



### THE INFORMATION YOU NEED TO SERVE YOUR MUNICIPALITY AND RESIDENTS

The Knowledge Now series features practical research on timely topics from the Colorado Municipal League.

### **COLORADO'S WATER PLAN**

### A Water Plan Driven by Public Process

James Eklund, Colorado Water Conservation Board director

In the July 2015 draft of Colorado's Water Plan, you can expect to see enhanced sections on conservation, the environment, agricultural viability, and land use, all based on comments the Colorado Water Conservation Board (CWCB) received and outreach meetings with organizations around the state. With the passage of SB 15-008, the water conservation and land use planning process bill, CWCB will further develop the strategy within the plan for how trainings with water and local land use professionals will be conducted. This stakeholder-driven water planning process is proving that open source policy and planning development works. Colorado's Water Plan seeks to strike a balance between the state's diverse water needs, and offer a strategic vision for a productive economy that supports vibrant and sustainable cities, productive agriculture, a strong environment, and a robust recreation industry. That can only be accomplished through collaboration with basin roundtables, local governments, water providers, and other stakeholders.

In May 2015, the CWCB heard from the basin roundtables regarding the final touches on their basin implementation plans, of which each had its own public input process, and how the basins plan to move forward with implementation. Overall, the basin roundtables refined the lists of projects and methods identified to meet each basin's future needs. In July 2015, the CWCB will release a second draft of Colorado's Water Plan that incorporates those elements from the final basin implementation plans, and other key updates based on comments received from the public.

In the July 2015 draft of Colorado's Water Plan, you can expect to see enhanced sections in the plan on conservation, the environment, agricultural viability, and the land use section all based on comments CWCB received and outreach meetings with organizations around the state. With the passage of Senate Bill 15-008, the water conservation and land use planning process bill, CWCB will further develop within the plan the strategy for how trainings with water and local land use professionals will be conducted. Based on public input, CWCB is focusing on making the plan actionable, and enhancing the funding section of the plan.

The Interbasin Compact Committee (IBCC) recently created subcommittees to address issues related to municipal conservation, agricultural viability, and legislative concepts. The results of that work also will be incorporated into future drafts of Colorado's Water Plan. A task group is still working to incorporate comments from the basin roundtables into a conceptual framework, which charts a responsible path forward for any negotiations over new transmountain diversions and recognizes the importance of including the basin of origin in those negotiations. The second draft of Colorado's Water Plan will reflect the current status of that conversation.

After the second draft of Colorado's Water Plan is released in July 2015, the public will have another comment opportunity through Sept. 17, 2015, before the final draft is submitted to the governor no later than Dec. 10, 2015. Visit www.coloradowaterplan.com for more information or to submit comments.

### COLORADO'S WATER PLAN **2015 TIMELINE**



## What's in the draft plan? How will it change?

### Introduction

Find out why we need a water plan and how our state's water values are driving development of the plan.

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### Our legal & institutional setting

Colorado water law, administration, interstate compacts, and how local, state and federal governance, planning and permitting interact.

## Overview of each basin

Learn about each of Colorado's 8 river basins.

### Water supply

Developing the water plan is an iterative process and we need stakeholder involvement now more than ever as we finalize the draft. This diagram provides an outline of what's in the draft plan now, and what

updates are already planned for 2015,

based on stakeholder feedback.

Understanding our water supply is critical for planning for the future.
Groundwater, weather modification, water quality, water storage, and climate change are covered. Concise language and an approach for addressing tributary and nontributary groundwater sustainability will be developed based on stakeholder input. This includes the high groundwater table in areas of the South Platte.



#### Water demands

Projected water supply demand for municipal, industrial, environmental and recreational water used to 2050.

### Water supply management for the future

Scenario planning and alternatives for meeting the gap, incorporated with content from the Basin Implementation Plans. Includes conservation & reuse, land use, ATMs, and projects and methods. Conservation will be further developed within the plan by working with stakeholders.



