding oil and gas operations.
- Monitoring field operations under the Environmental Protection Agency delegated Underground Injection Control program.
- Identifying, recommending, managing onsite work on oil and gas well plugging and reclamation projects, and coordinating investigative and remedial projects using the Oil and Gas Conservation and Environmental Response Fund (Fund 170).
- Recommending enforcement actions and supporting enforcement actions before the Commission at hearings for violations of COGCC rules, and providing technical expertise in other hearing matters.

## **State Land Board (SLB)**

The State Land Board consists of four sections: the Field Operations Section, the Minerals Section, the Real Estate Section, and the Financial Operations Section. The Land Board is cash funded with revenue generated from the state lands under its management.

The **Field Operations Section** contributes to the State Land Board's mission of producing "reasonable and consistent income over time" for its trust beneficiaries by managing approximately 2.8 million acres of state trust land assets and approximately 3,000 surface leases.

Field Operations Section employees work with state trust lessees on day-to-day land management issues and challenges, as well as on longer-term initiatives to ensure that natural resources on trust lands are conserved, and that the long-term value of the trust asset is maintained or improved. They also perform property inspections and recommend appropriate land disposals and acquisitions that make sense for both the Land Board and the lessee or other private landowner.

Management of surface uses is conducted through a network of seven district offices, each staffed by a district manager and district assistant, to provide customer service, including lease renewals, assignments, rights-of-way inquiries, etc., to lessees, city and county governments and other citizens on a localized basis. District offices are currently located in Craig, Alamosa, Greeley, Sterling, Pueblo, and Lamar. These offices are responsible for activities that include development of agricultural policies and procedures; on-the-ground management of leases; real estate exchanges and sales; communications with lessees and local, state and federal agencies concerning state land issues; surface use issues that arise from the Board's mineral development activities; and troubleshooting and resolving problems and conflicts involving trust land management.

The Field Operations Section also has a centralized leasing section in the Denver office that coordinates functions such as lease renewals and assignments and cooperates with the Financial Section to ensure accurate and timely accounts payable and receivable. The lease management workload within the Field Operations Program is highly cyclical. Since 2000, the number of leases expiring, after a normal ten-year lease term, has increased dramatically. All these expiring leases have to be publicized, all lease applications examined; new leases negotiated, and then issued and properly executed for an additional term. This has resulted in a workload that has overwhelmed current staff resources. This high rate of lease turnover will continue for the next several years.

In addition, the Field Operations Section manages the Multiple Use Program, under which the Colorado Division of Wildlife leases some 500,000 acres of trust land for wildlife-related recreation. The Field Operations Section is also responsible for the management of programs that provide assistance, incentives and/or cost-share to lessees. These are: the Enhancement Fund of the SLB-DOW Public Access Program, which distributes approximately \$150,000/year in DOW rental monies for property improvement projects on trust lands enrolled in the Program; the Land and Water Management Fund, a \$100,000 annual cost-share fund for improvements and activities that maintain or increase the long-term value of state trust land; and the Noxious Weed Fund, a \$150,000 annual cost-share fund for the management of noxious weeds on state trust land.

The **Minerals Section** of the State Land Board manages and evaluates the 4,000,000 acres of the Trust mineral estate for the purpose of preserving long term productivity of mineral assets while producing reasonable and consistent income over time. The Minerals Section issues leases for production, issues exploration permits, collects royalties, conducts royalty revenue audits, conducts public lease auctions, collects auction bonuses, rentals and advance minimum royalties, sets reclamation bond amounts, approves reclamation for bond release examines mineral lease tracts for production evaluation, and audits for environmental protection. These activities generated over \$49 million in fiscal year 2006-07 for the trust beneficiaries.

Additionally the Minerals Section administers all renewable energy leases. The State Land Board now has over 10,000 acres (up from 940 in FY 2005-06) under lease for wind energy as well as several new solar planning leases. The Minerals Section is working on a handful of new applications for solar, wind, and geothermal leases.

The **Real Estate** Program provides (1) the asset management for the commercial and other special uses of state trust land, (2) coordinates and provides the technical services needed for all land exchanges, land sales, non-agricultural land appraisals and auctions, and (3) provides oversight for other "special portfolios" of state trust land including the Lowry Range and other development projects. It also provides strategic investment options, including analyzing and comparing differing commercial investments based upon relevant financial models. The Board has directed the exchange state land parcels to acquire more productive land and consolidate

state land holdings to increase management efficiency and income. Additionally, the Board has directed the agency to pursue land exchange and other disposition opportunities with public land agencies to improve land management capabilities and enhance the future value and revenue potential of the state trust lands.

The **Financial Operations** Program administers the State Land Board's 19 trust funds. This involves managing both the expendable and non-expendable fund for each of the eight trust beneficiaries, plus an all-purpose expendable fund and two operating/budgetary funds. In excess of 28,000 accounting transactions are processed annually, with revenue totaling \$62.5 million. The Program also directs the \$5.5 million expense budget. This includes evaluations of line item expenditures, projections to ensure compliance with spending authority limits and status reports to agency management with timely revisions as information changes. Additionally, the Program oversees the formulation of the annual budget request, covering funding over four fiscal years with supporting schedules, tables and charts in concurrence with the agency mission, goals, objectives and business plan.

The Financial Operations Program advises agency management on financial matters affecting their trust land management decisions through analysis and interpretation of various financial and technical data sources in order to promote increased annual revenues and preserve and enhance the long-term productivity and value of all the assets. This includes monthly reports to agency management on the current revenues received, by source, and revenue projections and forecasts for current and future fiscal years utilizing oil and gas price bulletins, agriculture updates for crop price trends and other economic trend indicators, with timely revisions as information changes. The Program also collaborates with the department accounting and budgeting staffs in fiscal matters that affect both the agency and the department.

The Financial Operations section administers the Investment and Development Fund. As authorized by statute, the Investment and Development Fund allows the State Land Board to reinvest up to \$1 million of its revenue back into its property in order to increase income and land value. The Financial Operations section analyzes and recommends Investment and Development Fund projects and budgets to the Board. The Financial Section tracks each project and expenditures and generates the annual report as required by statute. As of January 2008, the Investment and Development has generated \$1.2 million in annual revenue and \$1.6 million in land value. Based on all approved projects, the Fund is projected to generate a net present value of \$19.1 million.

## **Division of Parks and Outdoor Recreation (DPOR)**

Attracting over 11 million visitors per year, Colorado's 42 State Parks are a vital cornerstone in Colorado's economy and quality of life, offering some of the highest quality outdoor recreation destinations in the state. The State Park Operations line funds the ongoing

operations and administrative staff at all state parks and central offices. This line includes Personal Services, Operating, Utility expenses and the Seasonal Work Program which enables the Division to hire temporary staff to assist at the parks during the busy season; and is funded by a mix of fees and General Fund.

The Division also has a program line for **Great Outdoors Colorado Grants** (GOCO), which funds the ongoing operations of state parks that were built or acquired with GOCO capital funds. Amendment 8, which created GOCO in Article XXVIII of the Colorado Constitution, was passed by the citizens of Colorado in 1992. GOCO investments through Colorado state parks are to be used for:

- o Establishment & improvement of state parks and recreation areas throughout Colorado;
- Development of appropriate public information and environmental education resources on Colorado's natural resources at state parks, recreation areas, and other locations throughout the state;
- o Acquisition, construction and maintenance of trails and river greenways;
- o Water for recreational purposes through the acquisition of water rights or through agreements with holders of water rights, all in accord with applicable state water law.

The Division of Parks and Outdoor recreation also has numerous special purpose programs. These programs are briefly described below.

<u>Snowmobile Program:</u> This program is responsible for the administration and registration of snowmobiles, mandatory safety certification of young operators, enforcement of registration requirements, trail marking and signing, establishment and maintenance of snowmobile trails and related facilities.

<u>River Outfitters Regulation</u>: This program is responsible for the administration of the annual licensing for river outfitters, regulation of the river outfitters and ensuring the safety of river running activities through inspections. As of FY2007-08 there are 177 commercial river outfitter companies with approximately 3,000 guides that run adventure rafting and float fishing trips on the majority of the rivers statewide. The River Outfitter Licensing Program is responsible for performing inspections on these companies to ensure river outfitters employ qualified personnel, follow appropriate operating parameters and meet minimum equipment standards to ensure customer safety.

Off Highway Vehicle Program: This program is responsible for the administration of the OHV registration and grant program, providing grants to federal, state and local government agencies and non-profit user groups to construct and maintain off-highway vehicle trails, parking areas, signage and maps. Grant funds are provided through registration of off-highway vehicles. The program provides information and heightens awareness of the availability of off-highway vehicle recreational opportunities, and encourages safe and responsible use of OHV's through brochures, news releases and other media. The program is also responsible for the promotion of off-highway vehicle safety through promulgation and enforcement of rules and regulations and establishing partnerships with land management agencies and enthusiasts to leverage grant funds and promote good management of motorized recreation.

<u>Federal Grants:</u> This line is related to funding received from the United States Coast Guard to fund boat safety within state parks.

<u>S.B. 03-290 Enterprise Fund:</u> This line was created through S.B. 03-290 to establish a stores revolving fund in the amount of \$200,000 which shall be maintained to acquire stock for warehousing and distributing supplies for retail sales to visitors. This fund is to remain at \$200,000 and any surplus in excess of the appropriation is transferred to the parks and outdoor recreation cash fund at the end of each fiscal year.

<u>Systems Operation and Support:</u> This line was the result of a non-appropriated decision item request in FY05-06 to support several administrative and line of business systems from Cash Fund sources.

<u>Connectivity at State Parks:</u> This line was the result of a non-appropriated decision item request in FY05-06 for connectivity at State Parks. This includes both external connectivity (from the park outward) and connectivity within the parks (at specific locations only) from Cash Fund sources.

<u>Asset Management:</u> This line was the result of a non-appropriated decision item request in FY05-06 to fund the on-going replacement of computers and other IT equipment from Cash Fund sources.

<u>Law Enforcement Equipment:</u> This line was the result of a non-appropriated decision item request in FY08-09 for the purchase of long life span law enforcement equipment needed by park rangers who are certified peace officers.

## **Colorado Water Conservation Board (CWCB)**

The Colorado Water Conservation Board's (CWCB) strategic mission is *Conserve, Develop, Protect, and Manage Colorado's Water* for *Present and Future Generations* in accordance with applicable state and federal law and regulations. The Board works to achieve this mission through several sections which are managed as programs:

The **Management and Administrative Section** provides strategic planning oversight, public information and communication coordination, budgeting and fiscal management, and legislative review and authorization. The Section provides direction and support for all CWCB programs listed below.

The **Flood Protection Program** minimizes Colorado's flood loss vulnerability and related economic impacts. This program is responsible for designation of floodplains, responding to floods and for providing floodplain information support and information regarding risks and prevention measures. This includes helping local communities obtain federal flood insurance and for helping local governments and water conservancy districts develop flood protection plans and projects, often using funding from the Board's Construction Loan Program matched with FEMA Region VIII funding for floodplain mapping and flood mitigation. The program also participates in Multi-Objective planning studies/ river restoration projects and administers the Watershed Protection Fund (state income tax check off program). The program also implements the regulatory and permitting responsibilities for weather modification programs (cloud seeding and hail suppression).

The **Stream and Lake Protection Program** is responsible for preserving the water-dependent natural environment in a manner in which water rights and opportunities for future human use are also preserved. This program appropriates new instream flow and natural lake level water rights, monitors stream and lake levels where they are protected by water rights, protects stream and lake levels within Colorado's prior appropriation system, investigates and develops new methods for quantifying and evaluating stream and lake protection requirements and seeks to acquire new water rights through donations and acquisitions.

The Water Supply Protection Program defends Colorado's interstate compact allocations pursuant to federal and state law in the Colorado, Arkansas, Rio Grande, Platte and Republican River basins. This includes activities that resolve or avoid water resource problems that may constrain Colorado's future water development opportunities (such as the Colorado River Salinity Control Program, four endangered species recovery programs, adaptive management efforts, participates in federal reserved water right settlements, National Environmental Policy Act compliance actions and tamarisk control). This section also administers the process of reviewing applications for Recreational In-channel Diversions (RICDs) and filing "Statements of Opposition" regarding RICDs, based on Board action, with state water courts.

The Water Supply Planning and Finance Program is responsible for promoting the development of water resources using the Construction Fund and the Severance Tax Trust Fund Perpetual Base Account by 1) providing low-interest loans to enable the construction of new reservoirs, the rehabilitation of existing structures including dams, diversions, pipelines, pump stations and irrigation channels or the purchase of water rights and 2) financing the design and implementation of decision support systems, watr resources studies and programs and feasibility studies for possible new construction projects. The program also processes the contracts associated with loans, grants and studies and monitors loan repayments and maintains the integrity of the construction fund.

The Water Information Program promotes the development, implementation and maintenance of statewide water information management systems. The water information program coordinates data with other federal, state and local agencies. The program is responsible for the development, operation and maintenance of Decision Support Systems (CDSS). These systems contain gage and diversion records, reservoir storage content records, water right listings, climatic data and maps, river basin models, consumptive use models and water right administration tools. The program also is responsible for managing several important statewide databases such as the tabulation of instream flow appropriations, floodplain delineation and designations, flood stages, floodplain information support systems, and a listing of construction fund loans and grants made to water projects across the state. The collected data for the State's Dam Site Inventory is also kept within this program and data collected from the agency's regional water meetings resides in this program. The program maintains the agency's file systems, including hard copy, archived, and digital records produced by an imaging system and makes these records available to the public. Finally, the agency maintains a web site under this program, and regularly posts documents and articles of interest to the public, including current CWCB Board items, news releases, newsletters, annual reports, and completed studies funded by the agency.

The Intrastate Water Management and Development Program implements the findings and recommendations of the Statewide Water Supply Initiative and the relevant Strategic Plan elements adopted by the Board. The Program's goal is to help ensure an adequate water supply for Colorado's citizens and the environment. In achieving this goal the program strives to implement a collaborative, cooperative, consensus approach to water resource issues and focuses on strong local stakeholder involvement. This is critical because Colorado's population is expected to grow from 4.3 million to 7.1 million people by the year 2030. By 2030, it is expected that over 80 percent of the states population will reside in eleven front-range counties. To meet demands, Colorado will need an additional 630,000 acre-feet of municipal and industrial water. Water providers and planners under the *most optimistic scenario* have identified projects and processes to address about 80 percent (512,000 acre-feet) of the additional water need. This leaves a municipal and industrial gap of 20 percent (118,000 acre-feet) between supply and need.

## **Division of Water Resources (DWR)**

The Colorado Division of Water Resources (DWR) is responsible for the supervision and control of water resources in this state (Sections 37-80-102(h), C.R.S. (2007)) and is funded by the General Fund. Water administration is DWR's principal duty, requiring daily oversight of the allocation system that distributes water to farmers, industries, municipalities, and all other water users (Section 37-92-301, C.R.S. (2007)). This allocation system is performed in accordance with the Doctrine of Prior Appropriation (the first entity to historically use water in a stream retains the first priority to continue diverting water for the same use), Colorado Supreme Court decisions, water court decrees, and rules & regulations issued by the State Engineer.

The agency is also committed to meeting the ever increasing challenges of origin issues, reserved rights, wetlands, endangered species recovery, and interstate water issues on an already limited water supply.

## Major DWR programs include:

- Public Safety
  - Dam Construction and Maintenance
  - o Well Construction, Board of Examiners of Water Well Construction
  - o Pump Installation Contractor's Staff
- Hydrography
- Water Administration of Surface and Ground Water Rights
- Public Information Services
  - o Record Collection and Maintenance
  - Information Technology and Internet Services
- Interstate Compacts
- Ground Water Well Permitting
  - o Outside Designated Basins
  - o Inside Designated Basins (Colorado Ground Water Commission)

## The Mission of the Colorado Division of Water Resources is:

- To provide competent and dependable distribution of water in accordance with statutes, decrees and interstate compacts;
- To ensure public safety through safe dams and properly permitted and constructed water wells;

- To maintain and provide accurate and timely information concerning water;
- To promote stewardship of all human, fiscal and natural resources;
- To serve the public through the generation of creative solutions to problems;
- To help the public understand complex water issues;
- To promote stability in the use of the state's limited water resources; and
- To apply modern technology to its greatest advantage.

#### Water Administration

The Colorado State Engineer is responsible for the supervision and control of water resources in this state (Sections 37-80-102(h), C.R.S. (2006)). Water administration is the principal duty of the State Engineer's Office, which is defined as the daily oversight of the allocation system that distributes water to farmers, industries, municipalities, and all other water users (Section 37-92-301, C.R.S. (2006)). This allocation system is performed in accordance with the Doctrine of Prior Appropriation (the first entity to historically use water in a stream retains the first priority to continue diverting water for the same use), Colorado Supreme Court decisions, water court decrees, and rules & regulations issued by the State Engineer.

Colorado water administration is not limited to water use within the state only. Colorado is the headwaters of several rivers or streams that flow across state boundaries. The State of Colorado is an active party to nine interstate river compacts that are intended to equitably divide river flows with neighbor or downstream states. The State Engineer is responsible for the continual effort to ensure Colorado meets its water delivery obligations to downstream states; to remain in compliance with the compact provisions; and to protect Colorado's legal ability to fully develop or use the amount of water to which the state is entitled under each compact. The State Engineer's Office conducts stream flow measurements at various sites along the State's natural rivers and creeks to determine the amount of water available for distribution to water users (Section 37-80-102(h), C.R.S. (2006)). Flow measurements are also performed on major ditch and canal diversions to increase water administration accuracy and efficiency. The purpose of the Hydrographic program is to provide accurate, high quality "real time" stream flow data, and develop historic stream records in coordination with other state and federal entities and the water user community. Key staff record and check measurements, maintain equipment and improve the quantity and quality of data used to manage and administer water throughout the State of Colorado. At the conclusion of each water year, the State Engineer's Office compiles all stream flow information and measurements conducted throughout the year for publication.

Published stream flow records describe the mean daily discharge, the instantaneous maximum, lowest mean discharge, and monthly/annual volumetric totals for a specific location on a river or stream. These annual stream flow records are computed using two critical sources of information. First, the aforementioned stream flow measurements provide a time-specific quantification of

water available at a particular point. Stream flow measurements are also used as a calibration tool to adjust for changing streambed conditions that naturally occur due to seasonal flow fluctuations. Second, the State Engineer's Office maintains a series of gauging stations, which are located at important hydrologic locations throughout the state. These gauging stations contain data recorders that continuously monitor the change in river depth that is used to calculate the mean daily stream flow. This data is extremely valuable to support water management decisions and to provide current conditions and comparison with long-term data. The State Engineer's Office maintains a comprehensive system of remote-sensing equipment that is housed in river gauging stations to provide near-instantaneous stream flow information via satellite relay (Section CRS 37-80-102(10), C.R.S. (2006)). Intent of this satellite monitoring system is twofold: electronic access to current stream flow information allows our water commissioners to monitor fluctuating water supply conditions which promote efficiency in water administration/distribution. The remote monitoring system also serves as an advance warning system to alert officials of imminent flooding conditions.

The State Engineer's Office is responsible for all well permitting and enforcement actions in Colorado related to the use of groundwater (Section 37-90-101, et seq., C.R.S. (2006)). Opposed to natural stream flow, there is a significant amount of groundwater located in Colorado's Front Range that is not tributary to the streams, or it essentially stays within the underground aquifers until it is pumped out. In recognition of the unique and complex intricacies that are associated with the management of groundwater, the General Assembly created the Colorado Groundwater Commission (Section 37-90-104, C.R.S. (2006)). The Commission is composed of twelve individuals with management and adjudicatory responsibility for groundwater contained within eight designated groundwater basins located in eastern Colorado. The State Engineer serves as Executive Director of the Commission, and provides staff support to the Commission in the performance of its duties. This support includes groundwater well permitting, coordination of activities with the thirteen local Groundwater Management Districts, and enforcement actions necessary to protect existing water rights. To monitor and understand the changing water table conditions in groundwater aquifers, the State Engineer's Office conducts hydrogeologic investigations to determine the depth to the water table, the potential and safe aquifer yields, and the interaction of groundwater with surface stream flow, the location and amount of groundwater recharge, and any change in these conditions over time, location, and use.

## Public Safety

The Division of Water Resources is charged with protecting the public and water resources through two important statutory authorities. The public safety of the citizens is accomplished though execution of the dam safety program and water well construction standards development and enforcement. The surface and groundwater resources are also protected through the effective implementation of these programs.

The mission of the Dam Safety program is to prevent loss of life, prevent and/or reduce property damage, and to protect the State's water supplies from the failure of dams. The Dam Safety program assures a safe environment related to the design, construction, and operation of dams and reservoirs in accordance with Section 37-87-101 through 125, C.R.S. and Rules and Regulations for Dam Safety and Construction. The program includes the enforcement of a comprehensive set of regulations, policies, and procedures for the construction and maintenance of dams, the safe operation of reservoirs, and emergency preparedness. The safe storage level is determined by the review and approval of engineered plans for the construction and repair of dams, and regular safety evaluations of existing dams and reservoirs by professional engineers.

The mission of the Division of Water Resources and The Board of Examiners for Water Well Construction and Pump Installation Contractors is the protection of the groundwater resources and public safety. This is accomplished through the proper licensing of contractors and the development and enforcement of rules and regulations for the proper construction of water wells, monitoring and observation wells, and pump installation. The Division of Water Resources and The Board of Examiners for Water Well Construction and Pump Installation Contractors, in accordance with Section 37-91-101 through 112, C.R.S. are responsible to safeguard the public health and to protect and preserve the groundwater resources of the State of Colorado. The Board promulgates and enforces Water Well Construction Rules related to the minimum construction standards for water wells, monitoring wells and pump installation and administrative rules regarding licensure, disciplinary action and correction of improperly constructed wells.

### Public Information Services

The State Engineer's Office is responsible for the collection, preservation and dissemination of water records and information. The purpose of the Water Records Information Services program is to collect data, preserve it, and disseminate it to the public. Many of these documents are 100 years old, and all of them affect property values. Water Engineers and Commissioners also use these data to administer water rights, conduct our dam safety and well drilling safety programs, and evaluate well permits. DWR staff aids the public and other staff members by interpreting the complex legal and geophysical language and guiding them through the regulatory processes. Further, DWR operates and maintains an IT infrastructure of servers, network, desktops, and web sites that disseminate data and information to our public and internal users. Our databases maintain and provide a repository of vital data on water resource uses for over 100 years of record of this activity and are available via electronic methods and in paper format.

The purpose of the Information Technology Services is to provide software, hardware, and connectivity to the employees of Water Resources to enable them to perform their jobs efficiently and effectively. In addition, we collect, preserve and disseminate data to the public. Technology has fundamentally changed the way employees work. For example, they rely on real-time stream flow data to administer water, and some public entities like irrigation and rafting companies use this service hourly. Well permitting and many other necessary functions have been completely automated. The phone system, email systems, and databases all rely on IT staff to

make the systems work optimally and reliably. Information Technology Services is essential for this agency to function. Maintaining, supporting and operating these systems are critical to the continuity of all other aspects of Water Resources.