### Water resource management & protection

Watershed health, water quality and quantity connection, and planning for natural disasters.

# & agreements Goals for cooperative projects and interstate agreements. The

and interstate agreements. The Draft Conceptual Agreement will be finalized collaboratively by the CWCB, IBCC and roundtables.

Interbasin projects

### Alignment of state resources & policies

From planning to action funding, permitting, cooperative water rights management, and education. Funding options and permitting efficiencies will be further developed by working with sister agencies and stakeholders.

## Legislative recommendations

Legislative concepts will be reviewed and developed within Chapter10, focusing on conservation and alternative transfer methods for agricultural water sharing.

## Updating Colorado's Water Plan

The plan will continue to be a dynamic document that is updated in the future.





COLLABORATING ON COLORADO'S WATER FUTURE



### Colorado's Water Plan, NEXT: Where We Need to Go Further

By Nelson Harvey

This article was first published in the winter 2015 issue of Headwaters magazine and is reprinted with permission from the Colorado Foundation for Water Education (CFWE). Find CFWE and a complete archive or past issues of Headwaters at yourwatercolorado.org.

When the final draft of Colorado's Water Plan lands with a thump on the governor's desk at the end of 2015 — or, more likely, when it appears with a cheerful ping in his email inbox — it will be the product of what James Eklund, director of the Colorado Water Conservation Board (CWCB), calls "the largest civic engagement project in Colorado." That project, the statewide system of grassroots basin roundtables established by the 2005 Colorado Water for the 21st Century Act, has played a pivotal role in the creation of the water plan, but despite the hundreds of meetings held, thousands of hours worked, and tens of thousands of pages reviewed, the true test of the plan lies ahead.

That test is whether state officials. roundtable members, lawmakers, and water providers can successfully implement the plan, and whether they can leverage its findings and recommendations to stave off a statewide water supply reckoning in the decades to come. The alternative outcome involves the plan — which is, after all, a nonenforceable advisory document — dying a quiet death on the shelf of a government office. Such a fate seems unlikely given the outpouring of time and public input that has gone into the effort so far, but implementing it successfully will still require action and cooperation from all corners of the water community. What is more, it could require improvements to the laws and regulations, planning and permitting processes, and funding mechanisms that affect building new water projects and conserving, sharing, and reusing Colorado's water.

If it is doable, do it. If not, legislate. Once completed, the water plan will be nothing less than a massive, multidecade to-do list for basin roundtables, interest groups, state agencies, and water providers alike. From the moment the final plan is submitted in late 2015 until the next time it is updated, these

groups will be busy building and implementing the projects and programs that the plan identifies, hopefully in a fashion consistent with the "No and Low Regrets" actions recommended to shrink the future water gap by the Interbasin Compact Committee (IBCC).

Yet starting in early 2016, the Colorado state legislature will also weigh in on the future of the water plan. Chapter 10 of the plan, which is currently empty but serves as a placeholder to be developed in 2015, will be dedicated exclusively to legislative recommendations, providing lawmakers with a chance to make an informed difference by passing new water laws or funding new water projects.

Although legislation could be an important outcome of the water plan, lawmakers have already begun to shape the plan's contents. Under Senate Bill 115, passed and signed by the governor in 2013, a group of lawmakers called the interim Water Resources Review Committee (WRRC) held public hearings on the plan during the initial drafting process and can continue to do so every time a new draft or significant amendment is released. During meetings the group held during the summer of 2014 in all eight of Colorado's river basins and the Denver Metro area, more than 500 people attended and more than 160 submitted spoken or written comments on the water plan. The WRRC can also propose legislation based on the water plan-related input its members receive. and although the bills referred to the legislature for the 2015 session did not directly relate to the water plan, some cover similar ground. One bill, for instance, would promote rainwater harvesting projects that reduce demand on reservoirs, rivers, and streams, while another would create a grant program for the management of invasive weeds like tamarisk that crowd riverbanks and consume large amounts of water.