## **Division of Wildlife (DOW)**

"It is the policy of the state of Colorado that the wildlife and their environment are to be protected, preserved, enhanced and managed for the use, benefit, and enjoyment of the people of this state and its visitors. It is further declared to be the policy of this state that there shall be provided a comprehensive program designed to offer the greatest possible variety of wildlife-related recreational opportunity to the people of this state and its visitors and that to carry out such program and policy, there shall be a continuous operation of planning, acquisition and development of wildlife habitats and facilities for wildlife-related opportunities." 33-1-101 (1) C.R.S.

The mission of the Colorado Division of Wildlife is to perpetuate the wildlife resources of the state and to provide people with the opportunity to enjoy them. To that end, the Division manages the state's 960 wildlife species; regulates hunting and fishing activities by issuing licenses and enforcing regulations; manages more than 230 wildlife areas for public recreation; conducts research to improve wildlife management activities; provides technical assistance to private and other public landowners concerning wildlife and habitat management; and develops programs to protect and recover threatened and endangered species. Wildlife regulations are established by the eight-member Wildlife Commission. The agency maintains Regional Service Centers in Colorado Springs, Denver, Durango, Fort Collins and Grand Junction, as well as Area Service Centers in 16 other cities and towns across the state. Tom Remington is the Director of the Division of Wildlife.

The purpose of the **Wildlife Habitat and Species Management Program** is to preserve and maintain the health of Colorado's 960 species of wildlife, by protecting and managing wildlife habitat, and by protecting and managing native wildlife populations. The vision for the program as defined in The Division's Strategic Plan, adopted January of 2002 states: "Recognizing the pitfalls of single species management, the Division will emphasize the development of management approaches encompassing multi-species communities across the landscape. The Division defines species conservation as conserving, protecting and enhancing Colorado's native wildlife, by taking the actions necessary to assure the continued existence of each species and thereby precluding or eliminating the need for state and/or federal listing.

The Colorado Division of Wildlife will form partnerships with landowners, land management agencies, and others to manage, protect, enhance, and restore wildlife and their habitats. The Colorado Division of Wildlife will lead efforts to monitor wildlife communities and manage them as needed to prevent their decline. The Division will work aggressively with others to recover threatened and endangered species. The Division encourages partnerships to share in the vision to protect, enhance and restore wildlife communities that need assistance to survive.

- Protection, enhancement, restoration and management of aquatic and terrestrial habitat are critical to the survival of Colorado's
  diverse wildlife. Private landowners provide critical habitat and act as stewards to Colorado's wildlife. The future of wildlife
  management in Colorado will depend on the ability of government agencies and others continue to develop relationships and work
  cooperatively with private landowners.
- Native Species possess inherent intrinsic value, and as such should be managed to ensure viable populations.
- Invasive and exotic species are recognized as a growing problem, a major impediment to native species conservation, and a threat to native biodiversity. New and improved data plans and strategies are needed to effectively implement a proactive approach toward the prevention and control of all potentially harmful invasive or exotic species.
- Wildlife relocation or reintroduction may be necessary to effectively implement species conservation goals or provide wildlife recreation opportunities. However, the Division's ability to act in this area may be constrained by federal law and state constitutional provisions."

The Wildlife Habitat and Species Management Program activities have the overall conservation of wildlife habitats as a fundamental purpose. This includes the manipulation and enhancement of wildlife habitat; testing, monitoring and reporting on water quality; identifying high priority habitats and maintaining information on their location and characteristics; identifying, acquiring and maintaining water for wildlife (in-stream flows, conservation pools, etc); identifying and acquiring high priority habitat (easements and leases); providing information, advice and recommendations to land use decision makers and land management agencies regarding wildlife, wildlife habitat, and the impacts of development on wildlife; conservation of high-priority habitats that support a wide variety of species (wetlands, prairie grasslands, etc); all activities associated with the management of Division-owned properties (State Wildlife Areas), such as maintaining and improving physical structures on the property, operating the property, providing for public use and enjoyment of the property, maintaining real estate records, managing payment in lieu of taxes (PILT) payments, controlling noxious weeds, etc., and providing comments regarding impacts to wildlife habitats from energy development (such as oil, gas, wind, solar, water, etc.) activities permitted by other agencies.

In addition, the Wildlife Habitat and Species Management Program includes the management of Colorado's "non-game" species and in particular declining species, species of special concern, threatened and endangered species, regardless of their importance for hunting, fishing, wildlife watching or educational or scientific values. The goal is to prevent additional species from declining to perilous levels and to recover to secure status those species already at risk of extinction or extirpated from the state (threatened or endangered species). This is accomplished through research into the status, population dynamics, and habitat needs of individual species; field inventories to determine the distribution and size of populations; analyses to establish the genetic characteristics of populations; field studies to identify suitable habitat for various species; propagation and release to augment populations; reintroduction and release to augment populations; and habitat manipulation and enhancement.

The purpose of the **Wildlife Recreation Program** is to provide quality wildlife-related recreation opportunities for the people of Colorado and its visitors. The Division's Strategic Plan states that "Colorado has long been recognized as a national leader in game management and a premier destination for North American big game hunters. From moose to morning doves, Colorado offers sportsmen a diverse array of hunting opportunities, with extensive public and private lands available to hunters." Towards that end, the Vision for the Hunting program as reported in the Strategic Plan states "Hunters and the Division will be seen as partners working toward common goals in relation to wildlife management and recreational opportunities. Through the application of sound wildlife management principles the Division and hunters will maintain healthy, viable wildlife populations of game species living in balance with their habitats and with public and private interests. The Division will aggressively enhance efforts to inform the public regarding the role of hunting as a wildlife management tool and as the main source of funds that will ensure the future of all Colorado's wildlife species. In partnership with private organizations the Division will develop and promote youth hunting programs to encourage participation in and maintain support of Colorado's hunting heritage."

Population growth in the state is placing additional strain on the fishing program as well as our aquatic resources as a whole. The Vision for the Fishing Program as reported in the Strategic Plan states "The Division will manage the state's aquatic resources to provide a diversity of opportunities for anglers that produce a high level of satisfaction, while protecting the fisheries and their habitat."

This program encompasses those activities, which have the provision of recreation opportunities as a fundamental purpose. Recreational opportunities are to be provided consistent with the following:

• Protection of the wildlife resource is an overarching constraint

- Non-native species will be utilized where significant recreation benefits can be realized without jeopardizing the viability of native species
- Seasons and bag limits will be used to assure fair and equitable distribution of both opportunity and harvest
- Public safety, balancing the needs of various and sometimes competing interests, and addressing the needs and concerns of landowners are key to the success of the program
- Public expectations regarding the enforcement of statutes and regulations will be met
- Wildlife conservation, use and enjoyment including the rich traditions of fishing, hunting and wildlife viewing are part of Colorado's outdoor heritage, economic future, and overall quality of life.
- Science-based management decisions are essential to the conservation and management of Colorado's wildlife. Wildlife
  management decisions will include consideration of impacts to local communities as well as other social and economic
  information.
- Hunting and fishing license fees are expected to continue to be the major source of revenue for wildlife programs in Colorado.
  The Division recognizes that new and different funding sources are, however, critical if the Division is to fulfill its mission.
  The Division will allocate funds, consistent with law, based upon priorities established to maximize the Division's ability to fulfill its mission.

There are five sub-programs within the Wildlife Recreation Program. The hunting recreation sub-program focuses on fundamental wildlife management practices such as herd inventories, development of herd objectives through Data Analysis Unit (DAU) plans, monitoring harvest levels and conducting research to develop solutions to management problems. It includes activities designed specifically to enhance hunter access (e.g., the State Trust Land Access program) as well as programs to maintain relations with and recognize the contributions of private landowners. It also includes measures specifically designed to increase game populations, such as habitat manipulation and predator management. Finally, it includes efforts to prevent and minimize game damage (Habitat Partnership Program) and compensate landowners for game damage. A major focus of the hunting recreation program is the research and herd management of deer and elk populations affected by chronic wasting disease.

The fishing recreation sub-program seeks to provide a diversity of recreational fishing opportunities in aquatic systems, while still providing for the needs of native, non-game aquatic species. Activities include the collection of fish population data, development of management objectives by waters and watersheds, monitoring catch and harvest levels, production and stocking of fish, monitoring fish health, controlling fish disease, controlling aquatic invasive species, and conducting research on various subjects critical to sustaining healthy, viable fisheries for diverse angling opportunities. It also includes activities designed specifically to enhance angling access (e.g., the Fishing is Fun program).

The wildlife viewing sub-program is designed to increase the percentage of the state's population that participates in wildlife recreation by providing a diversity of quality wildlife viewing opportunities. This is accomplished by developing wildlife viewing facilities on State Wildlife Areas, State Parks and other areas; producing viewing guides, brochures and videos; writing newspaper articles; and conducting workshops aimed specifically at improving wildlife viewing skills.

The law enforcement sub-program is intended to meet public expectations that the Division enforce wildlife statutes and regulations (especially license, season and bag limits) in a professional, fair and consistent manner. Law enforcement activities include routine patrol to maintain law enforcement visibility as a deterrent to illegal activity, inspecting hunting and fishing licenses; checking bag and possession limits; responding to reports of illegal activity; inspection of special licenses and facilities; and investigating hunting accidents. It also includes such specialized work as check stations, night patrols, decoys, forensic analysis of evidence and investigation of illegal commercial activity. The primary law enforcement officers of the Division are District Wildlife Managers. Commissioned property Technicians and Area Wildlife Managers also perform law enforcement activities as part of their normal job

duties. Other Division personnel who have law enforcement commissions, such as biologists and other staff, assist with law enforcement efforts during peak times such as big game seasons.

The licensing sub-program is intended to help achieve harvest objectives, allocate recreational opportunities, and provide efficient service to the public. An automated licensing system called the Total Licensing System (TLS) was fully implemented as of June 2004 which replaced most of the functions with the selling and tracking of licenses of the old system. The new system performs all activities associated selling and tracking of licenses and the electronic transfer of funds. This is known as Point-of-Sale. Additionally, (TLS), allows customers to purchase licenses over the internet or via the telephone as well as apply for limited draw licenses over the internet. Agents are paid by keeping a portion of the sale (commission). The Colorado Outdoor Recreation Information System (CORIS) remains an integral part of the system.

The purpose of the **Wildlife Education and Information program** is to increase the public's knowledge, understanding, and appreciation of wildlife. The Division achieves this by providing education, public information, and customer service.

The Division's Strategic Plan, adopted January 2002, describes the priorities for this program as follows:

The Division's ability to effectively manage wildlife depends in no small part upon broad public support. Through a variety of wildlife recreation, viewing, education, information and volunteer programs, the Division promotes wildlife stewardship and awareness – both of which enable citizens to become knowledgeable partners in the management of wildlife.

People enjoy and are affected by wildlife in many different ways. Hunting, fishing, viewing, photographing, volunteering and learning are some of the ways people choose to be involved with wildlife. Human-wildlife conflicts have increased throughout the state as population growth has brought people and wildlife together. Whether by choice or chance, wildlife is important to many people and supports activities that contribute significant social and economic benefits to individuals, businesses and communities.

Wildlife stewardship and awareness can build support for Division programs, enhance collaboration between hunters, anglers, viewers, property owners and others, help avert potential human/wildlife conflicts, and promote decisions that are good for wildlife.

As Colorado's population grows and wildlife interests become more diverse, the Division provides programs, services, information and activities that meet a broad spectrum of the public's needs and interests. The resulting public support helps ensure the Division's capacity to carry out its mission.

There are three sub-programs within the Wildlife Education and Information program. The wildlife education sub-program includes efforts such as hunter education, hunter recruitment and retention, and angler education aimed at the development of skills and knowledge necessary for people to participate in the traditional activities of hunting and fishing. Active involvement in formal education at the K-12 levels plays an important role in ensuring an informed populace able to make the best decisions regarding the future of our wildlife heritage. Partnerships with schools and public and private conservation education organizations as well as providing informal educational opportunities to participants in the Division's volunteer program are important in making best use of available resources.

The public information sub-program is aimed at ensuring that the most current and accurate information about wildlife issues, hunting and fishing seasons, as well as opportunities to enjoy wildlife are available to the public through a variety of internal and external media. The Division maintains active liaisons with electronic and print media including making weekly television and radio spots highlighting the Division available to the various outlets. The Division also produces and distributes informational publications and video tapes related to Division activities and continues to develop and expand the information provided on its webpage. This sub-program is where the Wildlife Management Public Education Advisory Council (WMPEAC) resides. The Wildlife Management Public Education Fund (WMPEF) created by H.B. 05-1266 to help fund the work of WMPEAC. With the passage of H.B. 05-1266, a 75 cent per license surcharge was established to create funding to implement the program and a decision item is requested for spending authority to accomplish this statutory task. WMPEAC as established in 33-4-102 C.R.S. has been charged with "Oversee the design of a comprehensive media-based public information program to educate the general public about the benefits of wildlife, wildlife management, and wildlife-related recreational opportunities in Colorado, specifically hunting and fishing."

In order to respond to requests from hunters, anglers, landowners, and others, the Division invests significant resources in its customer service sub-program at Division offices front desks and District Wildlife Managers and other field personnel during field contacts. In addition to face-to-face customer service, the Division operates a year-round call center as well as big game license application assistance phone bank prior to the big game application deadline. Customer service encompasses responses to a broad spectrum of requests from various publics including general questions about wildlife, how to handle nuisance wildlife, and questions about hunting and fishing issues.

The purpose of the **Responsive Management Program** is to support the Wildlife Habitat and Species Management, Wildlife Recreation, and Wildlife Information and Education programs by providing administrative services (human resources, accounting, engineering, contracting, office support, training), facilities and vehicles operation and maintenance, computer and communications infrastructure, and a public policy and decision making process that involves stakeholders and the public.

The Division's Strategic Plan, adopted January 2002, describes the priorities for this program as follows:

- "Science based management decisions are essential to the conservation and management of Colorado's wildlife. Wildlife management decisions will include consideration of impacts to local communities as well as other social and economic information.
- The Division will manage itself and its wildlife areas to be models of effective, efficient, responsible and responsive public service.
- Hunting and fishing license fees are expected to continue to be a major source of revenue for wildlife programs in Colorado. The Division recognizes that new and different funding sources are, however, critical if the Division is to fulfill its mission. The Division will allocate funds, consistent with law, based upon priorities established to maximize the Division's ability to fulfill its mission.
- The Division respects and values its employees and will endeavor to enhance their performance and success to the people of Colorado."

The Responsive Management Program is comprised of 3 sub-programs – Public Policy, Human Resources and Internal Systems.

**Public Policy** - The public policy sub-program includes the development of wildlife regulations and Wildlife Commission policies, through the use of a process based on public involvement. Activities include holding public meetings; conducting surveys; the utilization of structured processes to facilitate stakeholder involvement in the development of proposed policies and regulations; public attitude assessments and surveys to gain a better understanding of issues such as hunter and angler "demand", public "willingness to pay"; and stakeholder views on funding priorities.

**Human Resources -** Activities in the human resources sub-program are designed to insure the division has a highly qualified and diverse workforce. This subprogram includes day to day management and supervision of employees, employee training, and human resources administration including announcing positions, classifying positions, and evaluating and selecting candidates. The promotion of wildlife careers through intern programs, and outreach efforts in schools and communities are also included under this sub-program. Finally, it includes training of law enforcement officer candidates and ongoing in-service training for existing commissioned officers.

**Internal Systems -** The internal support systems sub-program provides support to other programs in the form of administrative services, engineering, facilities and technology. Administrative support includes accounting, contracting, grants management, budgeting, procurement, office support, time collection and legal services. Engineering include designing and managing capital construction projects. Facilities support includes operating and maintaining Division administrative facilities (offices and customer service centers) and operating the Division's vehicle fleet. Finally, technology support includes providing computer and communications infrastructure, user support, and standardized software applications.

## **The Division of Forestry**

Responding to the growing public interest and immediate need to do something more to address the growing concern over the health of Colorado's forests, Governor Owens and the Colorado Legislature established the Division of Forestry and the Forestry Advisory Board in the 2000 session. Since then the Forestry Advisory Board has met on a quarterly basis exploring new and innovate ways to address the evolving forest health crisis in Colorado. State Forester, Jeff Jahnke, serves as the Division Director and the division is staffed per the arrangement spelled out in the MOU. Members of the Forestry Advisory Board are appointed by the Governor.

The Division of Forestry and Executive Director's Office are exploring ways to promote informed decision making on forestry and wildland fire issues through analysis, communication and technical assistance on local, state, and national legislative, policy and regulatory issues. Efforts would specifically target the support of management decision making through the acquisition and dissemination of the most current information possible on the state's forested lands.

## **Prior Year Legislation**

## HB 08-1161 Strengthen Mining Reclamation Standards (Kafalas, Johnson)

This bill amends the reclamation and permit application notification requirements of the Mined Land Reclamation Act. HB 1161 defines all uranium mining operations, whether in situ leach or conventional, as Designated Mining Operations, and requires existing permitted conventional operations to develop Environmental Protection Plans and contingency plans for possible failures at their sites. HB 1161 also expands oversight by the state Division of Reclamation, Mining and Safety during construction. In addition, HB1161 requires that mining applicants not have any existing violations to the Colorado Mined Land Reclamation Act or analogous acts issued by other states or the federal government. New requirements also include a description of at least five other such operations that exhibit successful groundwater protection compliance, baseline site characterization and monitoring plan details, and criteria for Mined Land Reclamation Board denial or revocation of in situ leach uranium mining permits. The bill became law on May 20, 2008. HB08-1161 rulemaking will occur during the late summer and fall of 2008.

## HB 08-1280 Protect Leased Instream Flow Water Right (Fischer, Schwartz)

This bill clarifies that water rights which have been loaned to the Colorado Water Conservation Board, for instream flow purposes, are excluded from the water court's historic consumptive use analysis. This prevents these loaned water rights from being considered abandoned when they are being used for species protection or environmental protect instead of being consumed. This bill further requires the board to adopt criteria for evaluating leases or loans that ensures the following: that the lessor is not using the agreement for speculative purposes, the right is administrable, records are kept regarding the use of that water, install measuring devices the division engineer deems necessary, and a change of water right application is filled with the water court.

## HB 08-1346 Water Conservation Bd Construction Fund (Curry, Isgar)

This bill funds a variety of water-related projects via loans, direct appropriations, and fund transfers. Included in this bill is a loan for the "Dry Gulch Reservoir Project Land purchase" for the amount of \$11,217,060 and a loan for the "Republican River Compact Compliance Pipeline" for the amount of \$60,600,000. The bill makes appropriations for eight continuing projects and fifteen new water projects totaling \$8,071,000.

## HB 08-1398 Operational Acct of Sev Tax Trust Fund (Buescher, Johnson)

This bill changes how the Operational Account of the Severance Tax Trust Fund is administered. It reduces the reserve requirements for the core DNR programs and spreads out transfers to other programs over the course of the fiscal year. This bill also cleans up and streamlines the statutory language related to various severance tax transfers.

## SB 08-013 Sev Tax Trust Fund Oper Acct Approps (Schwartz, Fischer)

This bill changes which divisions in the Department of Natural Resources are eligible to receive severance tax as part of the annual appropriations bill; adding the Division of Parks and Outdoor Recreation and the Division of Wildlife to the eligibility list. The bill appropriates \$1,234,058 to the Division of Parks and Outdoor Recreation to operate, maintain, and improve state parks located in areas impacted by energy development; and \$750,000 for the construction of a boat ramp at Nighthorse reservoir. The Division of Wildlife is appropriated \$1,519,927 to monitor, manage, mitigate, and research the impacts of mineral or mineral fuel production activities on wildlife.

## SB 08-155 Centralize IT Management In OIT (Cadman, Kerr A.)

This bill consolidates the responsibility for information technology oversight in the Governor's Office of Information Technology. In FY 2008-09 this bill transfers the FTE for DNR's Chief Information Officer and two support staff to the Office of Information Technology. All IT staff in the department will now report through the transferred CIO to the Office of IT. It is anticipated that as the management of the State's IT resources continue to be consolidated economies of scale will be realized, resulting in cost savings.

## SB 08-168 Species Conservation Trust Fund (Isgar, Curry)

This bill approves the species conservation eligibility list and changes transfers and appropriations. The Species Conservation Trust Fund program is designed to conserve native species that have been listed as threatened or endangered under state or federal law, or are candidate species or are likely to become candidate species. This bill dedicates \$7,585,000 towards Colorado's continuing obligation on the Platte River Recovery Program and authorizes \$3,578,886 in spending on Grouse Conservation, Natural Areas, Wildlife Research, and Fish Conservation. The bill also authorizes future spending by the Colorado Water Conservation Board on in stream flows for species conservation and makes changes to various fund transfers and fund balances.

## SB 08-169 Hard Rock Mining Fees (Isgar, Curry)

The bill established a fee for 110 limited impact hard rock permit amendments where no fee existed historically; amends the 2007 fee bill (SB07-185) to allow the oil shale fee structure to apply to "revisions to a permit other than amendments:; and allows a pass through of extraordinary costs incurred in the review of in situ uranium permit applications, amendments and other permit revisions as a similar fee structure as was placed on oil shale permits. The bill provides spending authority in CDOW, CGS, DWR and DRMS to allow each division to spend the revenue collected from "extraordinary costs" fees on uranium to cover technical consultant or staff costs.

### SB 08-218 Allocation of Federal Mineral Lease Revs (Schwartz, Buescher)

This bill changes the way that Federal Mined Land monies are distributed and differentiates between royalty payments and regular payments. This bill reduces that amount of money that the Colorado Water Conservation Board will receive through their Construction Fund and uses the difference to transfer money to the newly created Higher Education Maintenance and Reserve Fund. Revenue to the Construction fund is now capped at \$14 million in FY 2008-09 and allowed to grow at 4% annually there after.

### SB 08-226 Aquatic Nuisance Species Prohibition (Isgar, Butcher)

This bill establishes Aquatic Nuisance Species laws to prevent, control, contain, monitor, and eradicate aquatic nuisance species from state waters. This program is in response to the discovery of Zebra Muscles in Pueblo Reservoir. The bill establishes a program to try and prevent the introduction and spread of aquatic nuisance species which can have devastating economic, environmental, and social impacts on the aquatic resources and water infrastructure of the state.

### SB 08-228 More Pub Disclosure Prospecting Notice (Schwartz, Curry)

The bill revised portions of the Mined Land Reclamation Act pertaining to the confidentiality and filing requirements for mineral prospecting notices. The bill became law on June 2, 2008. Prior to passage of SB228, all information pertaining to prospecting notices was confidential. SB228 requires that prospecting notices will be public information, except that SB 228 retains confidentiality regarding information on mineral deposit location, size and nature. SB 228 also allows the prospector to assert (subject to Mined Land Reclamation Board approval) confidentiality regarding information that may be proprietary, trade secret or information that if released to the public would cause substantial harm to the competitive position of the prospector. The bill also requires that DRMS will post the public prospecting information on the DRMS web site. SB228 related rulemaking will occur during the late summer and fall of 2008. Rulemaking will focus on procedural requirements pertaining to confidentiality determinations and filing procedures.