Former state Rep. Randy Fischer, a Fort Collins Democrat who cochaired the

2014 WRRC public hearings along with former Snowmass Village Democratic Sen. Gail Schwartz, says several dominant themes emerged in the public comments legislators heard on the water plan. "We heard that there are tradeoffs to everything, and even though there is universal agreement that agricultural 'buy and dry' should not be the default mechanism for meeting future water demands, it is not enough to simply say, 'We want to prevent buy and dry," Fischer says. After all, as Colorado's population grows and water's price rises along with demand, it will likely become more and more difficult for farmers and ranchers to resist selling their water. That makes it vital for Colorado's Water Plan to identify and encourage buy and dry alternatives like rotational fallowing, interruptible supply agreements, and other alternative transfer methods (ATMs), which are based on the notion that many cities and towns only need extra water in very dry years, and thus could stand to lease instead of own agricultural water rights.

"There was a great example given by a commenter in Steamboat Springs, where he pointed out that the water it takes to grow 6,000 tons of hay could also supply around 5,000 households," Fischer recalls. "The economic value of the output produced by 5,000 households is many times greater than the sale price of the hay. So how can the people raising hay possibly compete with those interested in their water supplies?" Fischer hopes the water plan will help show that they do not have to by boosting state support for the most promising ATMs.

The draft plan sets a goal of freeing up 50,000 acre-feet of municipal water supply per year from such arrangements, whether it be through rotational fallowing, deficit irrigation, or other measures that could provide water as needed or, in some cases, consistently every year to cities while farmers temporarily use a little less. The CWCB has been funding research into

ATMs for years and has awarded about a dozen grants for ATM pilot projects, although none of those are fully developed yet. Some state legislators have also jumped in to encourage the use of ATMs in the past, but despite all this government goodwill, the tools have not been widely implemented in Colorado. That is partly because it is expensive to win approval for ATM projects from a water court judge, the state engineer, or the CWCB. Another contributing factor is that irrigators fear entering into an ATM agreement, having their historical water use scrutinized, and potentially being forced to forfeit some of their water under what is perceived by many in Colorado to be a "use it or lose it" water law.

Peter Nichols, a water attorney and partner at the Boulder firm Berg, Hill, Greenleaf and Ruscitti, believes there are several legal and administrative tweaks that legislators and state regulators could make to ease the financial burden of the ATM approval process. Nichols currently represents two Arkansas Valley agricultural water providers in their bid to lease water owned by irrigators on the Catlin Canal and relay it to municipalities near Rocky Ford in a rotational fallowing agreement. One major expense in planning such a project, he says, is hiring private engineers to determine whether it will harm other irrigators on the ditch. The state has a spreadsheet tool that can analyze this question relatively cheaply, and Nichols says mandating its use during the approval process could minimize expensive back-and-forth battles between water engineers and attorneys on each side.

In addition, Nichols says there is a need for a more precise definition of what it means to harm a downstream water user through an ATM project, and the state legislature could pass a bill defining that in order to minimize frivolous claims of injury by irrigators on the same ditch as a proposed ATM project. "People right now are being hyper-protective of their rights," Nichols says. "The current law seems to think that anything an engineer can model could constitute injury."

## Honoring Colorado's commitment to local control

Even if the state is successful in closing the municipal water supply gap by 50,000 acre-feet through ATMs, there will be a long way to go. The least impactful solution, many argue, is to shrink the gap by improving demand management across the state. Maybe we just need to use less. It is not that simple, however. One hurdle for the water plan when it comes to setting statewide goals for implementing solutions such as conservation is that Colorado's water management system is largely predicated on the notion that local governments and special districts — rather than state bureaucrats - are better suited to address local challenges. In the coming years, a critical test of the water plan will be how well it navigates the balance between state and local control.

That tension is likely to surface most prominently in discussions of whether future development projects — such as the homes and apartment buildings that will house Colorado's millions of new arrivals by 2050 — should be required to embrace specific water conservation and efficiency targets. Given the extent of Colorado's expected growth, many water managers believe marrying land use and water planning will be essential to minimizing future water demand and the need for additional supply projects. But there is some disagreement over whether these policies should be dictated locally or by the state, especially when decisions made in one region can have implications for another.

"What seems to be missing from the discussion is the fact that if one basin is short of water and goes looking for it in another basin, that constrains the ability of the affected basin to develop for its own future," says Barbara Green, an attorney for the Water Quality and **Quantity Committee of the Northwest** Colorado Council of Governments, which advocates for the interests of Colorado's headwaters communities. If future land use policies on the booming Front Range do not encourage water conservation, Green says, it will affect not only the landscape — and waterscape — of the Front Range, but also the economies of places like Otero County or Grand County where Front

Range interests might go in search of water to meet their demands.

The draft water plan does not advocate mandatory statewide rules that would infringe upon local control, including the locally prized "1041 powers" enshrined in state law, but instead recommends things such as expedited permitting or tax incentives for projects that incorporate water efficiency or density measures. In the same vein, another bill referred out of the state legislature's Water Resources Review Committee for consideration during the 2015 legislative session would require the CWCB to offer free trainings to local planning and land use officials on water demand management and conservation. If those officials then proposed a water project and sought state funding to support it. state agencies could consider their water efficiency training in deciding whether to fund the project.

Local governments already have a wide array of powers they can use to affect the timing, location, density, and type of growth in their communities. For Green, the pressing question is whether they will have the political courage to use it in the future.

### **Building and funding better projects**

In piecing together Colorado's future water puzzle, the construction of some new projects will be essential, whether they be for reusing water, improving irrigation diversion structures, laying pipes that enable water sharing, or building or enlarging reservoirs. Many water managers say improvements are needed to the project funding and permitting processes that will enable such projects to proceed in a timely manner. The draft water plan recommends several of these.

On the funding front, Colorado has several sources of state money for water infrastructure that, in total, provide up to \$560 million in loans and between \$9 and \$14 million in grants each year. There is another \$11 million or so in combined state, federal, and private funding for environmental and recreational water projects. There is also some additional, limited federal money.

Yet the projected demand for public water project funding far exceeds the current supply. Along with the \$17 to \$19 billion in funding needed for

municipal and industrial projects that water providers could build by 2050, another pot of money will be required for environmental projects such as stream restoration, which can cost anywhere from about \$150,000 per stream mile all the way up to \$500,000. To better quantify the need for stream restoration, the water plan recommends creating up to 90 watershed-level master plans, and just assembling those could cost \$18 million.

To help close the funding gap, the water plan offers several potential solutions. Existing caps on the Federal Mineral Lease and Severance Tax revenue that goes to fund water projects could be removed; the state itself could become a partner in some multipurpose, multipartner water projects; or water providers could enter into public-private partnerships to share the risk and reward of building new water projects with private companies. Another option is that the state or water providers could push for a voter-approved tax increase to fund water infrastructure. During the last major push for such funding, in 2003, Colorado voters flatly rejected a \$2 billion water bond, even though it was put forth at a time when water needs would have been high on people's minds following the 2002 drought. The water plan points out that any future request for a tax increase would require a more detailed explanation of the money's intended uses, which was not supplied at that time.

Will we permit a better way to permit? In addition to the issue of funding, many water managers say the time and expense now required to get state and federal permits — millions of dollars and more than 10 years, in some cases — makes it uncertain that planned projects will come online soon

enough to meet projected water needs.

"Anyone that deals with the need to do projects will always complain about the regulatory requirements," says Jim Broderick, chair of the Arkansas Basin Roundtable and executive director of the Southeastern Colorado Water Conservancy District, who is currently shepherding the 130-mile-long Arkansas Valley Conduit from Pueblo to Lamar and a set of hydroelectric turbines planned for Pueblo Reservoir through the permitting process. "Sometimes that

is justified, sometimes it is not justified. But people are certainly saying that the process should be quicker than what we are seeing now."