### **Hot Issues**

Oil Shale exploration activities on public and private land continue on the Western Slope. The Division of Reclamation Mining and Safety reviews prospecting notice revisions, the status of reclamation activities, and conducts ongoing compliance inspections. Only one RD & D lease is active at this time; three of the operations permitted 30 years ago are being reclaimed – comprising almost 8,415 acres on public and private land.

**Uranium** mining and prospecting activities also continue to accelerate. Of 32 uranium permits in place at this time, three are in production, and another seven are preparing to initiate production. Submittal of new uranium prospecting notice and revision applications also continues at an approximate rate of two-four such applications a month. The BLM indicates that active uranium clams have increased from 120 in 2003 to 10,370 in 2007. Ultimately, this will translate into prospecting notices or mined land reclamation permit applications with the Division of Reclamation, Mining, and Safety.

Climate Change and Global Energy shortages require future, coal-fired power plants to operate in a clean, carbon-neutral manner. Coal is the only conventional energy source that is not heavily dependent on imports. The Colorado Geological Survey has played a significant role in the study of potential for CO2 sequestration over the past five years. Additional severance tax funding is required to continue these important studies for the new energy economy.

Oil & Gas Production activities continue to increase in Colorado as the price for oil and gas continues to increase. Applications for permits to drill, the number of active drilling rigs, and the number of active wells, continue to reach record levels. This activity has placed strain on the resources of the Colorado Oil and Gas Conservation commission and has lead to a greater number of conflicts with wildlife, environmental, and public health conflicts. House Bills 07-1298 and 07-1341 directed the commission to promulgate new rules to protect the public health, environment, and wildlife of the state; this process is ongoing and could impact the needs and activities of the Oil & Gas Conservation commission in years to come.

**Revenue from School Lands** continues to be strong. The investment and development fund of the State Land Board has shown its value with a projected 2:1 return on investments. This fund sunsets in 2010. Given the expected decline in coal royalty revenues, future revenue performance is largely dependent on increases in commercial and renewable energy revenue, as well as continued strong performance of oil and gas royalty revenue.

**Aging Infrastructure** continues to present challenges to the Division of Parks and Outdoor Recreation. Older state parks have an extensive backlog of deferred maintenance projects. It has been 50 years since the state park system first opened roads, campgrounds, building and other recreation facilities for public use. Today, many of these older parks have facilities that have reached the end of

their expected life cycle. In order to fully address this backlog it will be necessary for State Parks to (a) examine new funding sources; (b) look at the utility of maintaining high cost services and facilities; and (c) strive to achieve maximum efficiency in all parks operations.

Aquatic nuisance species represent a threat to Colorado's water infrastructure. Zebra mussels were found in Pueblo Reservoir in November, 2007. In response the Department of Natural Resources has led an effort to develop and implement a statewide rapid response plan. The goal of this plan is to coordinate efforts within the state and with the federal government and key interest groups to (1) contain, (2) prevent, and (3) detect infestations of aquatic nuisance species. Senate Bill 08-226 addresses regulatory and statutory changes that are needed to effectively implement the objectives in the plan and includes an appropriation. The Division of Parks and Outdoor Recreation, in cooperation with the Division of Wildlife, is taking as aggressive stance to prevent the spread of zebra mussels as they are nearly impossible to eradicate once established. The division may face the prospect of reservoirs being closed to all recreational uses, or the need for more aggressive inspection and enforcement efforts if water owners and reservoir operators are not satisfied with the proposed aquatic nuisance species management strategy.

Water Supply Conservation, Development, and Protection continues to be central to the future growth and health of Colorado's environment and population. As Colorado's population grows the Colorado Water Conservation Board is must help ensure that water is utilized to meet needs while protecting the environment. Water conservation and drought planning along with water supply become increasingly important as the state tries to meet demand, and make up the "SWSI Gap" identified in the Statewide Water Supply Initiative.

Water Administration continues to present challenges to the Division of Water Resources. Population growth and demand for water are resulting in more complex water court decrees for change in water right cases and plans for augmentation. This results in more complex water administration and strains the resources of the division. Inter and Intra-State surface and ground water administration has led to conflicts between surface and ground water users. Inter and intra-state court decisions have led to curtailment and/or increased scrutiny of thousands of wells to protect senior water rights. The division predicts that as demand grows more personnel will be needed to meet compact obligations and protect senior water rights.

**High Fuel and Energy Prices** continue to strain the resources of the Department. Recent increases in utility costs, personal mileage reimbursement rate, and fleet variable mileage rate are having an effect on the ability of the department to fulfill its duty. The department will continue to pursue more efficient methods of doing business and additional funding to meet these needs.

**Species Conservation** is a continuing focus of the Division of Wildlife. In the arena of federal listing, state wildlife agencies continue to strive to form conservation coalitions to address declining species as an alternative. The division continues to try to work with federal agencies in their efforts to evaluate species needs and protect threatened and endangered species where necessary. The Division of Wildlife will continue to seek recognition of multi-state, multi-agency cooperative conservation programs for at-risk native wildlife species as a viable alternative to federal listing, and as recognized in ESA as a species listing consideration by the Secretary of the Interior.

<u>Workload Measures</u> <u>Executive Director's Office – Workload Indicators:</u>

Executive Director's Office - Worktoad Indicators:				
Workload Indicators				
Sub Program	FY2006-07 Actual	FY2007-08 Actual	FY2008-09 Approp	FY2009-10 Request
Human Resources:				
Process and finalize classifications in a timely manner	40 days	31 days	30 days	30 days
Announce, develop, administer and score exams including making referrals in a timely manner	90 days	52 days	45 days	45 days
Accounting:				
Work with division staff, State Controllers Office, Auditor's Office and State Purchasing to identify more efficient procedures and processes for managing accounting and procurement programs. Reviews	4	6	6	6
Ensure that proper internal and administrative controls exist throughout the Department to safeguard assets, ensure reliability of accounting records, promote operational efficiency and comply with managerial policies.				
Reviews	8	8	10	10
Budget:				
Funds Appropriated and Administered	\$181,988,574	\$194,596,630	\$233,471,509	\$220,252,062
Ensure that Department budget request is linked to the Department Strategic Plan and highest priority	1000/	1000/	1000/	1000/
objectives	100%	100%	100%	100%

Complete reviews of administrative functions of the				
Department	100%	100%	100%	100%
Information Technology:				
NatureNet/DNR Web Site/Imaging system operational				
availability during required hours (Annual); Enterprise				
applications and systems availability	99%	99.5%	100%	100%
Average time to restore service (IT support calls)				
	30 min	30 min	30 min	30 min
Maintain systems within sustainable lifecycle age and plan				
	100%	100%	100%	100%

DRMS – Workload Indicators:

Workload Indicators	FY2006-07	FY2007-08	FY2008-09	FY2009-10
	Actual	Actual	Approp	Request
Coal Regulatory Program				
Total permitting actions.	229	215	232	238
Total number/percent of required inspections conducted.	474	426	430	430
	100%	100%	100%	100%
Minerals Regulatory Program				
Total inspections.	578	558	584	584
Permitting actions.	612	971	700	700
Inactive Mine Reclamation				
Number of sites monitored to ensure the effectiveness of	105/5	369/3	300/10	400/10
safeguarding and reclamation work Number of sites				
requiring follow-up maintenance due to original				
reclamation not meeting standards over time				
Number of coal mine fires and characterized or for which	1	2	4	4
treatment or abatement activities have been initiated versus	Total coal mine	Total coal mine	Total coal mine	Total coal mine
total identified statewide.	fires = 37	fires = 37	fires = 37	fires = 37
Mine Safety and Training/Blasters Certification Program				
Number of persons receiving mine emergency, mine	916	1,879	2,000	2,000
exploration and mine rescue training.				
Number of individuals who were tested with a certification	224/61%	253/54%	240/60%	240/65%
exam. Percent of Individuals passing certification.				
Information Technology				
IT system modification, improvement, or new	IMRP BrassCap	IMRP mobile	Permit System	Bond estimation
implementation.	database re-written;	computing	enhancements	program rewrite (10
	added mobile	enhancements	IMRP mine	modules)
	computing.	Permit system	subsidence	Permit System
		enhancements	database creation	enhancements
			Bond estimation	
			program rewrite (5 modules)	
			modules)	

### CGS – Workload Measures:

Workload Measure	<u>Unit</u>	FY2006-07 Actual	FY2007-08 Actual	FY2008-09	FY2009-10
NT 1 0 1 1 00 1 1 1 1 1	N 1 C			Approp	Request
Number of avalanche courses offered during the	Number of courses	92	205	150	150
winter	taught				
Number of Land Use Reviews performed	Reviews	477	454	475	475
Number of 1 to 24,000 geologic quadrangles mapped	Number of quads	7	7	7	7
Publish and distribute water quality/ground water	Number of	1	1	1	1
investigative studies	publications or				
	reports				
Publish and distribute geologic hazards analyses	Number of	2	0	3	3
	publications or				
	reports				
Publish and distribute mineral and energy resource	Number of	4	2	3	3
reports and studies	publications or				
	reports				

### OGCC – Workload Measures:

Workload Measure	<u>Unit</u>	FY 06-07	FY 07-08	FY 08-09	FY 09-10
		<u>Actual</u>	<u>Actual</u>	Est.	Est.
Active Oil and Gas Wells in Colorado	# of Wells	32,021	35,686	39,400	43,400
<b>Applications for Permits to Drill - Received</b>	# of APDs	6,664	7,661	8,000	8,000
Active Drilling Rigs	Avg. # of Rigs	97	113	114	114
	trillion cubic feet				
Volume of oil and gas produced in the state.	of natural gas and				
	coalbed methane	1.24	1.25	1.25	1.25
Volume of oil and gas produced in the state.	million barrels of				
	oil produced	23.63	23.12	22.80	22.40
	# of Pit				
Pit Applications	Applications	288	416	416	416
Complaints	# of Complaints	293	299	300	300
Site Investigation and Remediation Work Plans					
submitted	# of plans	182	267	267	267
Number of public forums held	Meetings, trainings				
	& hearings	31	57	40	40
Hearing Applications	# of applications	107	104	106	110
Spills and Releases of Exploration & Production	# of Spills &				
Waste	Releases	302	383	400	400
Individual Bond Release Requests	# of Requests	46	62	62	62
Blanket Bond Release Requests	# of Requests	51	54	54	54

### State Land Board – Workload Measures:

Workload Measure	<u>Unit</u>	FY 06-07	FY 07-08	FY 08-09	FY 09-10
		<u>Actual</u>	<u>Actual</u>	Est.	Est.
Holdover tenant leases.	Leases	14	3	5	5
Increase the number of inspections on expiring	Percent	20%	45%	85%	100%
leases completed more than one year prior to	inspected				
expiration					
Number Of Agricultural Lease Inspections	Inspections	573	598	690	660
(excludes unknown range condition inspections)					
Amount of matching funds for based on \$150K	Dollars	\$534,000	\$711,095	\$500,000	\$500,000
weed management budget					
Amount of matching funds for Enhancement Fund	Target	\$242,000	\$229,450	\$266,000	\$293,000
dollars	_				
Percent of mineral royalty revenue streams audited	Percent	87.9%	88.0%	90%	90%
Number of royalty audits	Number	56	60	65	65
Number of mineral leases auctioned	Leases	400	416	400	400
<b>Percent of completed Investment and Development</b>	Percent	39%	37%	50%	100%
Fund projects					
Average procurement request processing time for	Days	10	4	5	5
procurement more than \$5,000					

### Division of Parks and Outdoor Recreation – Workload Measures:

Workload Measure	<u>Unit</u>	FY 06-07	<b>FY 07-08</b>	FY 08-09	FY 09-10
		<u>Actual</u>	<u>Actual</u>	Est.	Est.
Prepare and/ or update park stewardship and	Number of Plans	NA	1	2	4
management plans.					
Number of customers purchasing park passes and	Number	64,591	67,214	78,031	81,152
making facility reservations on-line and through our					
call center.					
Number of volunteer hours contributed statewide to	Hours	161,020	184,402	200,527	208,548
the Division at parks, programs and offices.					

CWCB – Workload Measures:

	<u>Unit</u>	FY 06-07 Actual	FY 07-08 Actual	FY 08-09 Est.	FY 09-10 Est.
Add acre feet of storage through construction of new reservoirs	Acre feet	14,600	9,500	20,700	15,000
Add acre feet of storage through enlargement or rehab of existing reservoirs	Acre feet	4,200	3,100	11,000	7,000
Number of new gages installed/maintained/ operated & repaired <sup>1</sup>	Gages	3	3	3	10
Number of stream segments appropriated <sup>1</sup>	Stream segments	10	21	25	30
Total number of approved water conservation plans on file that meet statutory requirements defined in 37-60-126 C.R.S.	Conservation plans	N/A	17	37	45
Increase the number of entities applying for funds from the water efficiency grant program.	Water efficiency grant applications	N/A	23	30	30
Review of documents <sup>2</sup>	Documents	210	4,469	5,000	5,000
Upload of documents <sup>2</sup>	Documents	210	4,469	5,000	5,000
Number of educational workshops/ regional meetings held to inform public of risk and prevention, and programs	Meetings	18	22	24	24
Communities participating in NFIP	Communities	235	239	241	242

Notes: <sup>1</sup>Figures presented are not cumulative, but are the total gages installed and are total number of stream segments appropriated for the given year.

<sup>2</sup> Figures presented are cumulative

### Division of Water Resources – Workload Measures:

Workload Measure	<u>Unit</u>	FY 05-06	FY 06-07	<u>FY 07-08</u>	FY 08-09
		<u>Actual</u>	<u>Actual</u>	Est.	Est.
Total Amount of Water Diverted and Stored in	Total Acre	24,101,960	23,946,122	23,946,122	23,946,122
Colorado	Feet				
<b>Total Volume of Water Exiting the State</b>	Total Acre	9,869,890	7,629,172	7,629,172	7,629,172
	Feet				
Number of Surface and Ground Water Structures	# of Structures	17,927	17,927	17,927	17,927
Actively Diverting Water					
The number of daily water diversion and storage	# of	227,500	227,500	227,500	227,500
	Observations				
observations in each individual ditch, canal, pipeline					
or reservoir					
Order the change in amount for headgate diversions	% Compliance	95%	95%	95%	95%
and/or reservoir releases within 24 hours of a change	1				
in the calling water right priority on a river or creek					
system					
Maintain a sufficient number of river and canal	# of Stream	470	485	500	500
gauging stations at key hydrologic locations	Gauging				
throughout the state to accurately measure and	Stations				
monitor variable flow conditions throughout the year					
Average Number of Days in Compliance with	% Compliance	97%	97%	95%	95%
interstate compacts					
<b>Efficiency of Meeting Compact Obligations</b>	% Compliance	99.5%	99.5%	95%	95%
Conduct annual hydro-geologic investigations into	# of	11	11	11	11
Colorado groundwater aquifer characteristics,	Investigations				

storage volumes, and depth to water table	Conducted				
Public contacts via phone, mail or personal visits and	# of Contacts	55,000	56,000	56,000	56,000
responses to contacts					

DOW – Workload Measures:

Workload Measure	<u>Unit</u>	FY 05-06	FY 06-07	FY 07-08	FY 08-09
		Actual	Actual	Est.	Est.
Update and begin implementation of all deer DAU		15	6	3	3
plans west of I-25					
Identify and provide long-term protection for at least		6,500	10,500	15,000	20,000
10,000 acres of high priority wildlife habitats during					
the next five years through cooperative efforts and					
agreements with various land management agencies.					
Number of catchable-size trout stocked annually.		2.33	3.06	3.19	3.25
		Million	Million	Million	Million
Number of warm water fish stocked annually		65 million	65 million	65 million	65 million
Add 500,000 acres of conservation partnerships with		25,000	25,000	25,000	25,000
private landowners via various programs such as					
Habitat Partnership (HPP), Wetlands Program,					
prairie dog incentive program, Farm Bill Programs,					
easements, and other programs.					
In collaboration with other agencies and interests,		1	1	1	1
initiate and pursue development of strategies of					
management plans for all species that are					
determined to be of "special concern"					
Develop a long-term monitoring system for a variety		1	1	1	1
of species to ensure populations remain strong and to					
detect possible population declines.					
Initiate and pursue development of management or		29	33	34	35
recovery plans for all state-listed threatened or					
endangered species, that are not federally listed,					
within 24 months their listing.					
Percentage of Colorado students - K through 12 - in		35%	40%	42%	45%
Colorado classrooms reached through a combination					
of teacher training in Division supported curriculum,					

partnerships with organizations and agencies that				
deliver wildlife education, and direct instruction by				
Division employees.				
Establish a set of broad learning objectives for	1	1	1	1
Division wildlife education efforts, applicable to				
programs statewide and flexible enough to be				
tailored for different audiences (e.g.; grade levels,				
rural vs. urban).				



# DEPARTMENT OF NATURAL RESOURCES

# Strategic Plan Fiscal Year 2009-10

September 2008

### COLORADO DEPARTMENT OF NATURAL RESOURCES

(STRATEGIC PLAN – FISCAL YEAR 2009-10)

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### A letter from Harris Sherman, the Executive Director of the Colorado Department of Natural Resources

The recently completed fiscal year saw the Department of Natural Resources successfully take on a wide variety of natural resource issues. Below are a few highlights of the Department's biggest successes and biggest challenges moving forward:

Oil and Gas Conservation Commission - The Department spent considerable time and resources in FY 2007-08 on rulemaking associated with the implementation of House Bills 07-1298 and 07-1341. Together, these bills require the Department of Natural Resources and the Oil and Gas Conservation Commission to foster oil and gas development consistent with the protection of public health, safety, and welfare, including the protection of the environment and wildlife resources. The rulemaking has been one of the State's most extensive such processes, involving a number of public meetings, several Commission hearings, and the input of thousands of Colorado citizens. The draft rules have undergone multiple rounds of revisions in an attempt to balance concerns from the oil and gas industry with the need for reasonable protection of public health, safety, and welfare. It is hoped that a balanced set of rules will be approved by the Oil and Gas Conservation Commission in the Fall of 2008.

In the midst of the rulemaking, the market price for oil and gas rose to records highs. Consequently, the Oil and Gas Conservation again broke the record for most drilling permits in a year with 6,368 permits issued in CY 2007. Drilling activity continues to increase, which drives a higher workload for the Commission staff in a variety of areas such as processing permits, responding to citizen concerns, and performing inspections. A major focus of the Department moving forward will involve finalizing and implementing the new oil and gas rules in a way which effectively balances energy development with the protection of public health, safety, and welfare.

Colorado Geological Survey – Climate change and population growth continue to impact our natural resources, including: (a) an increase in the hazards associated with avalanches; (b) an increased interest in developing Colorado's energy resources; (c) an increased interest in exploring the opportunities for carbon sequestration in Colorado, and; (d) the continued depletion of groundwater resources. Unfortunately, funding for the Colorado Geological Survey has not kept pace with these needs and interests. Looking forward, the Department will be seeking the resources necessary to better address some of these critical natural resource issues.

**Species Conservation** – During the 2008 Legislative Session, the Department worked with the General Assembly to pass several critical pieces of legislation related to species conservation. S.B. 08-168 provided roughly \$7.6 million for the Platte River Recovery Program, as well as providing additional funding for grouse conservation and other species programs. S.B. 08-013 provided \$1.5 million for the Division of Wildlife to monitor, manage, and mitigate the impacts of energy production on wildlife. Looking forward, the Department hopes to strengthen the Instream Flow program to better protect those species whose survival depends on a minimal amount of water remaining in rivers and streams.

**Outdoor Recreation** – Colorado enjoys some of the most beautiful state parks in the United States. With additional facilities being opened at Cheyenne Mountain State Park, annual visitation should continue to increase. Further, the Department continues to work toward the opening of Staunton State Park within the next few years. Colorado Citizens and visitor alike will benefit from the opening of these new venues and new state parks. In providing and expanding the opportunities for outdoor recreation in Colorado, the Division of Parks and Outdoor Recreation is promoting physical and mental health, as well as helping to provide tourism-related benefits to a number of Colorado communities.

Equally as important as promoting outdoor recreation is improving the way we do business. In 2007, I requested that the State Auditor conduct a performance audit of the Division of State Parks and Outdoor Recreation. The State Auditor issued an extensive set of recommendations in June 2008 that, moving forward, will require the Department to improve a number of its processes and practices, including those related to accounting, budgeting, human resources, planning, and purchasing. As a result, the coming year will require considerable attention to implementing the recommendations of the State Auditor. Using the audit of State Parks as a road map, the Department hopes to expand upon the findings to improve its operations and performance across all divisions.

Compact Compliance – In 2007, Colorado was in compliance with both U.S. Supreme Court Decrees and seven of its nine interstate river compacts. In addition, the Animas-La Plata compact was deemed non-operational. Unfortunately, Colorado was out of compliance with the Republican River Compact. Maintaining compliance with interstate water compacts continues to be both complex and challenging, in part due to the ever changing legal framework under which we operate. However, the Department has passed new measurement rules to better assist in meeting Republic River Compact obligations, as well as brokering the purchase of water rights to deliver to the stateline. Another accomplishment in FY 2007-08 was the approval of a \$60.0 million loan to construct a 12.5 mile long pipeline to deliver roughly 15,000 acre feet of water to the Nebraska stateline. Compliance with Interstate Compacts will be an on-going challenge for the Department in FY 2008-09 and beyond.

In addition to the above highlights, Colorado continues to face a wide variety of natural resources challenges. The bark beetle continue to infest a growing acreage of Colorado's forests, increasing fire hazards and threatening to degrade the quality of drinking water supplies. Zebra Mussels and other aquatic nuisance species threaten our waterways and native wildlife. Growing interest in uranium mining requires a thoughtful approach to regulation which balances public health, safety and welfare in addition to protection of wildlife and wildlife habitat. Continued population growth, in addition to the effects of climate change, are requiring increasingly complex solutions to meeting current and future water supply needs and Interstate Water Compact requirements. These are all long term, complex problems that will significantly impact the quality of life of Coloradoans both today and for generations to come.

This strategic plan lays out some of the key objectives of the Department and the performance goals we hope to achieve. While new challenges continue to arise, I am encouraged by some of the Department's great successes. Looking forward, the growing demand

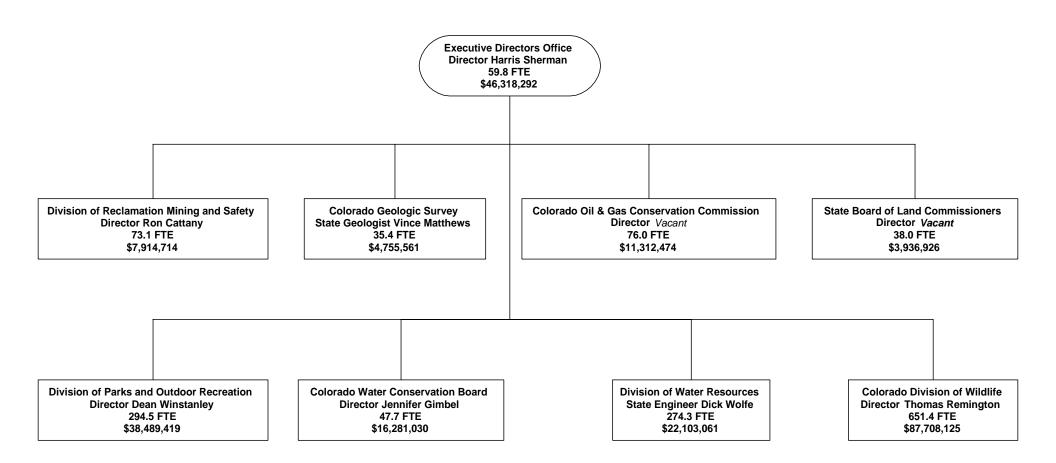
for energy and rising energy costs will continue to have significant impacts on the Department. On the regulatory side, these trends have increased the need for both additional resources and more thoughtful, balanced laws and regulations. On the plus side of the changing energy markets, revenues earned for the Public School Trust by the State Land Board reached record highs in FY 2007-08, in part due to ingenuity by Land Board staff and in part due to high energy prices. And yet another significant impact of the rising energy prices is that the Department's cost of doing business has significantly increased. A major challenge that lies ahead will be addressing these cost increases through a combination of reduced energy consumption and securing additional funding.

As always, we look forward to working with the Governor's Office, General Assembly, interest groups, and citizens in an effort to protect and wisely manage Colorado's beautiful natural resources.

Sincerely,

Harris Sherman Executive Director, Colorado Department of Natural Resources

# **Colorado Department of Natural Resources**



1550.2 FTE \$238,819,602 Total Funds \$32,118,044 GF \$181,970,014 CF \$7,374,280 RF \$17,357,264 FF

# Colorado Department of Natural Resources Strategic Plan

The Colorado Department of Natural Resources (DNR) is responsible for the management of the water, land, wildlife, minerals/energy/geology and outdoor recreation resources of the State. Its mission is to develop, preserve and enhance Colorado's natural resources for the benefit and enjoyment of current and future citizens and visitors. The Department of Natural Resources consists of ten divisions. Collectively, they carry out the Department's responsibilities for natural resources management, which includes use or access to some resources, promotion of the development of select resources, and the protection or preservation of other resources.

### **Mission Statement**

Colorado is blessed with a wealth of natural resources, including beautiful landscapes, abundant energy and mineral resources, diverse wildlife, and unique geology. The State's high quality natural resources play a significant role in the high standard of living enjoyed by Coloradans. Out-of-state visitors and Coloradans alike enjoy hunting, fishing, outdoor recreation, and visiting Colorado State Parks. In this regard, natural resources are an important part of Colorado's tourism industry and play an important role in Colorado's economy.

With these benefits comes the responsibility of good stewardship. As people move to Colorado to enjoy all that the state has to offer, stresses have been placed on resources such as water supply and wildlife habitat. Energy development must be undertaken in a responsible manner that protects the quality of Colorado's water and wildlife habitat resources. The Colorado Department of Natural Resources acts as a leader in coordinating the protection of natural resources with the federal government, other state agencies, local governments, businesses, and private citizens. By soundly managing Colorado's natural resources, future generations of Coloradans will enjoy the same high standard of living enjoyed today. The Department's mission also includes the promotion of outdoor recreation as well as natural resources education. The Department consists of eight divisions overseen by the Executive Director's Office. The specific missions of each of these divisions will be further explored in the separate division sections of this strategic plan.

### **Vision Statement**

Under the leadership of the Department of Natural Resources, Colorado will:

• Water - Provide for the long-term municipal, industrial, and agricultural water needs of the State in a way that recognizes and provides for the instream flow needs of fish, wildlife, and recreation. Through the Roundtables and Interbasin Compact Committee processes, Colorado's river basins work to find ways to share water in ways that generate win/win results for all parties. Colorado achieves greater efficiencies in water use through conservation, reuse, conjunctive use, and exploration of water projects that benefit all parties. The State finds alternatives to the permanent transfer of water from agricultural use to municipal use, thereby avoiding the permanent loss of irrigated agricultural lands and associated benefits.

- State Parks Maintain a system of parks across the State that offers diverse outdoor recreation opportunities, protects high quality landscapes for current and future generations, and fosters natural resource education. Colorado State Parks remains affordable to all Coloradans, provide excellent customer service to visitors, and maintain safe, high-quality park facilities.
- **Energy** Promote responsible and sustainable development of Colorado's energy and mineral resources in a manner that is consistent with environmental protection, maintenance of Colorado's quality of life, and protection of Colorado's diverse economic base. Promote renewable energy, innovative technology, and energy efficiency as part of sustaining Colorado's long term energy supply.
- Wildlife Manage and conserve healthy and sustainable wildlife populations for the benefit of current and future Coloradans.
- State Lands Manage state school lands held in a perpetual, inter-generational trust for the benefit and support of public school. Through prudent and strategic management, the Department will protect the long term value of these trust assets. Recognizing that the long term economic productivity of all lands held in public trust is dependent upon sound stewardship, the Department will protect and enhance the beauty, natural values, open spaces, and wildlife habitat on trust properties.

With a diverse mission, the employees, volunteers, and partners of the Colorado Department of Natural Resources will be highly motivated, knowledgeable, and committed to finding creative, thoughtful, innovative, and cost-effective solutions to Colorado's many natural resource issues. Educating the public and engaging younger generations will be a key part of the long-term effort to protection Colorado' natural resources. The Department is passionate about and committed to its duty to the wise management and conservation of Colorado's incredible natural resource portfolio.

# DEPARTMENT OF NATURAL RESOURCES PERFORMANCE MEASURES

Each division in the Department of Natural Resource has contributed to the Department's Strategic Plan. Following this section of the Strategic Plan will be additional sections detailing the mission, vision, and goals of each of the Department's divisions. Many of the Department's divisions have their own strategic plans, which will provide more detailed information than is contained in this Strategic Plan. This document intends only to summarize performance related to a select few of the Department's highest priority objectives.

Given the diverse statutory missions and programs of the Department's eight divisions, the Department's 1,500+ FTE, seasonal employees, temporaries, and volunteers work every day on a wide variety of Department objectives. Below, the Department has chosen seven critical performance measures to be used in measuring the Department's success in meeting high priority objectives. While accepting these measures as the highest profile measurement of the Department's performance, the Department cautions readers that performance evaluation should start, but not finish with, an evaluation of the performance measures. Measuring performance for natural resource programs is complex and often multi-dimensional. For example, protection of water resources might involve protecting water quality, enhancing water supply, ensuring water is put to beneficial use, regulating water use to be sure all water consumption is by legally entitled users, and ensuring water is flowing through rivers and streams at the appropriate amounts and proper times to enhance wildlife and wildlife habitats. In this regard, conservation of water resources is not easily measured by a

single metric. Further, it is important to recognize that "Mother Nature" has a significant impact on the Department's ability to achieve desired outcomes. External factors which can affect natural resource related outcomes include drought, forest fires, heavy snowfall / inclement weather, and outbreaks of wildlife disease. With these difficulties in mind, the Department will attempt to provide narrative clarification and background to help analyze performance.

### **DNR-1. Species Conservation**

Objective: Protect the diversity of Colorado's wildlife resources

Performance Measure	Outcome	FY 2006-07 Actual	FY 2007-08 Actual	FY 2008-09 Approp.	FY 2009-10 Request
Number of species on the "Species of Greatest	Benchmark	210	210	210	210
Conservation Need" list	Actual	210	210	Unknown	Unknown

### Strategy:

The Department continues to identify and implement creative strategies to stabilize and enhance native species populations and to recover threatened and endangered species in ways that minimize adverse impacts on local governments, private landowners and other citizens. In order to prepare the federally-required "Comprehensive Wildlife Conservation Strategy", the CDOW developed a set of criteria for identifying the "Species of Greatest Conservation Need." Maintaining healthy wildlife populations and ecosystems is one of the major components of the CDOW's mission. This measure focuses more broadly on overall ecosystem health and can be viewed as a barometer of the health of wildlife in Colorado. Species on this list are targeted by conservation programs so as to secure wildlife populations such that they do not require protection via federal or state listing regulations.

### Evaluation of Prior Year Performance:

The Comprehensive Wildlife Conservation Strategy was finalized in FY 2006-07. This plan is a five year plan and as required by the Fish and Wildlife Service, at the end of five years, an assessment will be made as to the status of the species listed and what accomplishments have been made. The Division currently has over 70 recovery plans targeted to either individual species or ecosystems and these plans are being implemented over this five year period. The first time that the actual outcome will deviate from the benchmark outcomes will be evident in the FY 2012-13 actual data once the results of the five year plan have been analyzed. The benchmark of 205 reported in the FY 2008-09 strategic plan was incorrect.

### **DNR-2. Outdoor Recreation**

Objective: Provide and promote a variety of outdoor recreational opportunities for citizens and visitors.

Performance Measure	Outcome	FY 2006-07 Actual	FY 2007-08 Actual	FY 2008-09 Approp.	FY 2009-10 Request
Annual Visitation to State Parks *	Benchmark	11,177,708	11,367,729	12,120,000	12,360,000
	Actual	11,305,183	11,883,500	Unknown	Unknown

<sup>\*</sup> Note: The Division is in the process of installing Entrance Automation stations at pilot parks throughout the Parks system. This number may be adjusted depending on the outcome of this project.

### Strategy:

The total number of visitors to Colorado's 42 state parks has grown over the past five years, due in part to expanding the number of state parks and the recreational opportunities within the parks. Another factor contributing to this increase in visitation is the growth in Colorado's population over the past five years. The desired outcome for this performance measure is an annual increase in total visitation to state parks, and is consistent with the Division-wide Marketing Goal which states that State Parks will: "Retain current and acquire new customers through exceptional service and by improving State Parks' visibility with innovative marketing." This will be carried out by broadening the Agency's visibility, maintaining high-quality recreation opportunities for existing visitors, and expanding in-state and regional marketing efforts to attract additional visitors.

### Evaluation of Prior Year Performance:

Visitation increased 4.7% in FY 07-08 over FY 06-07. This was probably due to a number of factors, including overall population growth of the state, and development of new parks facilities. The summer months are by far the busiest of the year. There is some indication that high gas prices may have started to have a negative impact on visitation in the summer of 2008, but it is too soon to tell.

# **DNR-3.** Compact Compliance

Objective: Maximize efficient use of Colorado's water resources and comply, and enforce other states' compliance, with interstate compacts

Performance Measure	Outcome	FY 2006-07 Actual	FY 2007-08 Actual	FY 2008-09 Approp.	FY 2009-10 Request
Overall compliance with interstate water	Benchmark	100%	100%	100%	100%
compacts (expressed as a percentage)	Actual	90%	90%	Unknown	Unknown
Average number of	Benchmark	95%	95%	95%	95%
days in compliance	Actual	97%	98%	Unknown	Unknown
Efficiency of	Benchmark	95%	95%	95%	95%
meeting compact obligations	Actual	99.5%	99.5%	Unknown	Unknown

### Strategy:

It is critical that the State of Colorado meet its contractual water delivery obligations for each of its nine compacts, two United States Supreme Court decrees and interstate water allocation agreements while simultaneously protecting the right of Colorado to develop its full interstate compact apportionment.

DNR will provide an annual tabulation that quantifies the water allocation and the subsequent delivery obligation for each compact to assess compact compliance in terms relevant to that specific compact. The performance measure for each compact and interstate agreement will assess overall compliance with the compact for each year. For the year 2007, the State of Colorado was in compliance with both U.S. Supreme Court Decrees and seven of its interstate river compacts. Colorado was out of compliance with the Republican River Compact and the Animas-La Plata Compact was deemed non-operational.

### Evaluation of Prior Year Performance:

Numerous actions have been taken by the State Engineer in the Republican River basin over the past fiscal year to bring Colorado into compliance with her obligations in relation to the Republican River Compact. Measurement rules were passed on July 14, 2008, requiring metering of all wells within the basin effective March 2009. This will provide high quality data for more effective administration within the basin. To further enhance compact compliance within the basin, the State Engineer brokered a negotiated settlement of the Pioneer/Laird Ditch case whereby well owners purchased approximately 98% of the calling surface water rights on the Republican River. This settlement potentially provides surface water supplies to assist in meeting compact obligations while avoiding protracted litigation. Further, the DWR in cooperation with the CWCB assisted in the initiation of a comprehensive plan to provide upwards of 15,000 acre-feet of water per year through a pipe-line to the state line to meet compact obligations. The State Engineer also ordered release of water stored in Bonnie Reservoir to reduce its compact obligations presently and in the future. Evaporation losses from the reservoir may account for upwards of 5,000 acre-feet of consumptive use on an annual basis, accounting for approximately ½ of the State's annual deficit at the state line.

In the Arkansas River Basin a water user advisory committee was convened to assist the Division in developing rules and regulations concerning the use of sprinkler systems deriving their source of supply from surface water rights. Once adopted, these rules will assist the state in meeting future compact deliveries as required under the Arkansas River Compact and contribute to the development of efficiency practices in the basin.

The lawsuit filed by the State of Kansas in 1985 is approaching a conclusion. Arthur Littleworth, the Special Master appointed to oversee the case by the United States Supreme Court issued his Fifth and Final report to the United States Supreme Court in January 2008. The Final Report includes a proposed Judgment and Decree, which, he states, "is crafted with the firm intent to end the 100 year history of litigation over rights to the Arkansas River." The Special Master found that Colorado's efforts to regulate post-Compact well pumping have been successful in preventing a net depletion to usable stateline flows during the first ten-year compliance period (1997-2006). The proposed Judgment and Decree contains a limited retained jurisdiction period until the end of 2008 to evaluate the sufficiency of the Colorado Use Rules and their administration and whether changes to the Decree are needed to ensure compact compliance.

The Special Master has recommended that the Court enter the Judgment and Decree, and neither State has taken exception to that recommendation, except for Kansas' exception to the amount of costs. The only remaining issue to be decided is whether the

Special Master was correct in ruling that 28 U.S.C. § 1821(b) limits costs for expert witness fees in this case. The ruling on this issue will determine the final amount of fees owed by Colorado to Kansas.

Colorado further assisted Arkansas River Compact compliance through the Arkansas River Compact Administration (ARCA) and the Special Engineering Committee ("Committee"). The Committee developed and agreed to new procedures on accounting during prior years and Colorado provided restitution to Kansas using drought impact grant money to purchase fully consumable native water from the Pueblo Board of Water Works to make up for past delivery deficits.

### **DNR-4.** Water Supply

Objective: Reduce the demand for water

Performance Measure	Outcome	FY 2006-07 Actual	FY 2007-08 Actual	FY 2008-09 Approp.	FY 2009-10 Request
Create reductions in water supply demand through water	Benchmark	N/A	1.5% demand reduction or approx 5,720 ac ft	3% demand reduction or approx 11,440 ac ft	4% demand reduction or approx 17,160 acft
conservation planning and implementation of water efficiency measures.	Actual	N/A	Approx. 4,320 ac ft	Unknown	Unknown

### Strategy:

The CWCB will provide data regarding water conservation through the Division's conservation planning efforts, specifically the administration of the Water Efficiency Grant Program, and role in providing technical assistance for water conservation planning. The state will see reductions in water supply demand as a result of water conservation plan implementation. The Division assists

in the development and implementation of water conservation plans, reviews, and approves water conservation plans. It provides conservation and drought planning, implementation grants, and helps water providers take climate change into account during water resource planning. It provides technical assistance and public education and outreach programs, such as workshops, conferences, and meetings, to promote the Water Efficiency Grant Program and other water conservation planning resources. Through these efforts, the CWCB will increase the number of covered entities with up-to-date, approved water conservation plans. It will increase the number of communities that have drought mitigation plans. It will coordinate and provide climate change data that will be used by water providers in their planning. Maximum utilization of current Division staff, as well as anticipated staff resource increases, will enable the Division to carry out its mandate as defined in §37-60-124, 126, & 126.5 C.R.S. and ultimately result in valuable water resource supply savings due to water conservation driven demand reductions at the water provider level.

Note: The FY07/08 benchmark is based on 25 up-to-date, approved water conservation plans on file with the State, with each plan representing a covered entity that on a retail basis provides 10,000 ac. ft. annually (for two plans – for Denver and Aurora – we used more specific goals contained in the water conservation plans which would have the two cities achieving a total of 3,420 acre feet of water savings each year). On average, entities have set goals to reduce demand from water conservation plan implementation by approximately 1% to 2% annually and ramping up incrementally as conservation measure programs come online. Figures presented are cumulative, such that water demand by these communities will be reduced by a total of 10 percent to 20 percent over the next ten years.

### Evaluation of Prior Year Performance:

The FY2007-08 benchmark was based on 25 approved water conservation plans on file with the CWCB, with two of the plans being from the State's two largest water providers, Denver Water and Aurora. As of the end of the fiscal year, the CWCB had received 19 approved water conservation plans and they included Denver Water and Aurora. Because the number of actual plans on file was less than anticipated, the actual demand reduction from water conservation planning and implementation was reduced from an approximate 5,720 ac ft to approximately 4,720 ac ft. This calculation is based on the assumptions made in the note section following the strategy section. As of the beginning of the FY 2008-09, several additional large and mid-size water providers are nearing completion of their water conservation plans and therefore, the CWCB feels confident that it will make up for the six plans anticipated for the FY2007-08 and will see them come in during the upcoming fiscal year. At this time, benchmarks for FY2008-09 will not be adjusted and the benchmark for FY2009-10 will be set using the assumptions and methodology laid out in the note section.

Performance Measure Increase water storage to meet	Outcome Benchmark	<b>FY 2006-07 Actual</b> 14,600 ac ft	FY 2007-08 Actual 20,000 ac ft	FY 2008-09 Approp. 20,000 ac ft	FY 2009-10 Request 20,000 ac ft
long term water supply needs.	Actual	4,200 ac ft	7,100 ac ft	Unknown	Unknown

### Strategy:

In 2003, the General Assembly approved funding to complete the Statewide Water Supply Initiative (SWSI) to examine, on a basin by basin basis, Colorado's projected water supplies and water demands. One of SWSI's major findings was that projects and water planning by local water providers have the ability to meet about 80 percent of Colorado's municipal and industrial water needs through 2030. CWCB will work to help local entities meet their demands by managing the Construction Fund and the Severance Tax Trust Fund Perpetual Base Account and other grants funds to provide low-interest financing for water infrastructure and grants for water related planning, programs and project implementation. The CWCB has estimated that by the year 2030, Colorado will need an additional 630,000 ac ft of water supply.

### Evaluation of Prior Year Performance:

The CWCB financed one new storage project and one dam rehabilitation project that were completed in FY 2008, resulting in approximately 7,100 ac. ft. of new water storage. Thirteen other new storage or rehabilitation projects, financed by the CWCB, are currently either in the design or construction phase and are expected to be completed within the next two to four years. The resulting total increase in water supply for these projects is in excess of 40,000 ac. ft. Staff is projecting additional water supply projects to be financed by the Board that will further increase this projected amount. The CWCB does not control the design or construction schedule for projects that they finance. The performance measures for this item are therefore difficult to predict on an annual basis.

## **DNR-5.** Energy Development

Objective: Ensure that energy development is undertaken in a responsible manner that encourages protection of environmental resources such as water and wildlife habitat

Performance Measure	Outcome	FY 2006-07 Actual	FY 2007-08 Actual	FY 2008-09 Approp.	FY 2009-10 Request
Number of impacts to surface water, ground water, and	Benchmark	1.81	1.81	1.81	1.81
water wells, per thousand active oil & gas wells	Actual	1.97	1.03	Unknown	Unknown

### Strategy:

The Department will work with federal land agencies and the federal government, as well as local governments, to encourage sound management practices that minimize cumulative impacts on wildlife, the environment, and local communities. The primary mission of the

OGCC is to "foster the responsible, balanced development, production, and utilization of the natural resources of oil and gas in the state of Colorado in a manner consistent with protection of public health, safety, and welfare, including protection of the environment and wildlife resources". In addition, the OGCC is an "Implementing Agency" for the state's Water Quality Control Commission (WQCC), and is responsible for upholding the water quality standards and classifications that are established by the WQCC with respect to oil and gas operations. The OGCC is responsible for regulating oil and gas development in a manner that prevents and mitigates impacts to the environment, including contamination of water. An important measure of how well the OGCC is implementing these responsibilities is the number of adverse impacts to water resources that occur from oil and gas development. Reducing or controlling such impacts during current unprecedented levels of oil and gas activity in Colorado will continue to be challenging.

Evaluation of Prior Year Performance: The reduction in the relative number of impacts to the State's water resources is a positive sign,

### **DNR-6. State Land Board Lands**

Objective: Maximize revenue on State Land Board properties for the benefit of all trusties

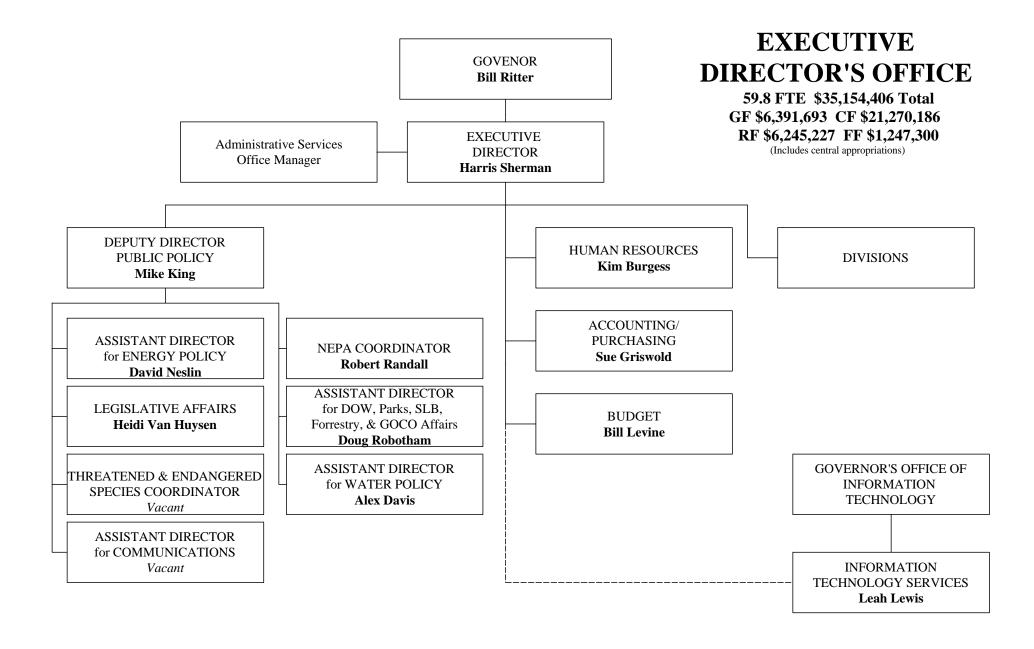
Performance Measure	Outcome	FY 2006-07 Actual	FY 2007-08 Actual	FY 2008-09 Approp.	FY 2009-10 Request
Increase revenues to the school trust by 5 percent	Benchmark	\$55,581,916	\$63,321,685	\$66,089,522	\$69,393,998
annually	Actual	\$60,043,510	\$69,495,847	Unknown	Unknown

Strategy:

The School Trust is the largest trust accounting for 98.3 percent of the total State Land Board revenue. The main revenue components are: mineral (e.g., royalty and lease), surface (e.g. agricultural and recreation leases), and commercial (e.g. office and ground leases). After years of essentially no growth, revenues have increased 225 percent over the last five years. The goal is to diversify the trust land portfolio ownership and leasing in order to reduce revenue instability cause by such things as drought, commercial market, and minerals pricing.