The list of permits required to move forward with a major water project is lengthy. The Colorado Department of Public Health and Environment issues discharge and water quality certifications under the federal Clean Water Act; Colorado Parks and Wildlife works with the CWCB to approve mitigation plans that the U.S. Fish and Wildlife Service then ensures comply with the federal Fish and Wildlife Coordination Act; the U.S. Army Corps of Engineers, Bureau of Reclamation, Forest Service or another federal agency takes the lead in issuing Clean Water Act Section 404 permits for fill and dredging in U.S. waters; and the U.S. Environmental Protection Agency (EPA) reviews the environmental analyses mandated by the National Environmental Policy Act (NEPA), a federal law requiring a project be completed in a manner consistent with the "least environmentally damaging practicable alternative."

Given the complexity of the process, opportunities for delay or confusion abound. Karen Hamilton, chief of the Aquatic Resource Protection and Accountability Unit in the EPA's Region 8 office in Denver, says her agency is working on a tool to help water managers navigate the process that may ultimately be incorporated into a permitting handbook the CWCB has

identified as an action step in the draft of Colorado's Water Plan. "We describe the process, where we have seen people get hung up, and what our recommendations are for making those bumps a little smaller, if not making them go away," says Hamilton. Among those recommendations: Water providers should coordinate early with federal agencies to understand what is going to be required during the permitting process, and they should use NEPA guidelines during the design phase to come up with the "least environmentally damaging" project from the start. The true intent of NEPA, Hamilton points out, is to be a planning, not a permitting, process.

Complexity aside, another problem that utility managers often ascribe to the permitting process is a duplication of effort between state and federal agencies. "The biggest issue that we run into is that the federal and state processes are not well coordinated," says Dave Little, director of planning for Denver Water. "You have a massive effort in scoping all the federal environmental documents, and the state gets involved later in the process and says, 'Wait a minute, you forgot to study this!"

Becky Mitchell, section chief of Water Supply Planning for the CWCB, acknowledges room for improvement in the way the state and federal permitting processes intersect. "Currently, the state's input on these projects does not



come along until later in the process, so you are not getting any positive statements from the state until you have gone basically halfway through the NEPA process," she says. "The water plan will examine whether there is some way that the state can say up front, 'This is a really important project,' which ideally would expedite the federal permitting process." Winning state endorsement, Mitchell says, probably won't require that a project endures a whole new level of review, merely that state agencies get involved earlier and consider additional criteria during their evaluations. She says modifying the process this way also probably will not require legislative approval.

Some environmental groups have raised concerns about the idea of the state endorsing a specific water project, including the possibility that it could water down the federal environmental review process. "The idea of having these agencies work together to create a cohesive process makes sense," says Ken Neubecker, the Colorado River Program director for the environmental group American Rivers, "as long as it does not change the conclusions that they are coming up with."

In March 2014, a coalition of environmental groups including Western Resource Advocates, Conservation Colorado, Trout Unlimited, American Rivers, and others submitted a letter with recommended criteria for state support, arguing that a project should only win state approval after its backer has achieved high levels of conservation in existing water uses, has plans to recycle all its legally reusable water, and has already explored other ways of firming, or boosting, the yield of existing projects, sharing infrastructure with other water providers, or sharing water with agricultural producers.

The draft plan in Section 9.4 contains the conceptual framework of a process for moving a project through state assessment earlier in the permitting phases and, if criteria were satisfied, issuing state support. While the coalition's recommendations may have influenced the conceptual framework, the factors currently listed for consideration in the draft plan do not go as far. For instance, rather than requiring a project proponent have plans

to recycle all its legally reusable water or achieve high conservation levels, the draft framework states that the proponent must demonstrate sustainability by providing "a conservation plan or plans aimed at reducing demands." Other factors the draft plan lays out for fulfillment prior to state involvement: that a project proponent commit to mitigating or avoiding impacts to water quality as well as the agricultural community and to engaging in local government consultation and a stakeholder and public input process.

### Protecting rivers, for real

Recent polling data as well as comments submitted on the water plan to date reveal Coloradans' strong commitment to protecting the state's rivers. Colorado's Water Plan, too, acknowledges the value of maintaining healthy rivers, but exactly how this is to be accomplished remains unclear. Even as the basin roundtables have identified projects or, in some cases, processes for moving water that help meet recreational and environmental needs by keeping water in streams, many conservation groups say details in the draft water plan for protecting streamflows remain vague, and they are calling for more specificity as the draft is revised. They also point out that the lack of adequate science surrounding biological values, which are not as easily quantified as municipal water use (multiply the number of people by average per capita daily use and add a percentage loss factor), means environmental needs could easily be shortchanged by other pressing demands. Nowhere does this possibility raise more red flags than with the potential new diversion and transfer of water from one river basin to another.

Trout Unlimited, a conservation group with more than 10,000 members across Colorado, in September 2014 submitted to the CWCB a statement containing five core values, requesting their incorporation into the plan. The values, endorsed by 635 individuals and entities representing tens of thousands of Coloradans, include promoting "cooperation, not conflict" and "innovative management" along with opposing "new, large-scale, riverdamaging transbasin diversions of water

from the Colorado River to the Front Range." Richard Van Gytenbeek, Colorado River Basin outreach coordinator for Trout Unlimited, says that statement is not an outright rejection of a transmountain diversion, but an expectation that Colorado's Water Plan should "provide mechanisms that will accurately demonstrate that any plans for a transbasin diversion will not compromise the health of West Slope rivers and streams and the communities that depend on them." To accomplish this, says Van Gytenbeek, the plan should identify funding sources for stream environmental assessments that define flushing, optimal and base flow regimes, while focusing increased attention on in-basin solutions such as conservation and reuse. "Ultimately, each basin must find ways to exist and thrive within the limits of their own water supplies," he says. "Limited natural resources can only be stretched to a limit before they are compromised and degraded."

Beyond the transmountain diversion concern, many environmentalists support the water plan's recommendation for more state funding for creative water-sharing techniques that benefit aquatic ecosystems, such as periodic "pulse flows" that mimic floods by overtopping riverbanks, clearing out sediment, and maintaining healthy riparian zones. Such flows could also be mandated as conditions of approval for future water projects, helping to blunt their environmental impacts.

"A lot of water providers are happy to work with environmentalists on minimum streamflows, but when you start talking about things like riparian overbanking flows, they look at you like you are crazy," says Neubecker. "I'd like to see the water plan recognize the importance of the flows that are needed to maintain a healthy ecosystem, not just the 'Disneyland' flows necessary for rafting and fishing."

## Teaching Coloradans how water really works

If local governments and utilities are going to win public support for new water projects, be they to meet environmental, agricultural, municipal or some combination of demands, they will have to ensure Coloradans are well educated about how the state's water

system works and what it takes to bring water to the kitchen faucet — or to keep it in the stream.

Research points to an urgent need for more water education. In a 2013 survey by the firm BBC Research and Consulting, more than two-thirds of Coloradans polled believed that Colorado does not have enough water for the next 40 years. As the draft water plan reports, the survey also found most people are unaware of the main uses of water in the state and are uncertain of how to best meet Colorado's future water needs.

The draft water plan suggests numerous ways to boost water education in Colorado, including using the basin roundtables to keep public engagement high after the plan is released and establishing a new outreach, education, and public engagement grant fund administered by the CWCB.

Among the state's most urgent educational needs is making Front Range residents aware of their dependence, through transbasin diversions, on the Colorado River on the opposite side of the Continental Divide, says John Stulp, special water policy advisor to Gov. John Hickenlooper. "We are all tied together by the Colorado River Compact," Stulp says. "And so that is been part of the educational effort, to make people on the Front Range ... realize that they are tied into that compact every bit as much as people in the far reaches of the Western Slope are."