### Evaluation of Prior Year Performance:

Revenue to the school trust reached a new record in FY 2007-08 driven by the continuing boom in mineral resource extraction on School Trust lands. As resources are exhausted at current extraction sites, maintaining this level of revenue to the school trust represents a challenge in coming years. The Board is expanding its sustainable revenue sources to help backfill the eventual loss of non-renewable revenue.



July 2008

## Executive Director's Office (EDO)

### Executive Director's Office -- Program Description:

The Executive Director's Office is responsible for the overall administration of the Department. It provides leadership and support to the Department in meeting its strategic objectives, previously listed in this strategic plan. It concentrates on the priority resource management issues that develop as state, federal and local policies become known to the Department. It provides leadership and functional support for general administrative duties to the divisions of the Department. Sub-programs include:

- Administration and Policy Development Includes the overall administration of the Department, the administration of the office and the function of policy development and program implementation related to the various boards, commissions and divisions of the Department. It also includes the administration of pass-through funding received by the Department for use by our divisions, other state agencies or cooperators on departmental programs. The package includes the communication function for the Office that provides complete information services to the Executive Director and in support of the divisions. The program also supports the Executive Director and divisions in its dealings with local, county, and state agencies, the Governors Office, the General Assembly, federal land management agencies and Congress.
- Human Resources Carries out all HR duties for the entire department. This includes all facets of maintaining our workforce. Activities include: position classification; announcements and testing for new positions, promotions and vacancies; maintaining all personnel records and information; providing counseling and guidance on initial employment, career advancement and retirement; and risk management activities including liability, property loss and safety issues. The office also assists agencies in employee training and maintains a grievance process. Human Resources supports the department's diverse workforce goals. It also advises executive staff and management and divisions on statewide policy issues as well as establishes departmental policy on human resource matters. The unit ensures compliance with applicable laws and regulations.
- Accounting/Purchasing Directs, controls and manages the accounting/procurement operations and functions in the
  Department of Natural Resources. The Department has an annual operating budget of \$ 187 million, a capital construction
  budget of \$ 31.9 million and revenues exceeding \$189.8 million (\$40.2M/cash; \$127.8M/cash exempt; \$21.8M/federal). The
  accounting/purchasing section works closely with the Department's divisions, program directors, budget/information
  technology services/human resources staff, the State Controller and State Purchasing to ensure efficient and effective
  management of all financial resources.
- Budget Formulates and executes the Department's annual budget process. As part of this process, the Budget section takes the lead in developing the Department's Strategic Plan, provides input on legislation, including the development of fiscal notes analyzing a variety of revenue and expenditure proposals and legislative initiatives proposed by, or affecting, the Department. The unit also responds to request for financial information or analysis requested by the Governors Office and the General Assembly. It supports the divisions on a variety of revenue, expenditure, and financial analysis or issues that are facing the

Department. Budget is also responsible for providing budget execution and coordination for the programs and work packages in the Executive Directors Office. Finally, the budget section administers central appropriations and allocations for the divisions.

• Information Technology - Provides leadership as well as operational support of the information technology (IT) functions of the department. It thus supports the overall pursuit of division and department strategies and objectives by providing an IT-based operational environment that is both effective and efficient. The IT section is responsible for the establishment, update, and enforcement of IT strategies, plans, policies, standards, and procedures as provided by guidance received from the Governor's Office, the Executive Director, and the DNR IT Executive Board. In addition, this program provides for the direct delivery of several departmental enterprise-class services such as infrastructure, network, and system applications operations, centralized Internet/Intranet operations and maintenance, project management support, and GIS coordination.

### Federal/State Statutory and Other Authority:

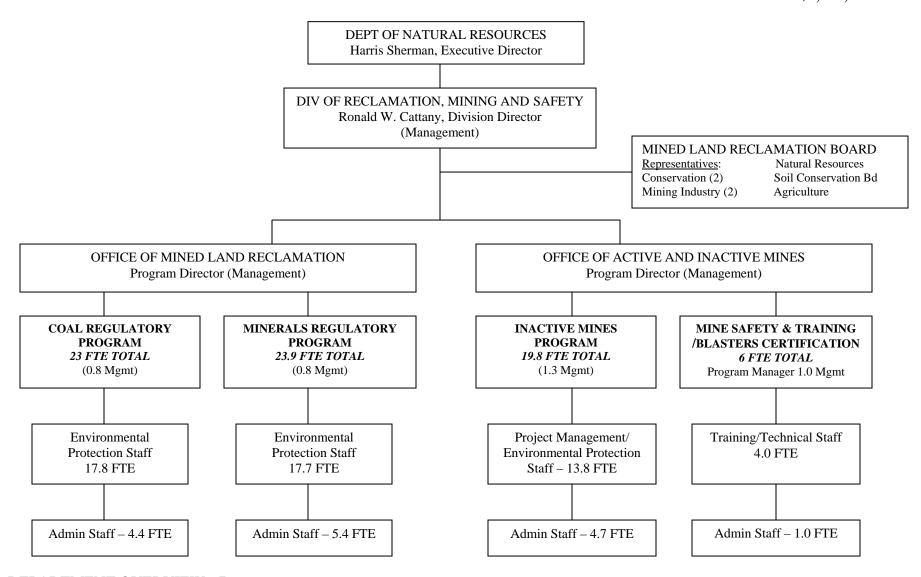
This program operates under the authority of the Department of Natural Resources enabling statutes, Sections 24-1-105, 24-1-124 and 24-33-101 through 24-33-111, C.R.S.

### Executive Director's Office - Performance Measures:

Just as the Executive Director's Office provides leadership and support to the entire Department in meeting its strategic objectives, the office is also integrally involved in achieving both the department-wide and division-level performance measures that are identified in this strategic plan.

# **RECLAMATION, MINING AND SAFETY**

72.7 FTE CF \$4,457,488 REAPPR \$30,000 FF \$3,368,943



## **Division of Reclamation Mining and Safety**

### DRMS -- Description

The Division of Reclamation Mining and Safety consists of four programs: Coal Regulatory program, Minerals Regualtory program, Inactive Mine Reclamation program, and Mine Safety and Training program. The Coal Regulatory program oversees active coal mining operations and the reclamation of the land by the mining company after the coal has been extracted. Responsibilities of the program include reviewing permit applications, amendments, revisions, and requests for bond release. The Mined Land Reclamation Board and the Minerals program issue and enforce mining and reclamation permits for all non-coal mines in Colorado on state, federal and private lands. The types of minerals regulated are metals (such as gold, silver and molybdenum) and construction materials (such as sand, gravel, marble and flagstone). The Inactive Mine Reclamation program addresses the hazards and environmental problems that exist from abandoned mines in Colorado. A comprehensive inventory of hazards and environmental problems associated with past mining activities, estimates 23,000 abandoned mined sites throughout the state. The Mine Safety and Training program is charged with protecting the health and safety of miners. Program activities include performing site-specific mine health and safety training and education in all aspects of mine operations, certification of coal mine officials, and inspection of tourist mines.

### *DRMS – Statutory Authority:*

Coal Regulatory Program: State: Colorado Revised Statutes (CRS) 34-33-101 Federal: (SMCRA) 1977 – PL 95-87

<u>Inactive Mine Reclamation Program</u> State: CRS 34-33-133 Federal: (SMCRA) of 1977, Title IV, PL 95-87

Minerals Regulatory Program State: CRS 34-32.5-101 et seq.; CRS 34-32-101 et seq; CRS 25-8-104

Mine Safety and Training Program: Federal: Title 34, Articles 20-25, Title 30, Parts 1-199 (SMCRA) 1977 – PL 95-87. State: (CRS) 34-33-101

### DRMS -- Mission:

To protect the public, miners and the environment during current mining operations, restore abandoned mines and to ensure that all mined land is restored to beneficial use.

### DRMS -- Vision:

The division is committed to balance the need for mineral resource production with protection of the public, environment and Colorado's natural resources. Over the next five years, the increased demand for energy and mineral resources will continue to create the need for new and expanding permitting at Colorado's coal, oil shale, uranium, molybdenum and gold mines. Demand for construction materials will continue to increase due to the high energy and land use development activities occurring across the state.

#### **DEPARTMENT OVERVIEW - 77**

These competing land development uses continue to cause increased scrutiny of the mining regulatory programs and increased citizen involvement. Employee retention, recruitment and funding challenges will also continue over the next five years as the division competes with the booming private energy and minerals sectors and strives to maintain adequate staffing relative to expanding regulatory demands.

For the next five years in Colorado there are many challenges and opportunities for abandoned mine land reclamation work. The opportunities are found in increased federal funding of \$30 million which is over the next eight years to safeguard and reclaim the 23,000 abandoned mines in Colorado. Funding support will also come from state severance tax and other federal land management agencies (Bureau of Land Management and the U.S. Forest Service) so that more sites consisting of coal and noncoal mine sites can be addressed. Challenges include overcoming restrictions in federal funding for coal versus non coal problems. Tackling the most difficult abandoned mine land issues, like water quality issues, will also involve dealing with long-term liability responsibilities which need to be worked out between landowners and state and federal government agencies. Without federal "Good Samaritan" legislation in the next five years many projects will go unfunded and long-term objectives for environmental clean-up will not be realized.

The Mine Safety training program will be at a cross roads within the next five years. Without funding for increased FTE it will be difficult to maintain the program at its current level. Increases in personnel services and administrative costs will not allow for any new program initiatives. Current program staff can not keep up with the increased demand for training -- 1,500 training requests could not be met by the program in 2008.

# DRMS – PERFORMANCE MEASURES

### **DRMS-1. Mined Land Reclamation**

Objective: Reclaim disturbed coal mine acres to a beneficial post mining land use

Performance Measure	Outcome	FY 2006-07 Actual	FY 2007-08 Actual	FY 2008-09 Approp.	FY 2009-10 Request
Final bond release – expressed as a percentage of the total number of	Benchmark	(new measure)	1.5%	1.5%	1.5%
disturbed mine acres recorded per fiscal year.	Actual	0.04%	1.8%	Unknown	Unknown

### Strategy:

This is a measure of the establishment of post-mining beneficial land use as expressed in a ratio of final reclaimed acres over the total number of disturbed acres recorded per a <u>single</u> fiscal year. "Disturbed acres" are defined where ground excavation has occurred. The number of released acres is a function of mine operator's submitting applications for release of acres that are typically out of a larger mined area under continued excavation; also dependent on operator factors such as financial status and insurance considerations for that mine. Due to total disturbed acres fluctuating annually with new acres added (new permits) and reclaimed acres removed, the measure provides a general indicator of industry trends toward continued or expanded mining versus reclamation/closing operations across the state. Mine operations can operate for over 20 years with reclamation being performed in phases over the acres where the minerals have been removed. The timeframe for final bond release is mandated by the Coal and Minerals statutes and is dependent upon the sustainability of reclamation conditions, such as soil stability and revegetation success, which can take several years to verify. Colorado is a national leader in the final release of coal reclamation sites.

Evaluation of Prior Year Performance: The number of acres actually requested for release by coal mine operators exceeded the benchmark percentage, which was an estimate based on acres released in previous years. Due to this measure being contingent on

mine operators submitting applications for release of acreage, the benchmark percentages are historic estimates and actual results will vary.

## **DRMS-2.** Regulate Mining

Objective: Protect the environment by ensuring regulatory compliance at non-coal mine sites.

Performance Measure The percent of permitted non-	Outcome Benchmark	FY 2006-07 Actual 25%	FY 2007-08 Actual 20%	FY 2008-09 Approp. 20%	FY 2009-10 Request 20%
coal sites inspected annually.	Actual	19.8%	18.7%	Unknown	Unknown

### Strategy:

This is a measure of overall regulatory compliance for non-coal mine sites that were inspected in a single fiscal year -- a program expectation set by the Mined Land Reclamation Board. Mine operators manage the sites to ensure protection of environmental resources, minimize onsite impacts, and prevent offsite impacts. Violations cited and upheld offer a measure of this goal. The Mined Land Reclamation Board and the division determine when a permit is in violation of statutes, rules or regulations. The benchmark expectation was adjusted from 25% to 20% by the Mined Land Reclamation Board at the end of FY2007-08 in response to program staffing levels and workload constraints.

Evaluation of Prior Year Performance: The objective was not achieved due to competing workloads associated with mineral mine permitting and prospecting activities related to expanding interests in oil shale, uranium and metals such as molybdenum and gold. Minerals Program staff were also diverted in response to extensive legislative activities initiated by concerned citizen groups. The program is managing ongoing staffing vacancies due to budget limitations caused by salary adjustments that were necessary for recruitment and retention challenges. The program is competing with the thriving private energy and minerals industries. The benchmark value was formally adjusted by the Mined Land Reclamation Board to reflect the ongoing workload constraints.

## DRMS-3. Safeguarding/Reclamation of Abandoned and Inactive Mines

Objective: Reclaim or safeguard abandoned mine sites from the effects of past or inactive mining

Performance Measure	Outcome	FY 2006-07 Actual	FY 2007-08 Actual	FY 2008-09 Approp.	FY 2009-10 Request
Percentage of	Benchmark	32.6%	34.0%	34.8%	36.0%
abandoned or					
forfeited mine sites	Actual	32.6%	33.5%		
reclaimed/safeguarded out of a baseline					
inventory of 23,000				Unknown	Unknown
total project units.					

#### Strategy:

This is a measure of the cumulative percentage of safeguarding/reclamation projects that have resolved problems at abandoned mine sites relative to the number of sites per statewide inventories conducted between 1980 and 2005. This inventory is updated as additional problems area encountered in the field and addressed as part of on-going projects. The 2007 baseline is 23,000 sites<sup>1</sup>. A significant increase in federal funding starting in FY2008-09 will demonstrate an increase in the percent completion rate shown above as those projects reach completion from FY2010 through FY2015.

Note: The benchmark and results values were erroneously reported as 1.3% to 2.2% in the FY2008-09 budget request based on a "per year" count of completions, not a cumulative count. The corrected values are shown above and shown in the FY2006-07 column above.

Evaluation of Prior Year Performance: The benchmark was not achieved in FY2007-08 due to field variables that extended the timing of projects across the allowable three-year funding cycle. Abandoned mine reclamation touches several different interests including safeguarding, historic preservation, economic stability, and environmental clean-up. Project activities include field investigations, project development, project design, NEPA compliance (National Environmental Protection Act), realty work, construction contract bidding and management, site construction and reclamation, construction inspection, site monitoring and

<sup>1</sup> Source for abandoned mine openings baseline inventory: Colorado's Inactive Mine Reclamation Plan/Inventory, Colorado Division of Mined Land Reclamation, 1980.

maintenance of prior project work. Given the short construction season in Colorado's high country, projects often take more than one year to complete. All these activities require staff time and coordination and in many cases projects need a three year time period in order to accomplish the administrative requirements. The program also performs reclamation at coal mine fires, coal mine subsidence areas that are not reflected in this measure.

Objective: Reclaim or safeguard forfeited mine sites from the effects of mining

Performance Measure	Outcome	FY 2006-07 Actual	FY 2007-08 Actual	FY 2008-09 Approp.	FY 2009-10 Request
Percentage of forfeited mine sites reclaimed/	Benchmark	57%	57%	61%	65%
safeguarded out of a baseline inventory of 247 total project units.	Actual	57%	57%	Unknown	Unknown

#### Strategy:

This is a cumulative measure of projects that have resolved problems at inactive or forfeited mine sites relative to the number of sites per statewide inventories prepared between 1983-2008. The baseline is 247 sites. This inventory is updated as additional permits are revoked (approximately 2-3 per year) and their corresponding bonds forfeited.

Evaluation of Prior Year Performance: The benchmark was met in FY2007-08. Going forward, the program will attempt to mitigate delays in addressing the backlog that are due to the time it takes to research the site and develop plans for each site. In many cases the sites have not been maintained and require safeguarding and environmental protection. Reclamation projects must be bid out according to state fiscal and purchasing rules. The program is developing a systematic geographic approach to deal with inactive forfeited mine sites in the same area to improve efficiency and cost effectiveness.

### **DRMS-4.** Environmental Restoration at Inactive Mines

Objective: Reduce stream degradation caused by past mining

Performance Measure	Outcome	FY 2006-07 Actual	FY 2007-08 Actual	FY 2008-09 Approp.	FY 2009-10 Request
Percent of stream miles for which	Benchmark	1.5%	1.7%	1.5%	1.5%
degradation from past mining has been reduced – expressed as a percentage of a baseline of 1300 stream miles.	Actual	1.5%	1.5%	Unknown	Unknown

### Strategy:

This measure compares stream miles that have been improved to a certain degree by work performed by the Inactive Mine Reclamation Program to control mine discharge relative to 1,300 estimated stream miles<sup>1</sup> that have been impacted by mining activities statewide. Mining related nonpoint source pollution in Colorado is widespread and diverse. Sediment resulting from past mining and milling activities contributes to the contamination of additional waters and streams. The attainment of the goal for any stream segment extends over a long period of time and can involve multiple projects—the percentages achieved do not include duplicate stream miles improved.

Note: The benchmark and results values were erroneously entered as 6.8% to 7.3% in the FY2008-09 budget request – the correct values have been adjusted above to indicate an average of 20 stream miles per year are restored out of 1,300 total.

Evaluation of Prior Year Performance: Projects undertaken this year presented difficult challenges, technically and administratively. The majority of the hardrock inactive mining sites are found in remote locations, at high altitudes, and with a minimal infrastructure of roads and power. The AML program works jointly with watershed groups to accomplish long-term

<sup>&</sup>lt;sup>1</sup> Source- Inventory of Mining-Impacted Streams: Colorado Non-point Source Assessment Report, Colorado Water Quality Control Division, 1989.

objectives to achieve these goals and this requires extra time in coordination. These sites are often owned by individuals who were not involved in either the mining activities that created these water quality problems, or the financial benefit from the mining and legal liability issues has also hampered efforts.

## **DRMS-5.** Mine Safety

Objective: Protect the safety of Colorado's miners

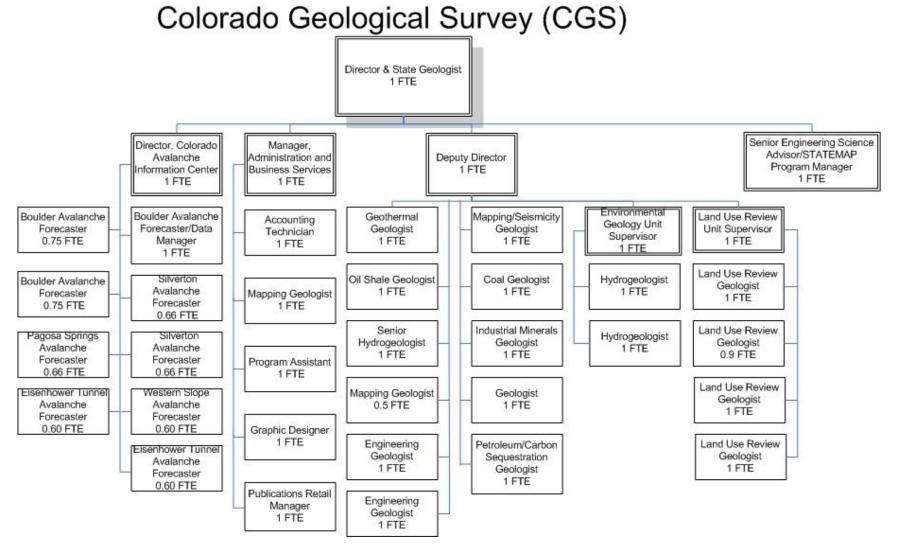
Performance Measure	Outcome	FY 2006-07 Actual	FY 2007-08 Actual	FY 2008-09 Approp.	FY 2009-10 Request
Average injury rate	Benchmark	National NFDL	National NFDL	National NFDL	National NFDL
at mines that		Coal/Non-coal	Coal/Non-coal	Coal/Non-coal	Coal/Non-coal
received training		3.32/2.49	3.20/2.34	3.20/2.34	3.18/2.30
from the Mine	Actual	Colorado NFDL-	Colorado NFDL	Colorado NFDL	Colorado NFDL
Safety and Training		Coal/Non-coal	Coal/Non-coal	Coal/Non-coal	Coal/Non-Coal
Program as		2.69/2.54	2.83/2.52	<2.8 / <2.5	<2.8 / <2.5
compared to the					
national average of					
"non-fatal days					
lost" or NFDL					
injury rates.					

### Strategy:

This measure is comparing the "non-fatal days lost" (NFDL) injury rates for the nation's coal and non-coal mines to the NFDL injury rates of Colorado mines that received training from the MSTP. The benchmark values in the appropriation and request years are estimated from national trends.

Evaluation of Prior Year Performance: The Mines Safety and Training Program (MSTP) goal is to assist Colorado mine operators in reducing their "non-fatal days lost" (NFDL) rates below the national average and to continue to reduce that rate toward zero. The MSTP does this by providing effective mine safety education and training and training tools to each mining operation's mine employees, management and mine safety staff. In 2007-2008, we met our goal in that Colorado coal mines trained by the MSTP experienced an NFDL rate of 2.83 as compared to the national average of 3.20. For Colorado non-coal mines trained by the MSTP, the NFDL rate decreased from 2.54 to 2.52, which partially the goal, although unfortunately, that Colorado NFDL rate is still above

the national average of 2.34. The MSTP continues to try to meet the growing demand for training across the state with limited staffing – as of January 2008, the program was not able to train over 1,500 miners requesting assistance. The federal Mine Safety and Health Administration's (MSHA) emphasis on new mine rescue training requirements for underground coal mine operators has significantly impacted MSTP's training for non-coal mines. The MSTP has provided 70 days of mine rescue training as of August 2008, as compared to 28 days of mine rescue training in all of 2005.



\$4,849,707 Total Funds 35.4 FTE \$3,048,364 CF \$803,026 RF \$998,317 FF

## Colorado Geologic Survey

CGS -- Description:

Colorado Geological Survey consists of three programs:

- 1. Environmental Geology and Geologic Hazards Program;
- 2. Mineral Resources and Mapping Program; and
- 3. The Colorado Avalanche Information Center.