Another pressing need is to bring new voices into the Colorado water discussion, including parties — like

much of the state's business community — that have been largely absent in the past. "Water is not an extremely sexy subject, so it is hard, but hopefully there will be a lot of good press and analysis [now that] the water plan is on the governor's desk that will help raise awareness," says Mizraim Cordero, director of the Colorado Competitive Council (C3), which lobbies the Colorado legislature on behalf of Colorado businesses and chambers of commerce. "In the meantime, the role of business groups like ours is to push the information and push the subject to businesses that are just busy doing what they do every day, solving problems [unrelated to water]."

A final educational priority that should be considered is acquainting people with the true cost of water — which means accounting for everything from protecting source watersheds and waterways to building, operating, and maintaining modern, efficient infrastructure such as water storage, pipelines, pumps, and water treatment facilities. That is according to Craig Mackey, co-director of Protect the Flows, a coalition of 1,100 businesses, from rafting companies to hotels, that depend on the flows of the Colorado River. The group advocates for water conservation as a first line of defense against pending water shortages and emphasizes the economic benefit of leaving water in the Colorado River. Building the water projects of the future, encouraging conservation, and developing programs to share water between multiple users, Mackey says, will certainly require higher water rates.

According to the draft water plan, for example, water reuse will be an important way to stretch finite water resources across the state, and the Colorado, Arkansas, and South Platte basins could be particularly reliant on reuse projects in the coming years. But some of the biggest barriers to reuse are the expenses associated with pumping water back upstream, treating it to meet water quality standards, and complying with regulations governing disposal of the brine waste produced as a byproduct of treatment. Some residents may be more willing to pick up the tab once they understand that reusing existing water supplies, where legally and technically feasible, can maximize use of the state's waters while reducing the need to pursue other less favored options, such as transmountain diversions or permanent agricultural dry-up.

For such an essential and heavily monitored resource, water is now amazingly cheap. As the draft water plan notes, just 1 percent of the average Colorado household's income presently goes toward paying the water bill. We will spend \$1 or more for 12 ounces of water at the grocery store, while we turn on the tap and get 1,000 gallons treated and delivered to our home for \$3.

"How do we prepare the business community and the citizenry for a world where water is going to cost more, and moving water is going to cost more?" Mackey asks. "I do not expect the water plan to directly address water rates, but perhaps it can help people understand why water should be more expensive."

### **Current Water Project Money Pots**

The CWCB Water Project Loan Program lends out between \$50 and \$60 million per year using federal mineral lease revenues from oil and gas drilling and state severance tax proceeds, among other sources. The CWCB Water Supply Reserve Account makes between \$5 and \$10 million in annual grants from severance tax revenues. The Colorado Water Resources and Power Development Authority has a Water Revenue Bond Program that loans up to \$500 million for individual water and wastewater projects, while other CWCB grant programs toward projects such as agricultural efficiency and alternative agricultural transfer methods total about \$4 million. There is another \$11 million or so in combined state, federal, and private funding for environmental and recreational water projects.

There is also some additional, but limited, federal money: The Bureau of Reclamation's WaterSMART grant program issues grants for projects that improve water efficiency, involve advanced water treatment techniques, or develop climate forecasting tools, while the agency's Colorado River Basin Salinity Control Program funds projects that make agriculture more efficient and boost water quality in the Colorado River. And the Upper Colorado River Basin Fund provides U.S. Treasury money toward projects important to Colorado, including the basin's salinity program, endangered species recovery programs, and maintenance of Colorado River Storage Project facilities that help the upper basin states, which include Colorado, comply with the Colorado River Compact.