CGS informs and educates the public through each of these programs.

- 1. The CGS Environmental Geology and Geologic Hazards Program is charged to reduce the impact of geologic hazards on citizens and property, to provide high-quality information to the people of Colorado through published and digital reports and maps, and to increase the awareness and understanding of geologic hazards and geology-related water quality and ground water issues in Colorado.
- 2. The CGS Mineral Resources and Mapping Program is charged to improve the economy of Colorado and encourage private industry to responsibly explore and develop the State's mineral and energy resources by providing geological maps, reports, statistical data, and other information.
- 3. The CGS Colorado Avalanche Information Center is charged to promote safety by reducing the impact of avalanches on recreation, industry, and transportation in the State through a program of forecasting and education, and by providing high-quality information and education to the people of Colorado through published and digital reports, maps, and educational aids.

## CGS -- Statutory Authority:

The statutory authority for the Colorado Geological Survey is found at Title 34, Article 1, Part 1, Colorado Revised Statutes (2008).

#### CGS -- Mission:

The Colorado Geological Survey (CGS) is a state government agency within the Department of Natural Resources whose mission is to help reduce the impact of geologic hazards on the citizens of Colorado, to promote responsible economic development of mineral and energy resources, to provide geologic insight into water resources, provide avalanche safety training and forecasting, and to provide geologic advice and information to a variety of constituencies.

#### *CGS* – *Vision*:

The vision of the Colorado Geological Survey is to enhance the safety and economic well-being of the citizens of Colorado.

We seek to better protect lives and property by—

- Increasing our understanding of, and education efforts in, avalanche safety.
- Increasing our understanding of geologic hazards across the state.
- Reducing our response time to geologic emergencies across the state.

We seek to enhance the economic well-being of our citizens by—

- Reducing economic losses from geologic hazards by recognizing and mapping hazardous areas, developing better mitigation techniques and transferring this knowledge to planners and practitioners.
- Assuring adequate water supplies by providing sound science and education to decision-makers about the geology of the groundwater aquifers of the state as it relates to managing and storing water.
- Conducting studies of CO<sub>2</sub> sequestration and geothermal power generation to provide more secure supplies of "greener" energy.
- Conducting studies of conventional energy resources of the state in order to provide policy makers with sound science and data upon which to make knowledgeable decisions.
- Reducing the time of road closures for avalanche hazard mitigation on Colorado highways by developing better forecasting techniques and information.
- Developing popular guides to the geology of state parks to promote tourism.

# **CGS PERFORMANCE MEASURES**

## **CGS-1.** Avalanche Safety

Objective: Make winter travel and recreation in the Colorado Mountains safer through avalanche safety training and forecasting

Performance Measure The number of avalanche deaths per 100,000	Outcome Benchmark	FY 2006-07 Actual 0.122	FY 2007-08 Actual 0.122	FY 2008-09 Approp. 0.122	FY 2009-10 Request 0.122
population per year	Actual	0.1072	0.100	Unknown	Unknown

### Strategy:

Colorado's population has risen 38% since 1990, however, the number of avalanche deaths per 100,000 population has decreased. Four other states who have similar topography, Alaska, Utah, Montana, and Wyoming, have all experienced a dramatic increase in avalanche deaths per 100,000. As the population continues to increase, each year the CAIC attempts to keep this measured outcome on a downward trend.

### Evaluation of Prior Year Performance:

The Colorado Avalanche Information, through its programs of forecasting and education, has been able to meet its FY 2007-08 performance measure benchmark.

### **CGS-2.** Land Use Review

Objective: Reduce the impact of geologic hazards on new home builders and buyers through timely Land Use Reviews

Performance Measure	Outcome	FY 2006-07 Actual	FY 2007-08 Actual	FY 2008-09 Approp.	FY 2009-10 Request
Percentage of Land Use	Benchmark	97%	97%	97%	97%
Reviews completed within the statutory deadline	Actual	93.2%	89%	Unknown	Unknown

#### Strategy:

Colorado's growth is resulting in a large number of new subdivisions and schools being proposed in all parts of the State. It is imperative that CGS perform these reviews within its statutory deadline of 21 days to ensure that the developers and the public are properly informed about the potential for geologic hazards on their property and suggested mitigation techniques.

### Evaluation of Prior Year Performance:

During FY 2007-08, CGS did not meet its benchmark performance measure of completing 97% of the Land Use Reviews within the statutory deadline of 21 days. This performance measure is an Individual Performance Objective (IPO) metric for all of the Land Use Review (LUR) staff. There are two main reasons this benchmark was not met. First, there was significant staff turnover in the Land Use Review unit. Two of the five (40%) primary geologists performing these reviews left CGS during FY 2007-08 and remaining staff have been shorthanded for several months. One of these was the LUR program manager. The second reason was the poor performance on this measure of one employee, who carried a significant load of LUR work. This employee is no longer employed by CGS. In addition, the new LUR Section Supervisor has taken steps to ensure staff members understand that performance on their Land Use Review IPO measure is tied directly to the agency performance measures.

## **CGS-3.** Geologic Mapping

Objective: Reduce the impact of geologic hazards on the citizens of Colorado through geologic mapping

Performance Measure	Outcome	FY 2006-07 Actual	FY 2007-08 Actual	FY 2008-09 Approp.	FY 2009-10 Request
The cumulative percent of the total state's	Benchmark	21.6%	22.1%	22.6%	22.9%
quadrangles mapped at the 1 to 24,000 scale	Actual	21.67%	22.1%	Unknown	Unknown

### Strategy:

The STATEMAP program is part of the National Cooperative Geologic Mapping Program. Forty-seven states participate in this program. The geologic maps produced by this program are the foundation for understanding geologic hazards, mineral and energy resources, groundwater aquifers, and the basic science of geology. The public is able to use these maps to identify resources and hazards prior to making planning decisions. The STATEMAP program prioritizes the quadrangles mapped and its highest priority is to complete mapping in areas of the state that are undergoing a high level of development activity.

### Evaluation of Prior Year Performance:

The STATEMAP program has met its performance measure benchmark for FY 2007-08.

## **CGS-4.** Advise Policy Makers

Objective: Provide sound geologic advice and information to a variety of constituencies on the impact of geologic hazards or the geology of ground water

Performance Measure	Outcome	FY 2006-07 Actual	FY 2007-08 Actual	FY 2008-09 Approp.	FY 2009-10 Request
The percent of counties in the	Benchmark	30%	30%	35%	35%
state and state departments receiving assistance in	Actual	46%	47%	Unknown	Unknown
geologic hazards or ground water issues from CGS.				CHAHOWH	CHRHOWH

### Strategy:

The most efficient approach to geologic hazard problems is to understand, anticipate, and mitigate the problems before they occur. For example, a landslide investigation and mitigation program may cost a few thousand to tens of thousands of dollars, whereas an active landslide beneath a completed subdivision may cost several millions of dollars to remediate. Critical information is provided to local government officials, private geotechnical practitioners, and the general public, so that they may make effective decisions to reduce the adverse effects of geologic hazards. The need for studies of ground water in its geological framework grows with each new Coloradan and every drought period. In order for the counties and state departments to fully understand the impact of the current draw on the State's aquifers and ground water, more geologic information is needed. CGS provides that independent information in the form of studies that it completes and publishes, along with acting as technical advisors to the Interbasin Compact Commission Roundtables.

#### Evaluation of Prior Year Performance:

The division has increased the benchmark by 5% (from 30% to 35%) for FY 2008-09. Past performance over the 45% level appears as though it would merit a higher increase in the benchmark, but there is good reason not to push it higher. Over the past 2 years (FY 2006-07 and FY 2007-08) performance has been significantly higher than the measure because of work on a 2-year

project regarding coalbed methane and surface water depletions. This project is now concluded and the two-year funding for this work has also concluded. It was not part of our base allocation and therefore is not available to us in the future. The conclusion of the project may influence future performance measure results.

## **CGS-5. Promote Responsible Development**

Objective: Promote the responsible economic development of mineral and energy resources

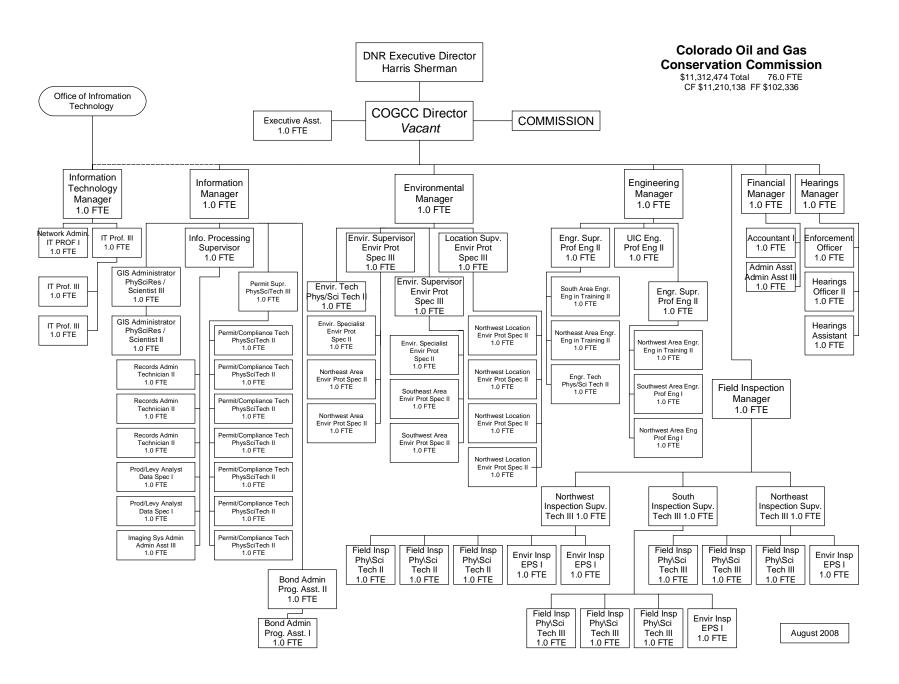
Performance Measure	Outcome	FY 2006-07 Actual	FY 2007-08 Actual	FY 2008-09 Approp.	FY 2009-10 Request
The percent of counties in the	Benchmark	5%	5%	10%	10%
state and state departments receiving assistance in mineral and energy resources from CGS	Actual	10%	18%	Unknown	Unknown

### Strategy:

Information about the location and character of mineral and energy deposits and the locations of active mines and quarries are vital to entities that may be planning urban or commercial development. These data may be used to make informed land use decisions. If citizens and local government officials are aware of new exploration trends in their area, plans to accommodate exploration and development of mineral and energy resources can be made, thereby avoiding or mitigating land use conflicts.

### Evaluation of Prior Year Performance:

CGS was able to provide mineral and energy assistance to a number of counties and state governments in FY 2007-08. This is primarily due to new work in geothermal and mineral resources. Because of this successful performance, the out-year's benchmark has been increased.



## Colorado Oil and Gas Conservation Commission (OGCC)

### *OGCC -- Description:*

Through a largely regulatory role, the Oil & Gas Conservation Commission (OGCC) is charged with fostering the responsible, balanced development of our state's oil and gas resources while protecting the public health, safety and welfare, including the environment and wildlife resources. The OGCC accomplishes this important role through three workgroups:

- Operations -- Environmental protection specialists, engineers and field inspectors in this section ensure technical compliance with the OGCC rules and regulations. Staff reviews information and applications for approval, including production and injection well applications, technical well information, pit applications, land farms, remediation work plans for exploration and production waste cleanup operations and requests to plug and abandon wells. Field inspections are performed to ensure compliance for: drilling, production, and injection wells; well abandonment, pit and landfarm operations; and exploration and production waste cleanup operations. The Operations staff is also responsible for responding to inquiries and investigating complaints. As part of their duty to provide technical expertise, staff recommends enforcement actions and supports enforcement actions before the Commission at hearings for violations of OGCC rules. This section is responsible for identifying, recommending, and managing projects using the Oil and Gas Conservation and Environmental Response Fund (Fund 170).
- Administration and Hearings -- This section assists the Commission<sup>1</sup> in conducting hearings, holding local public forums, developing policies, and implementing rules, regulations, and orders to maximize oil and gas production and revenues for the state, to prevent waste, to protect correlative rights, and to protect public health, safety, welfare and the environment. It acts as a liaison to the Department, the public, and industry regarding OGCC activities. This includes responding to inquiries, investigating complaints, and performing outreach to parties such as the oil and gas industry, local governments and other interested groups to share information about issues of concern, to form committees, and to work on rulemaking. This section also manages the division's financial resources by preparing the annual budget request, and administering appropriations for their effective and efficient use.

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<sup>&</sup>lt;sup>1</sup> The Colorado Oil and Gas Conservation Commission is a nine-member public board charged with implementing and enforcing the Colorado Oil and Gas Conservation Act, Title 34 Section 60. Seven members are appointed by the Governor; the other two members include the executive director of the state's Department of Natural Resources and the Department of Public Health, Safety and the Environment or their designees.

• Information -- This section processes, reviews and publishes oil and gas operator-submitted reports and applications and responds to customer inquiries. The information section is responsible for collecting, reviewing for compliance, processing, storing and tracking oil and gas well information, production volumes and conservation levy volumes and production values in the State of Colorado in order to supply information on the complete life cycle of the oil and gas wells. This section ensures that oil and gas operations and regulatory reporting are in compliance with the rules, regulations and orders of the Commission, including reviewing all drilling permit applications for regulatory compliance, and verifying that oil and gas operators are properly registered and meet the OGCC financial surety requirements. This section is responsible for managing the Local Area Network and the OGCC Internet Website to disseminate OGCC information to the public, government agencies, and other customers.

*OGCC* -- *Statutory Authority:* 

Oil and Gas Conservation Act – Title 34, Section 60, Colorado Revised Statutes

OGCC -- Mission:

The mission of the Colorado Oil and Gas Conservation Commission (OGCC) is to foster the responsible, balanced development of Colorado's oil and gas natural resources. Responsible development results in:

- The efficient exploration and production of oil and gas resources in a manner consistent with the protection of public health, safety and welfare, including protection of the environment and wildlife resources
- The prevention of waste in the production and utilization of oil and gas
- The protection of mineral owners' correlative rights
- The prevention and mitigation of adverse impacts to the environment and to wildlife resources

The OGCC seeks to serve, solicit participation from, and maintain working relationships with all those having an interest in Colorado's oil and gas natural resources.

# **OGCC PERFORMANCE MEASURES**

Given the importance of Oil & Gas impacts on water supplies to both the Oil and Gas Conservation Commission and to the Department of Natural Resources, performance measures related to these issues can be found under "DNR-Wide Performance Measures" starting on page 61 of this document.

### **OGCC-1. Surface Disturbances**

Objective: Decrease surface disturbance caused by oil and gas activity

Performance Measure Percent of	Outcome Benchmark	FY 2006-07 Actual 86%	FY 2007-08 Actual 86%	FY 2008-09 Approp. 86%	FY 2009-10 Request 86%
reclamation inspections that	Benefilmark	8070	8070	8070	8070
comply with OGCC rules.	Actual	81%	69%	Unknown	Unknown

Performance Measure	Outcome	FY 2006-07 Actual	FY 2007-08 Actual	FY 2008-09 Approp.	FY 2009-10 Request
Percent of oil & gas wells that are drilled with	Benchmark	35.6%	44%	45%	48%
directional drilling technology.	Actual	42.6%	47.2%	Unknown	Unknown

### Strategy:

The OGCC strives to reduce impacts to the surface by requiring directional drilling technology when practical and conducting reclamation inspections subsequent to drilling operations. The use of directional drilling technology reduces surface disturbance

because multiple wells can be drilled from a common well pad, which is located to minimize impacts to water resources, wildlife, and surface owners.

Evaluation of Prior Year Performance: As field inspectors devote more time to enforcing interim reclamation rules on a regular and timely basis, the percent of reclamation inspections that comply with OGCC rules is expected to fall in the near term and gradually improve as oil and operators correct the mistakes that led to failed inspections.

The OGCC has a multi-month backlog of completion reports to process, but, based on the reports that have been processed through August 2008, the percentage of wells that were drilled directionally from a common well pad increased from 42.6% to 47.2%. This improvement correlates with an increase in the percentage of wells drilled in the Piceance Basin, where directional drilling is more practical, and is reflective of industry's effort to minimize surface disturbance.

### OGCC-2. Public Health

Objective: Decrease health, safety, and environmental (other than water) incidences caused by oil & gas operations.

Performance Measure	Outcome	FY 2006-07 Actual	FY 2007-08 Actual	FY 2008-09 Approp.	FY 2009-10 Request
Total number of citizen complaints	Benchmark	.16	.16	.16	.16
that resulted in a Notice of Alleged Violation - per thousand active	Actual	.16	.22	Unknown	Unknown
oil & gas wells					

### Strategy:

The OGCC diligently and promptly responds to all complaints that are received by the agency. Each complaint is publicly tracked on the OGCC web site until the issue is resolved. Although not all complaints are related to issues that the OGCC has the regulatory authority to resolve, the number of complaints that are received by the agency, and result in a Notice of Alleged Violation, is considered to be one important indicator of the impact that the oil and gas industry is having on the public and how well OGCC regulation is reducing the impact. Note that this measure changed from the FY 2008-09 budget request to track actual violations rather than complaints.

Evaluation of Prior Year Performance: Of the 299 complaints received by the OGCC in FY 2007-08, eight were found to be in violation of OGCC rules. Notice of Alleged Violations (NOAV's) were issued for those eight incidents. In FY 2006-07 only 5 of these incidents were found to be actual violations, but the small increase over a two year period is not enough to establish a trend. Not included in the performance measure are the 579 NOAV's issued in FY 2007-08, as a result of routine inspections rather than complaints.

## **OGCC-3.** Historic Impacts

Objective: Decrease environmental impacts from historic oil and gas activity.

Performance Measure	Outcome	FY 2006-07 Actual	FY 2007-08 Actual	FY 2008-09 Approp.	FY 2009-10 Request
Number of	Benchmark	25	27	27	27
orphaned oil &					
gas wells plugged and abandoned	Actual	32	41		
and sites reclaimed by the				Unknown	Unknown
OGCC.					

### Strategy:

Since the early 1990's, the OGCC has had an active orphaned and abandoned oil and gas well plugging and site reclamation program. Occasionally, orphaned and abandoned wells and oil and gas operations sites in need of reclamation are identified by OGCC inspectors or are reported to the OGCC by the public. Typically, these wells and sites pre-date modern oil and gas regulation in Colorado. The orphaned and abandoned well plugging and site reclamation program was established to use funds provided by the regulated industry to prevent impacts to the environment and public health, safety, and welfare that could be posed by these old wells and sites.

Evaluation of Prior Year Performance: The OGCC was able to complete a larger than usual number of projects this year, because many of the projects were in proximity to one another, creating economies of scale, and most others did not require a significant amount of time and money. Several projects slated for FY 2008-09 are expected to be more time-intensive and expensive to complete, which will result in a reduction in the total number of projects completed in the current fiscal year.

### **OGCC-4. Public Information**

Objective: Increase opportunities for disseminating information to the public

Performance Measure	Outcome	FY 2006-07 Actual	FY 2007-08 Actual	FY 2008-09 Approp.	FY 2009-10 Request
Number of visits to the Oil and Gas Conservation	Benchmark	931,422	931,422	931,422	931,422
Commission's website.	Actual	1,045,750	1,140,989	Unknown	Unknown

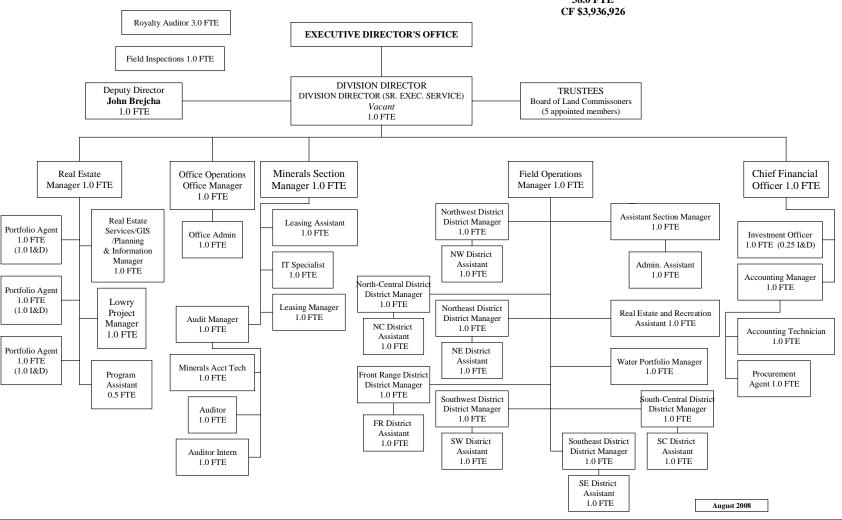
#### Strategy:

The OGCC's website provides electronic access to valuable information about oil and gas development in Colorado. The website contains all regulatory information that has been submitted for oil and gas wells, which includes, but is not limited to, information regarding permits, well construction, production, complaints, and inspections. Also available are digital well logs and extensive Geographic Information System (GIS) maps that contain over 100 layers, such as wells sites, well spacing orders, oil and gas fields, wildlife information, Bureau of Land Management stipulations, color aerial photography, topography, and water resource information. The OGCC works to continuously improve the volume and quality of data provided to the regulated community, federal, state and local governments, the media, and the general public.

Evaluation of Prior Year Performance: A portion of the increase in website visits can be attributed to new map layers and more environmental and engineering reports being made available to the public via the website. In addition, all documents related to the rulemaking hearings were posted to the website, while all hearings were broadcasted live over the Internet, in an effort to achieve the most transparent process possible and reduce unnecessary travel.

### **COLORADO STATE BOARD** OF LAND COMMISSIONERS

38.0 FTE



## **Colorado State Board of Land Commissioners**

State Land Board – Description:

The State Land Board operates as a fiduciary for eight trusts. The trusts are: School Trust (by far the largest), Public Building Trust, Penitentiary Trust, University of Colorado Trust, Saline Trust, Internal Improvements Trust, Colorado State University Trust, and Hesperus Trust.

In the case of the School Trust the State Land Board has been mandated by law to:

- Manage an intergenerational trust for the support of public schools
- Earn reasonable and consistent income over time
- Establish and maintain a long term Stewardship Trust (300,000 acres) that will be managed to protect and enhance the beauty, natural values, open space, and wildlife habitat of those lands.
- Not significantly diminish the trust

The State Land Board's operations are organized around a director, deputy director, and four sections. These are the Field Operations, Minerals, Real Estate, and Financial Sections.

The Field Operations Section employees work with state trust land lessees on day-to-day land management issues and challenges, as well as on longer-term initiatives to ensure that natural resources on trust lands are conserved and that the long-term value of the trust asset is maintained or improved. This section also performs property inspections and recommends appropriate land disposals and acquisitions.

The Minerals Section issues leases for production, issues exploration permits, collects royalties, conducts royalty revenue audits, conducts public lease auctions, collects auction bonuses, rentals and advance minimum royalties, sets reclamation bond amounts, approves reclamation for bond release, examines mineral lease tracts for production evaluation, and audits for environmental protection. This section is also responsible for energy leases.

The Real Estate Section provides the asset management for the commercial and other special uses of state trust land, coordinates and provides the technical services needed and strategic investment options for land disposals and acquisitions. This section is responsible for oversight for the development portfolio of state trust land including development agreements and entitlement projects.

The Financial Section administers the State Land Board's 19 trust fund accounts (two per trust) and processes 25,000 accounting transactions including allocation of the \$60.0 million in annual revenue. The section directs the \$5.5 million expense budget which includes managing the procurement process and all related construction contracts. Additionally, the section oversees the formulation of the annual budget request and analyzes land transactions and investments considered by the Board. The Financial Section is responsible for oversight and reporting of the Investment and Development Fund.

State Land Board – Statutory Authority:

Federal: Federal Statehood Enabling Act of 1875 (Para. 7-12 and 14 and 15).

State: Colorado Constitution, Article IX, Section 9-10.

Colorado Revised Statutes Title 36, Article 1 through 7.

State Land Board – Mission:

To effectively manage trust assets for the beneficiaries through producing reasonable and consistent income over time and projecting and enhancing long term production and value through sound stewardship.

State Land Board - Vision:

The Division does not have a current vision statement

# **SLB PERFORMANCE MEASURES**

Given the importance of school trust revenue to both the State Land Board and to the Department of Natural Resources, performance measures related to these issues can be found under "DNR-Wide Performance Measures" starting on page 61 of this document.

# **SLB-1. Property Inspection**

Objective: Protect trust assets

Performance Measure	Outcome	FY 2006-07 Actual	FY 2007-08 Actual	FY 2008-09 Approp.	FY 2009-10 Request
Percent of	Benchmark	50.0 percent	55.0 percent	60.0 percent	65.5 percent
Agricultural					
Property	A	40.0	70.1		
<b>Inspections Rated</b>	Actual	48.0 percent	50.1 percent		
Good or Above				Unknown	Unknown
for Range				Cindiowii	CIRCIOWII
Conditions					

#### Strategy:

This performance measure incorporates the stewardship duties of the State Land Board. Beyond monetary value identified in other performance measures, the State Land Board is mandated to protect trust assets and make decisions that promote long term goals of the various trusts. There are five categories of range conditions: Excellent, Good, Fair, Poor, and Unknown (not included).

Evaluation of Prior Year Performance:

While the State Land Board did increase the percent of inspections rated "Good" and above, it did not meet its benchmark of 55 percent.

## SLB-2. Investment and Development fund

Objective: Pursue Investment opportunities

Performance Measure	Outcome	FY 2006-07 Actual	FY 2007-08 Actual	FY 2008-09 Approp.	FY 2009-10 Request
Investment and Development Fund Net Present	Benchmark	\$19.4 million	\$35 million	\$30 million	\$30 million
Value estimate	Actual	\$32.3 million	\$19.1 million	Unknown	Unknown

#### Strategy:

The Investment and Development Fund (36-1-153 C.R.S.) was created to allow the State Land Board to make value added investments in School Trust properties for revenue or land value enhancement.

The net present value estimate is a risk-adjusted return. The performance measure is a sum of all the projects funded by the Fund and includes completed, ongoing, and inactive projects. A positive net present value indicates the amount the State Land Board anticipates the Fund will earn above the School Permanent Fund which is considered a "risk free" investment.

### Evaluation of Prior Year Performance:

The reduction in the estimated net present value in FY 2007-08 is the result of a refinement of individual project projections. Nonetheless, the State Land Board anticipates earning over two dollars for every dollar invested in current or risk-adjusted dollars.

# **SLB-3.** Accurate accounting

Objective: Ensure that the revenue streams are accurate

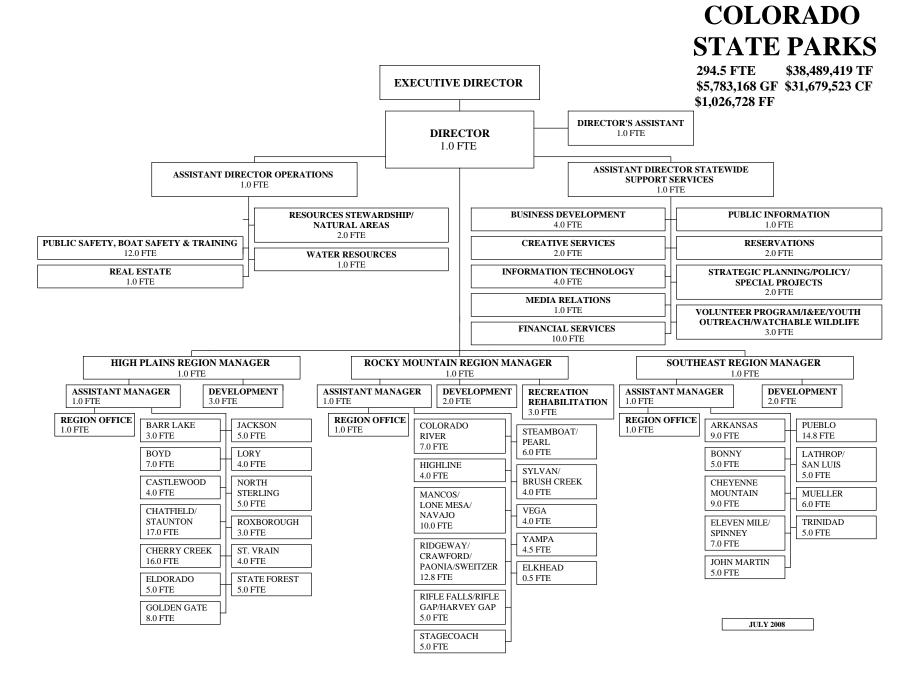
Performance Measure	Outcome	FY 2006-07 Actual	FY 2007-08 Actual	FY 2008-09 Approp.	FY 2009-10 Request
Recoveries due to audit activities	Benchmark	\$200,000	\$300,000	\$400,000	\$400,000
	Actual	\$1,865,829	\$2,948,576	Unknown	Unknown

### Strategy:

This performance measure shows the effectiveness of the State Land Board's mineral audit program. The program has 3.0 FTE auditors, contract dollars, and uses the Department of Revenue for specific audits.

Evaluation of Prior Year Performance:

The State Land Board had one large settlement based on audit findings which accounts for nearly ninety percent of the FY 2007-08 total



# **Division of Parks and Outdoor Recreation**

Division of Parks and Outdoor Recreation -- Description:

Attracting over 11 million visitors per year, Colorado's 42 state parks and statewide recreation programs are a vital cornerstone of Colorado's quality of life, offering some of the highest value outdoor recreation destinations in the state. Our parks include a variety of landscapes to match the state's geography, from urban playgrounds to back-country retreats, from mountain lakes to whitewater adventure. Colorado State Parks enable everyone, regardless of age, background, economic or social circumstance, to enjoy the state's internationally famous natural beauty and experience a wide range of activities. Park visitors and beneficiaries of State Parks' many statewide outdoor recreation programs can literally "re-create" themselves both physically and spiritually. The parks are a priceless, irreplaceable legacy for future generations. Providing that enjoyment and protecting the legacy is the core of the Colorado State Parks' mission. Colorado State Parks manages 4037 campsites, 42 cabins and yurts, encompassing 246,000 land and water acres. Several statewide programs including Trails, Boat Safety, Commercial River Outfitter Licensing, and Registrations for vessels, snowmobiles, and off-highway vehicles are also administered through Colorado State Parks. We are an integral revenue source to Colorado's growing economy.

Division of Parks and Outdoor Recreation -- Statutory Authority: **Section** 33-10-101 to 33-15-112, C.R.S

Division of Parks and Outdoor Recreation -- Mission:

To be leaders in providing outdoor recreation through the stewardship of Colorado's natural resources for the enjoyment, education and inspiration of present and future generations.

Division of Parks and Outdoor Recreation -- Vision Statement:

Colorado State Parks offer exceptional settings for renewal of the human spirit. Residents and visitors enjoy healthy, fun-filled interaction with the natural world, creating rich traditions with family and friends that promote stewardship of our natural resources. Parks employees and their partners work together to provide ongoing and outstanding customer service through recreational programs, amenities and services.

# **DPOR - PERFORMANCE MEASURES**

Given the importance of annual parks visitation to both the Division of Parks and Outdoor Recreation and to the Department of Natural Resources, performance measures related to these issues can be found under "DNR-Wide Performance Measures" on page 8 of this document.

## **DPOR-1.** Park Acres

Objective: Provide sustainable outdoor recreation settings, statewide programs and education opportunities to keep pace with the rising demands, needs, and diversity of Colorado citizens and visitors.

Performance Measure	Outcome	FY 2006-07 Actual	FY 2007-08 Actual	FY 2008-09 Approp.	FY 2009-10 Request
Acres of State Parks land	Benchmark	.08	.08	.08	.08
managed per capita	Actual	.08	.08	Unknown	Unknown

#### Strategy:

The Division operates 42 State Parks that provide outdoor recreation opportunities for citizens throughout the state. The state parks and statewide recreation programs are a vital cornerstone of Colorado's economy and quality of life. The Division actively manages a total of 218,635 land acres among all parks and 140,090 acres in 78 Designated Natural Areas. (Please note that this figure does not include the parks that are not yet open to the public.) The 2005 Colorado population from the FY2005-06 Workforce Report published by the Department of Personnel and Administration is 4,655,177. Based on these figures, the Division manages .08 acres of land per capita. The desired outcome for this performance measure is an increase in the number of land acres managed by the Division to keep pace with the increase in number of residents of Colorado. This is consistent with the Division-wide Strategic Plan Recreation Goal which states that State Parks will: "Provide sustainable outdoor recreation settings, statewide programs and education opportunities to keep pace with the rising demands, needs, and diversity of Colorado citizens and visitors." The Division has several options for increasing the amount of acreage it actively manages, including acquiring

buffer parcels adjacent to existing parks; acquiring in holdings within existing parks; and increasing the level of management on properties that the agency currently owns but are not yet open to the public (Staunton and Lone Mesa State Parks, for example).

Evaluation of Prior Year Performance:

# DPOR-2. Campsite Usage

Objective: Retain current and acquire new customers through exceptional service and by improving State Parks' visibility with innovative marketing.

Performance Measure	Outcome	FY 2006-07 Actual	FY 2007-08 Actual	FY 2008-09 Approp.	FY 2009-10 Request
Percentage of occupancy at	Benchmark	NA	18%	18%	18%
campsites	Actual	<u>NA</u>	<u>21%</u>	Unknown	Unknown

# Strategy:

There are more than 4,200 campsites in the Colorado State Parks system. The percentage of these campsites that are occupied during prime camping season (roughly April through October) is a key indicator of the overall popularity of the system. This percentage can also be used to extrapolate other important information, including revenue stream trends and the degree to which the Division is meeting visitor expectations. The desired outcome for this performance measure is an increase in the percentage of occupancy per total rental nights available at campgrounds each year and is consistent with the Division-wide Strategic Plan Marketing Goal which states that State Parks will: "Retain current and acquire new customers through exceptional service and by improving State Parks' visibility with innovative marketing." The agency has a number of strategies to achieve this outcome, including increasing marketing efforts that would improve the mid-week reservations (when occupancy is at the lowest level). Because this performance measure has never been calculated in Colorado, the Division is using the actual occupancy percentage from 2005 for Montana as a benchmark.

Evaluation of Prior Year Performance:

Occupancy was in line with agency projections.

# DPOR-3. Park Stewardship

Objective: Improve and sustain the ecological, scenic and scientific assets in and around state parklands through proactive stewardship.

Performance Measure	Outcome	FY 2006-07 Actual	FY 2007-08 Actual	FY 2008-09 Approp.	FY 2009-10 Request
Establish	Benchmark	NA	68%	69%	70%
resource					
management practices and maintain the resources in good condition for all state parks	Actual	68.5%		Unknown	Unknown

#### Strategy:

The Division needs to provide and promote a systematic framework for addressing the changing values and opportunities on state lands which recognizes and utilizes the current potential for these properties while preserving and enhancing the quality of the parks for current and future generations. Every park has a resource stewardship plan with individual goals to protect key resources, but the condition of the vegetation is one overall measure that can be informative about resource quality over time and can be measured with GIS. This measure does not directly take wildlife or water quality measures into account which is important at many parks. This measure is affected by how much integrated weed management, fire mitigation work and native re-vegetation is completed by the parks, as well as by how much visitors and uses are managed. This performance measure would be based on the percentage of acreage within Colorado State Parks that is rated at the Good or Excellent level in relation to total park acreage. Monitoring will be implemented as part of the Stewardship program. Another measure is the condition of the 78 designated Colorado Natural Areas. This is reported by 3 sources annually: volunteers, park staff visits, CNAP staff visits. The report includes an overall condition rating of excellent, good, fair or poor. The rating would be the percentage of Natural Areas in good to excellent condition. These are consistent with the Division-wide Strategic Plan's Natural Resource Goal which states that State Parks will: "Improve and sustain the ecological, scenic and scientific assets in and around state parklands through proactive stewardship."

Evaluation of Prior Year Performance:

This measure is still under development. A uniform system is being developed to provide consistency in measurement across fiscal years.

# **DPOR-4.** Customer Satisfaction

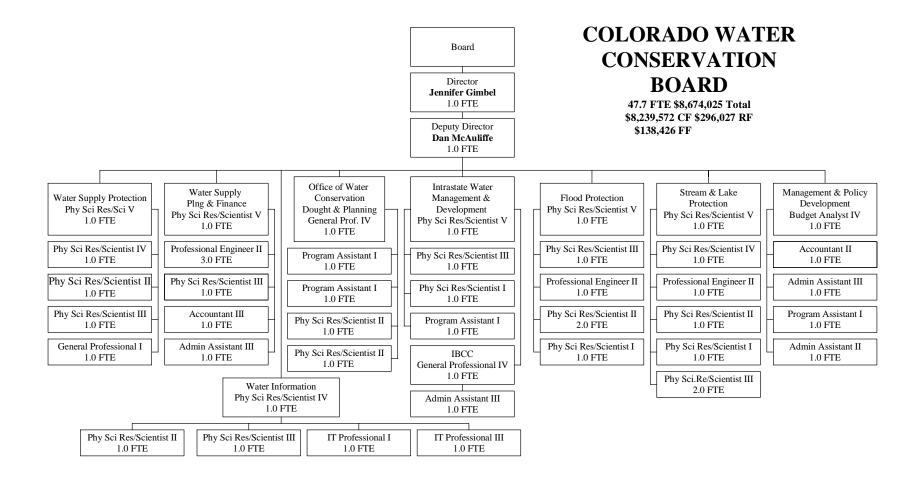
Objective: Apply effective, accurate and reliable information for the analysis, planning, and implementation of all decisions.

Performance Measure	Outcome	FY 2006-07 Actual	FY 2007-08 Actual	FY 2008-09 Approp.	FY 2009-10 Request
Annual customer satisfaction	Benchmark	NA	75%	76%	77%
survey	Actual	New Measure		Unknown	Unknown

# Strategy:

The Division would email on an annual basis a customer satisfaction survey to customers of state parks. This survey would consist of a set of questions that would remain the same each year and would be returned via email. The survey would help measure overall visitor satisfaction with respect to a number of natural resource, recreation, safety, education, and park planning criteria. The performance measure would be comprised of a percentage of customers that rate their experience with State Parks at the Good or Excellent level with respect to the criteria outlined in the survey. Over time, the Division's desired outcome would be to maintain the level of satisfied customers and increase that level by one or more percentage points each year. Questions on the survey would break down aspects of the visitor experience, such as law enforcement, customer service, resource quality, recreation opportunities, and level of park development. This performance measure is consistent with the Division-wide Planning Goal which states that State Parks will: "Apply effective, accurate and reliable information for the analysis, planning, and implementation of all decisions." The above measurement is the percentage of customers that rate their experience at state parks as good or excellent.

*Evaluation of Prior Year Performance:* This measure is still under development. The Division is in the process of conducting a number of customer surveys during the summer 2008 season.



July 2008

# **Colorado Water Conservation Board (CWCB)**

*CWCB* -- *Description*:

The CWCB was created in 1937. It is responsible for water supply protection, flood protection, water supply planning and finance, stream and lake protection, water conservation and drought planning, intrastate water development and management, as well as the management of related water information and educational materials. The CWCB functions under the following seven programs:

The **Water Supply Protection** Section ensures effective support for the administration of International Treaties, Interstate Compacts, and U.S. Supreme Court decisions impacting Colorado's water resources.

The **Watershed Protection & Flood Mitigation** Section works to prevent flood damage, support stream restoration efforts, and provide local jurisdictions with technical assistance as well as new and revised floodplain information. The Section administers the Weather Modification Program, manages the Watershed Protection Fund, and implements Executive Orders related to Flood Protection.

The **Water Supply Planning and Finance** Section oversees the Construction Fund and the Severance Tax Trust Fund Perpetual Base Account. The Section provides funds to agricultural organizations for emergency drought-related water augmentation purposes. In addition, the Section requests Severance Tax Trust Fund Operational Account funds for projects and programs.

The **Instream Flow and Natural Lake Level Protection** Section appropriates, acquires, and protects instream flow and natural lake level water rights to preserve and improve the environment.

The Conservation and Drought Planning Section develops, approves and implements water efficiency, conservation and drought plans, programs and projects. The Section monitors water use and provides technical assistance and public information.

The **Water Information** Section promotes the development, implementation, and maintenance of statewide water information management systems. The Section develops, operates, and maintains the Decision Support System (CDSS), as well as maintains the state's Water Resource Information Center (WRIC).

The Intrastate Water Management and Development Section works to help provide an adequate water supply for Colorado's citizens and the environment. The Section provides a permanent forum for broad-based discussion on Colorado's water supply future,

analyzes our state's current and future consumptive and non-consumptive water needs and potential projects or methods to meet those needs, administers grant programs to help implement projects/methods for meeting Colorado's water needs, and provides public education on and outreach for Colorado's water supply future.

CWCB -- Statutory Authority:

Title 36, Articles 20 and 75; Title 37, Articles 60-69, 83, 92, and 96; and Title 39, Article 29

CWCB -- Mission:

CWCB must develop and implement programs to:

- Conserve the waters of the State for wise and efficient beneficial uses
- Develop waters of the State to: Preserve the natural environment to a reasonable degree; Fully utilize State compact entitlements; Help ensure that Colorado has an adequate water supply for our citizens and the environment by implementation of CWCB adopted mission statements and the findings and recommendations identified in the 2004 Statewide Water Supply Initiative; Protect the waters of the State for maximum beneficial use without waste; and Manage the waters of the State in situations of extreme weather conditions both for floods and droughts.

CWCB - Vision:

Conserve, Develop, Protect, and Manage Colorado's Water for Present and Future Generations in accordance with applicable state and federal law and regulations.

# **CWCB – PERFORMANCE MEASURES**

Given the importance of water supply initiatives and of water conservation initiatives to both the Colorado Water Conservation Board and to the Department of Natural Resources, performance measures related to these issues can be found under "DNR-Wide Performance Measures" starting on page 61 of this document.

# **CWCB-1. Instream Flows**

Objective: Protect additional miles of decreed instream flow water rights resulting in enhanced protection of Colorado's environment.

Performance Measure	Outcome	FY 2006-07 Actual	FY 2007-08 Actual	FY 2008-09 Approp.	FY 2009-10 Request
Miles of stream where CWCB actively manages	Benchmark	77 miles	97 miles	199 miles	200 miles
water rights to leave water in streams for purposes of improving wildlife habitat.	Actual	77 miles (8,697 miles)	88.3 miles (8785.27 miles)	Unknown	Unknown

incremental miles added / (Total miles Protected)

# Strategy:

Instream flow refers to the practice of establishing water rights in a river or stream for the purpose of preserving Colorado's environment, including protection of wildlife and wildlife habitat that rely on rivers and streams for their survival. The objective of this program is to increase the number of streams and natural lakes protected by a state-held water right (1) to meet non-consumptive water needs to preserve and improve the natural environment to a reasonable degree, and (2) for watershed and river restoration protection projects. A critical component of this program is installing, operating, and maintaining stream gages to monitor stream flow and assure compliance with instream flow water rights. The CWCB currently holds, monitors, and protects instream flow water rights on approximately 8,785 miles of Colorado's streams. The amount of additional miles that will need to be protected is unknown due to diversion and complexities of other water issues.

#### Evaluation of Prior Year Performance:

In January of 2008, the Colorado Water Conservation Board appropriated an additional 19 stream segments totaling 88.3 miles of stream, which was close to the benchmark of 97 miles. Unforeseen concerns by stakeholders on a number of recommended segments in Grand County and elsewhere prevented the CWCB from exceeding the benchmark. However, staff is currently addressing the issues on these streams and anticipates a 2009 appropriation.

#### **CWCB-2.** Online Documents

Objective: Disseminate technical information.

Performance Measure Increase technical documents on-line	Outcome Benchmark	FY 2006-07 Actual 3000	FY 2007-08 Actual 3500	FY 2008-09 Approp. 5000	FY 2009-10 Request 5000
	Actual	3553	8939	Unknown	Unknown

## Strategy:

The Division is committed to providing historic and current water resource information to the water community and the public through various mediums, including the Decision Support System (DSS) and the Division's imaging system. The CWCB is the lead agency responsible for the implementation of the DSS, which provides water resource data, planning tools, modeling datasets and documentation on-line, that can be used by the Division and the public to help make better informed water resource decisions. Another tool used to disseminate water resource information is Laserfiche, the agency's imaging system. The system provides an accessible, user-friendly web portal for accessing CWCB's library of documents, including (but not limited to) maps, reports, studies, data and documentation.

## Evaluation of Prior Year Performance:

The accomplishments of the CWCB Imaging System Project during Fiscal Year 2008 concentrated on the following two areas: (1) uploaded all DSS and SWSI/SWSI II reports, studies, scopes of work, datasets and other electronic files to the Laserfiche system, allowing for quick search methods and retrieval of these major project materials, and (2) began work on a data harvesting/integration project with Colorado State University, investigating the feasibility of searching both document management systems at one time.