### The Role of CML in Municipal Water Policy

By Kevin Bommer, CML deputy director

At one time in the history of the Colorado Municipal League (CML), the League's participation in water policy issues was sparse. Often, the concern was that nearly all the issues were too regional — and seen differently among and between regions — so it was difficult for the League to take up an advocacy role. The drought of 2002-2003 changed all that, as the CML Executive Board directed the creation of a special Water & Wastewater Statewide Municipal Issues Committee that met frequently between 2005 and 2010 and made legislative and policy recommendations to the CML board.

In 2010, the CML Policy Committee took over all of the deliberations of municipal policy issues and legislative recommendations. While it is still a difficult to advocate when regional issues arise, CML has expanded its role in water policy issues over the years through increased engagement in legislation and regulations affecting municipalities.

First through the water committee and then through the policy committee, policies that guide CML's advocacy efforts were updated in the CML Policy Statement (see sidebar). The policies are examined annually and updated by CML members at the Annual Business Meeting as needed. When legislation or regulations related to water are proposed, these policies guide the League in a consistent approach to advocating on behalf of municipalities when there is a statewide interest.

With the renewed focus on water issues, CML increased its collaboration with several of the numerous water policy experts and organizations in Colorado while continuing advocacy efforts. In particular, CML has developed strong ties with the Colorado Foundation for Water Education and the Colorado Water Congress, and participates frequently in programs and discussions with those organizations.

For more information on the CML Policy Committee or any of organizations with which CML participates, contact Kevin Bommer, CML deputy director, at 303-831-6411, 866-578-0936, or kbommer@cml.org.

### Excerpt from 2014-2015 CML Policy Statement: Water

In addressing statewide water concerns, the League:

- Supports water policies that protect Colorado water resources.
- Supports the constitutional doctrine of prior appropriation and the constitutional priority given to domestic water use.
- Supports the inventorying and protection by municipalities of their water rights.
- Supports appropriate water conservation efforts and sustainable water resource management practices by all users.
- Supports efforts to increase knowledge of water-related issues of concern around the state to municipalities.
- Supports participation in statewide discussions of water use and distribution.
- Supports appropriate coordination of municipal water use with other uses including agriculture, mineral resource development, energy development, recreation, and open space.
- Supports federal and state financial aid programs assisting
  municipalities, including recognition of the special needs of smaller
  municipalities, with the construction and improvement of water
  systems to protect water quality and to comply with federal and state
  mandates.
- Supports continued federal and state funding for wastewater treatment and drinking water facilities to reduce local costs and expedite construction of necessary treatment and collection facilities.
- Supports stakeholder input and involvement in developing laws and regulations related to water and wastewater issues.
- Supports reasonable and practical application of air and water pollution control laws by federal and state administrative officials and encourages restraint in modifying legislation and regulations that have a fiscal impact on municipalities. Particularly in the area of water quality, enforcement should be correlated with the availability of funds necessary to achieve stated goals.
- Supports adequate state regulation and enforcement of drilling and mining sites, production facilities and waste product storage and disposal facilities; supports practices to assure citizen safety, environmental protection and the protection of domestic water sources; and opposes state preemption of local land use and watershed regulations.
- Encourages ongoing communication by federal land managers with affected municipalities regarding the leasing of federal lands that might impact local land use and environmental policies including, but not limited to, local watershed ordinances.

### Resources for Information on Water

American Water Works Association - Rocky Mountain Section • www.rmsawwa.org

Colorado Department of Local Affairs • www.colorado.gov/cs/Satellite/DOLA-Main/CBON/1251594652627

Colorado Department of Public Health & Environment Water Quality Control Division • www.colorado.gov/cdphe/wqcd

Colorado Foundation for Water Education • www.yourwatercolorado.org

Colorado Rural Water Association • www.coloradoruralwater.sharepoint.com

Colorado Water Congress • www.cowatercongress.org

Colorado Water Conservation Board • www.cwcb.state.co.us

Colorado WaterWise Council • www.coloradowaterwise.org

Colorado Water Resources and Power Development Authority • www.cwrpda.com

GreenCO • www.greenco.org

USDA-Rural Development • www.rd.usda.gov/co

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