# **CWCB-3. Flood Protection**

Objective: Protect Colorado's citizens from financial hardship associated with natural hazards

Performance Measure Increase insured value of flood	Outcome Benchmark	FY 2006-07 Actual \$3 billion	FY 2007-08 Actual \$3.7 billion	FY 2008-09 Approp. \$3.9 billion	FY 2009-10 Request \$4.0 billion
prone properties	Actual	\$3.58 billion	\$3.8 billion	Unknown	Unknown

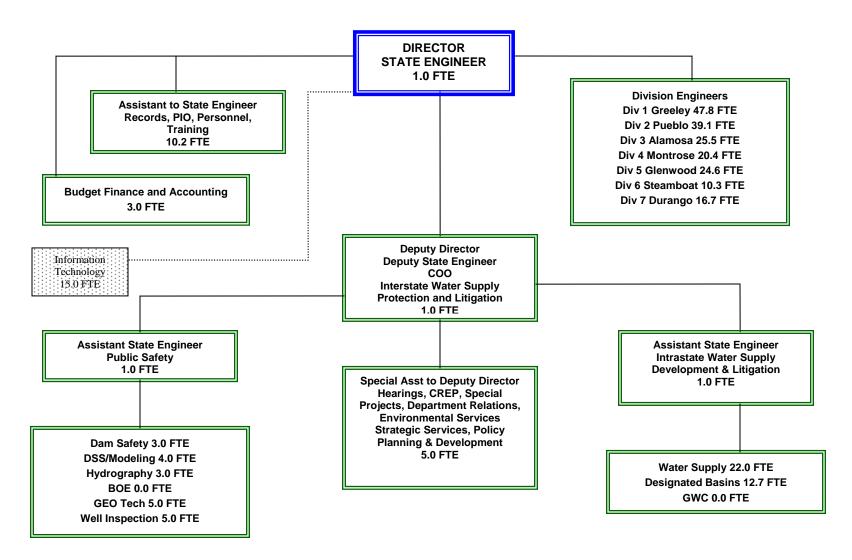
### Strategy:

The Division helps protect Colorado's citizens from flooding and related natural hazards. The Division works to prevent flood damages, supports local stream restoration efforts, reviews and approves floodplain designations, and provides local jurisdictions and citizens with technical assistance as well as new and revised floodplain information. It will increase the number of stream miles identified by designated floodplains and will increase the number of homeowners eligible for federally backed flood insurance to help prevent uninsured losses. It will increase the number of people receiving flood forecasts and updates during the flood season. The Division will also increase the number of updated floodplain maps statewide that can be used to assess flood threats and post-flood damages.

The CWCB will provide for reduced economic loss to homeowners due to flooding in the State of Colorado by increasing the total insured value of properties that are covered by federally backed flood insurance.

# Evaluation of Prior Year Performance:

The Division was successful in helping Elbert County to become enrolled in the National Flood Insurance Program, which represented a major accomplishment in Colorado. In addition, the Division leveraged a moderate amount of State funds to obtain over \$1 million dollars in grant funds from FEMA to produce new and revised digital floodplain information. Several new countywide studies were either initiated or completed during the prior fiscal year. The total value of insured flood-prone structures statewide was increased and multiple stream restoration efforts were supported utilizing the Colorado Watershed Protection Fund and in-house expertise.



\$21,745,206 Total Funds 274.3 FTE GF \$19,943,183, CF \$1,717,415, FF \$84,608

# **Division of Water Resources**

Division of Water Resources-- Description:

The Colorado Division of Water Resources (DWR) is responsible for the supervision and control of water resources in this state per Section 37-80-102(h), C.R.S. (2008). Water administration is DWR's principal duty, requiring daily oversight of the allocation system that distributes water to farmers, industries, municipalities, and all other water users under Section 37-92-301, C.R.S. (2008). This allocation system is performed in accordance with the Doctrine of Prior Appropriation (the first entity to historically use water in a stream retains the first priority to continue diverting water for the same use), Colorado Supreme Court decisions, water court decrees, and rules & regulations issued by the State Engineer.

The agency is also committed to meeting the ever increasing challenges of origin issues, reserved rights, wetlands, endangered species recovery, and interstate water issues on an already limited water supply.

Major DWR programs include:

- Public Safety
  - o Dam Construction and Inspection
  - Well Construction and Inspection (Colorado Board of Examiners of Water Well Construction and Pump Installation Contractors)
- Hydrographic Program
  - Satellite Monitoring System
  - o Publication of Streamflow Records
- Water Administration of Surface and Ground Water Rights
  - o Decision Support Systems
- Public Information Services
  - o Record Collection and Maintenance
  - o Information Technology and Internet Services
- Interstate Compacts
- Ground Water Well Permitting
  - o Outside Designated Basins
  - Inside Designated Basins (Colorado Ground Water Commission)

Division of Water Resources -- Statutory Authority:

Federal/State Statutory and Other Authority:

Colorado Revised Statutes (2008): Sections 37-80 through 37-92, et seq.; 37-61 through 37-69, et seq.

Division of Water Resources -- Mission:

The Mission of the Colorado Division of Water Resources is:

- To provide competent and dependable distribution of water in accordance with statutes, decrees and interstate compacts;
- To ensure public safety through safe dams and properly permitted and constructed water wells;
- To maintain and provide accurate and timely information concerning water;
- To promote stewardship of all human, fiscal and natural resources;
- To serve the public through the generation of creative solutions to problems;
- To help the public understand complex water issues;
- To promote stability in the use of the state's limited water resources; and
- To apply modern technology to its greatest advantage.

# Division of Water Resources – Vision:

The Colorado Division of Water Resources is a leader in the water community of Colorado and the western United States. This is accomplished by focusing on the following areas: people, water, and stewardship. People, because we recognize that the business of water involves our employees and the public. Water, because the administration, safety, and use of the State of Colorado's water resources is something we are committed to and care deeply about. Stewardship, because we understand and accept our obligation to the taxpayers and ourselves, in using and protecting the resources in the most effective manner possible.

# **DWR PERFORMANCE MEASURES**

Given the importance of Interstate Compacts to both the Division of Water Resources and to the Department of Natural Resources, performance measures related to these issues can be found under "DNR-Wide Performance Measures" starting on page 61 of this document.

## **DWR-1. Water Administration Effectiveness**

Objective: Optimize the availability of water supplies in time, place and amount by successive reuse of water

Performance Measure	Outcome	FY 2006-07 Actual	FY 2007-08 Actual	FY 2008-09 Approp.	FY 2009-10 Request
Water in Colorado diverted and stored compared to water	Benchmark	>3.0	>3.0	>3.0	>3.0
exiting the state expressed as a ratio.	Actual	3.14	3.21	Unknown	Unknown

#### Strategy:

Due to its natural topography and hydrology, the State of Colorado attempts to optimize the availability of water supplies by successive reuse of water. The majority of the total amount of water diverted from a stream is applied to its decreed beneficial use or consumed through natural evaporation. However, a portion of the water also returns to the stream system for subsequent diversion and use by downstream appropriators. One performance measure of overall effectiveness of water management is the capture and use of these return flows as they successively cascade from the mountains to the prairies before eventually leaving the state.

## Evaluation of Prior Year Performance:

With the implementation of remote sensing and transmission of streamflow and diversion information used in conjunction with the Decision Support Systems, the Division was able to optimize the use of water within the state while meeting Colorado's compact obligations. With plentiful snow pack during the winter months, Colorado's storage capacity increased significantly, resulting in

fuller reservoirs and increased availability of augmentation supplies. In the Arkansas River Basin for example, high capacity well pumping for irrigation is above average as a result of the overall increased availability of water.

# **DWR-2.** Water Administration and Enforcement

Objective: Assure the effective distribution of water and compliance with applicable water laws

Performance Measure	Outcome	FY 2006-07 Actual	FY 2007-08 Actual	FY 2008-09 Approp.	FY 2009-10 Request
Formal regulatory orders (cease and	Benchmark	<5.0%	<5.0%	<5.0%	<5.0%
desist) issued by DWR per year compared to the total number of surface and ground water structures actively diverting water expressed as a percentage	Actual	3.58%	3.43%	Unknown	Unknown

#### Strategy:

Water administration is conducted within a regulatory environment in which limited water supplies are distributed in time, amount, and location to adjudicated water rights based upon their respective water right priority and available water supplies. Typical of most regulatory environments, the vast majority of citizens or water users comply with applicable laws. They do so, in part, because of their reliance upon DWR to assure the limited water supplies are being distributed effectively and in compliance with all applicable laws. The trend for this performance measure would decrease over time, showing the effective enforcement of the terms and conditions in water court decrees and well permits.

## Evaluation of Prior Year Performance

Effectiveness of performance continues to increase as a result of effective administration and public outreach with the addition of new staff members over the past few years. The greater visibility and involvement of staff have led to greater compliance and

fewer violations. In addition, new measurement rules for high capacity wells are in place in many divisions and public outreach as to the necessity for collecting the necessary data and protect Colorado's water entitlements are showing great success, resulting in fewer regulatory orders being issued at this time.

## **DWR-3.** Public Information and Assistance

Objective: Provide current and historical hydrologic information to the public in a timely and transparent manner

Performance Measure System Downtime	Outcome Benchmark	FY 2006-07 Actual <0.5%	FY 2007-08 Actual <0.5%	FY 2008-09 Approp. <0.5%	FY 2009-10 Request <0.5%
	Actual	<0.2%	<0.2%	Unknown	Unknown

Performance Measure Overall Customer Satisfaction	Outcome Benchmark	FY 2006-07 Actual 4.5	FY 2007-08 Actual 4.5	FY 2008-09 Approp. 4.5	FY 2009-10 Request 4.5
	Actual	4.2	4.3	Unknown	Unknown

## Strategy:

DWR operates a comprehensive hydrographic system that involves stream flow measurements at over 400 sites along the state's natural rivers and streams to determine the amount of water available at these locations. This real-time information is available 24 hours per day, seven days per week and is used extensively by many citizens of the state to obtain water data. This information is particularly important to water users as well as DWR personnel in their daily administration of water. This system provides an advance warning system to alert officials, dam operators, and emergency managers of imminent flooding or high water conditions

and also provides low-flow warnings to agencies like the Colorado Water Conservation Board regarding their in-stream flow rights. It is critical that DWR minimize system outages, so that the public has maximum use of this information.

As a means to gauge performance, the Division will measure system downtime, defined as the number of hours the system is unavailable during the year divided by the total number of hours in the year.

DWR retains a vast array of current and historical hydrologic information including ditch diversions, reservoir storage, ground water well permits, static water levels in aquifers, streamflows, and adjudicated water rights. To effectively serve the public, this information must be available in a timely and transparent manner. This performance measure will focus upon the personal service contacts that are made each year in response to public information inquiries, including both personal response and electronic medium (primarily streamflow and other information available via the DWR website). Overall customer satisfaction with service in the eight DWR offices will be measured by a survey on a 0 to 5.0 scale (5.0 being "extremely satisfied").

#### Evaluation of Prior Year Performance

Overall customer satisfaction increased slightly during the past fiscal year and the satisfaction of the customers the Division serves remains at a high level. Customer service is an extremely strong component of the Division's culture and the numbers consistently indicate the strong level of commitment the Division's employees have to serving the public. System downtime remains in a statistically acceptable low range of less than 0.2%.

## **DWR-4.** Conservation of Water Resources

Objective: Reduce demand on water supplies through conservation programs

Performance Measure	Outcome	FY 2006-07 Actual	FY 2007-08 Actual	FY 2008-09 Approp.	FY 2009-10 Request
Total Number of Acres Retired	Benchmark	New Measure	25,000	30,000	30,000
from Water Conservation Programs	Actual	7,288	28,841	Unknown	Unknown

#### Strategy:

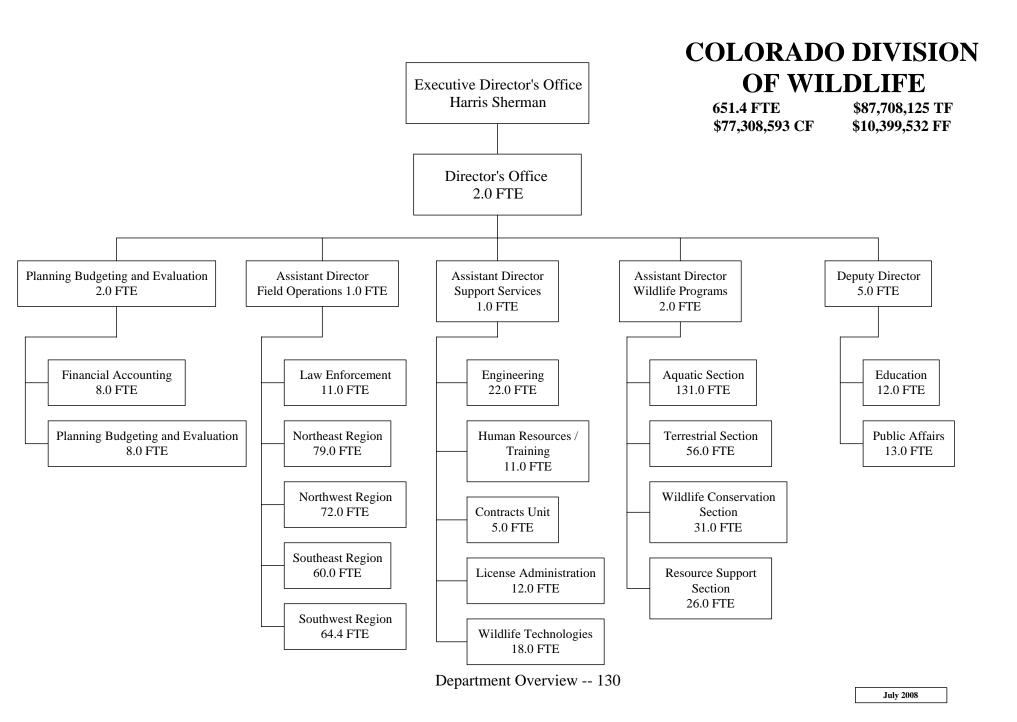
The exercise of proper stewardship of water resources includes appropriate water conservation practices. These practices may be temporary or permanent. The targeted venue for this performance measure is water conservation or savings accrued through land

fallowing, rotation, or other land-use programs that yield a net reduction in irrigated croplands that serve to promote the sustainable use of declining water table elevations, reduce soil erosion, and improve water quality.

The performance measure is the annual total number of acres participating in land conservation programs, temporary and permanent, to which the DWR is a technical or regulatory participant (Conservation Reserve Enhancement Program; Environmental Quality Incentive Program).

#### Evaluation of Prior Year Performance

Major conservation programs such as the Conservation Reserve Enhancement Program (CREP) and Environmental Quality Incentives Program (EQIP) have been extremely successful in the Republican River basin. Local agricultural producers, in cooperation with ground water management districts, understand the value and necessity of these programs in protecting Colorado water supplies and compact obligations to downstream states. This is shown through the dramatic increase in (from approximately 7,000 acres to 29,000 acres) during the last fiscal year. An addendum has been filed to include an additional 30,000 acres within four miles of the stream system.



# **Colorado Division of Wildlife**

Division of Wildlife -- Description:

The Colorado Division of Wildlife (DOW) follows 10 management principles which are core beliefs that guide the Division in fulfilling its mission, creating its goals and management strategies, and in the decision-making processes at all levels of the organization. The following principles reflect the Division's most deeply held values and ideals.

- 1. Wildlife conservation, use and enjoyment, including the rich traditions of fishing, hunting and wildlife viewing, are part of Colorado's outdoor heritage, economic future and overall quality of life.
- 2. A primary consideration in wildlife management decisions is to maintain healthy, diverse and abundant wildlife.
- 3. The quality, quantity and conservation of wildlife habitat are essential to maintaining the state's diverse wildlife population and wildlife-related uses.
- 4. Science-based management decisions are essential to the conservation and management of Colorado's wildlife. Wildlife management decisions will include consideration of impacts to local communities as well as other social and economic concerns.
- 5. Partnerships and the involvement of private property owners, other agencies, local governments, public and private groups, citizens and volunteers are critical to the protection and management of Colorado's wildlife and wildlife habitat.
- 6. Wildlife education and information enhances the public's ability to be wise stewards of wildlife, exhibit a strong conservation ethic, and support sound principles of wildlife management.
- 7. Quality customer service is vital to the Division's success.
- 8. The Division will manage itself and its wildlife areas to be models of effective, efficient, responsible and responsive public service.
- 9. Hunting and fishing license fees are expected to continue to be the major source of revenue for wildlife programs in Colorado. The Division recognizes that new and different funding sources are, however, critical if the Division is to fulfill its mission. The Division will allocate funds, consistent with law, based upon priorities established to maximize the Division's ability to fulfill its mission.
- 10. The Division respects and values its employees and will endeavor to enhance their performance and success in service to the people of Colorado.

*DOW -- Statutory Authority:* 

Title 33, Articles 1 through 8, Colorado Revised Statutes

#### DOW -- Mission:

The mission of the Colorado Division of Wildlife is to perpetuate the wildlife resources of the state and to provide people with the opportunity to enjoy them.

# **DOW PERFORMANCE MEASURES**

Given the importance of species conservation to both the Division of Wildlife and to the Department of Natural Resources, performance measures related to these issues can be found under "DNR-Wide Performance Measures" on page 8 of this document

# **DOW-1. Hunting**

Objective: Provide hunting recreation opportunities for citizens and visitors to Colorado

Performance Measure	Outcome	FY 2006-07 Actual	FY 2007-08 Actual	FY 2008-09 Approp.	FY 2009-10 Request
Number of Licensed Hunters in Colorado (Based on Calendar Year)	Benchmark	310,000	305,000	305,000	305,000
	Actual	306,179	304,432	Unknown	Unknown

#### Strategy:

Providing hunting recreation opportunities is one of the major components of the DOW mission. Maintaining the tradition of hunting recreation is an end in itself for the DOW. Hunting recreation produces tremendous economic benefits for Coloradans, particularly those in small rural communities. The number of people who actually hunt in Colorado is the outcome of many factors and reflects the success of the DOW's attempts to manage big game populations, to provide public access, to recruit new hunters to the sport, to provide a quality of experience that causes hunters to return year after year to hunt in Colorado, and to inform and educate the public about hunting opportunities. Nationally, demographic trends suggest that the number of hunters in the United States will decline in the coming years. In Colorado, continued pressure on wildlife habitat may reduce big game populations. Maintaining the current number of hunters in spite of these forces will be a challenge.

#### Evaluation of Prior Year Performance:

For FY 2006-07 and FY 2007-08, the deviation of benchmark to actual was 1%. While the deviation was about 1% it was a decrease in 06-07 and from 06-07 to 07-08 it also decreased. This concern is being addressed at the highest levels within the DOW and DOW is trying to keep the decline from continuing in the future.

# . DOW-2. Fishing

Objective: Provide fishing recreation opportunities for citizens and visitors to Colorado

Performance Measure	Outcome	FY 2006-07 Actual	FY 2007-08 Actual	FY 2008-09 Approp.	FY 2009-10 Request
Number of Licensed Anglers in Colorado (Based on Calendar Year)	Benchmark	705,000	685,000	685,000	685,000
	Actual	654,864	681,077	Unknown	Unknown

Strategy: Providing fishing recreation opportunities is one of the major components of the DOW mission. The number of people who actually fish in Colorado is the outcome of many factors and reflects the success of DOW's attempts to manage sportfish populations, including maintaining stream and lake water quality and quantity, augmenting sportfish populations through fish production at hatcheries, providing public access to fishing waters, managing the detrimental impacts of diseases and invasive species, recruiting new anglers to the sport, providing a quality experience that causes anglers to return year after year to fish in Colorado, and informing and educating the public about angling opportunities.

#### Evaluation of Prior Year Performance:

The FY 2006-07 deviation of actual from the benchmark was 13% which reflected a too optimistic prediction. The FY 2007-08 benchmark was more in line with what DOW truly considered a reasonable benchmark and the actual deviation was less than 1%. The out years also are predicted to be relatively flat although the number of licensed anglers over the past several years has show a

slight increasing trend. A slight increase in licensed anglers might be backed with this years good snow pack but summer drought conditions will mitigate this benefit to some degree.

# **DOW-3. Endangered Species**

Objective: Maintain healthy wildlife populations and ecosystems

Performance Measure	Outcome	FY 2006-07 Actual	FY 2007-08 Actual	FY 2008-09 Approp.	FY 2009-10 Request
Number of species	Benchmark	16	16/18	15/18	17/13
listed under the					
Federal Endangered					
Species Act /	Actual	16	15/18	Unknown	Unknown
Prevented-State					
Listing (Based on					
Calendar Year)					

#### Strategy:

Maintaining healthy wildlife populations and ecosystems is one of the major components of DOW's mission. Succeeding in this mission means, among other things, preventing the decline of populations to the point where listing under the federal Endangered Species Act is warranted. The listing of a species (or avoidance of listing) is the end result of many factors and reflects the success of DOW's efforts to protect and maintain wildlife habitat, to manage populations, to discover, generate, and provide scientific information about the status of species, to expand scientific understanding of the factors influencing wildlife populations, and so on. This measure focuses on the relatively small number of species most in peril; they are of extreme importance to DOW and receive considerable management attention.

#### Evaluation of Prior Year Performance:

The bald eagle was delisted from the Federal Endangered Species Act during FY 2007-08, thus the deviation from the benchmark.

## DOW-4. Habitat

Objective: Protect wildlife habitat

Performance Measure	Outcome	FY 2006-07 Actual	FY 2007-08 Actual	FY 2008-09 Approp.	FY 2009-10 Request
Number of habitat acres protected	Benchmark	632,341	640,000	725,000	750,000
	Actual	647,512	640,030	Unknown	Unknown

#### Strategy:

"Protected" means owned by DOW and managed either to preserve and enhance wildlife habitat or to provide public recreation access, or both. Land placed under DOW ownership or easement assures the public of long term, perpetual management to provide for recreation access and to maintain viable wildlife habitat. As calculated above, the figures exclude lands owned by the State Land Board and leased by DOW for hunting and fishing recreation purposes, lands owned and managed by the federal government (USFS, BLM) by other state agencies, by other governments, by private landowners, or by private land trusts or other conservation organizations.

## Evaluation of Prior Year Performance:

For FY 2006-07, the deviation from the benchmark was 2% which is a very close prediction of activity. The deviation for FY 2007-08 is almost nothing. Meaning the goals that DOW has set internally to help protect habitat are being met.

## **DOW-5. Public Awareness**

Objective: Raise public awareness of the nature and purpose of wildlife management

Performance Measure	Outcome	FY 2006-07 Actual	FY 2007-08 Actual	FY 2008-09 Approp.	FY 2009-10 Request
Percentage of the public that is aware of wildlife management	Benchmark	75%	75%	80%	80%
	Actual	75%	75%	Unknown	Unknown

### Strategy:

This measurement will be obtained through a regular, random survey of the public that is intended to gauge public awareness of the role of wildlife management in Colorado. Educating the public (including school children and adults) about wildlife and wildlife management is a key component of DOW's mission. DOW has numerous programs to reach a variety of audiences through educational vehicles – from Project WiLD and Angler Education to Colorado Youth Naturally and WIN-WIN to information press releases and the public education media campaign developed by the Wildlife Management Public Education Advisory Council (PEAC). The net outcome of all these efforts should be greater awareness on the part of the public as to the nature and purpose of wildlife management.

## Evaluation of Prior Year Performance:

There has been no change from the benchmarks. The activities of the education programs and the PEAC are maintaining the current high level of public awareness of wildlife management in Colorado.