

# COLORADO WATER CONSERVATION BOARD

Department of Natural Resources

Bill Ritter, Jr., Governor

James B. Martin, DNR Executive Director

Jennifer L. Gimbel, CWCB Director



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## SEVERANCE TAX TRUST FUND OPERATIONAL ACCOUNT

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### Background

Producers of gas, oil, coal, metals, and molybdenum pay a severance tax. The funds go into a State Severance Tax Trust Fund.

After July 1995 one-quarter of the revenue goes into an Operational Account in the Fund.

Programs supported by the Operational Account must promote natural resource planning, management, and development related to minerals, energy, geology, *and water*.

The legislature *may* appropriate funds from the Operational Account as follows:

- Colorado Oil and Gas Conservation Commission 40%
- Colorado Geological Survey 20%
- Division of Reclamation, Mining and Safety 25%
- Colorado Water Conservation Board 5%
- Division of Wildlife 5%
- Division of Parks and Outdoor Recreation 5%

The CWCB annually prepares an Operational Account expenditure proposal comprised of agency initiatives and grant requests submitted by other parties.

The initial review is based upon: (1) its fit within one or more of the six programs within CWCB; (2) its impact on energy areas; (3) current data available; (4) need; (5) matching funds; and (6) completion within one year.

These proposals are forwarded to the state Minerals, Energy and Geology Policy Advisory Board (MEGA) Board for review and approval.

MEGA Board recommendations are forwarded to the DNR Executive Director for review and inclusion in the DNR's annual budget request each fall.

If the budget is approved by the General Assembly, the money is available in July.

### Severance Tax Planning Schedule

#### *Year One:*

- Submit proposal for funding via email by Jan 31.
- Proposals reviewed and presented to Board in March.
- Proposals approved by Board presented to MEGA Board in the spring and summer.
- MEGA Board approved proposals forwarded to DNR Executive Director in late summer.
- DNR approved proposals forwarded to Governor as a part of budget in September.
- Governor approved proposals forwarded to Joint Budget Committee in November.

#### *Year Two:*

- Proposals considered by JBC and General Assembly during annual budget process from January until April.
- Funding approved by General Assembly included in Long Bill and sent to Governor for signing in April or May.
- If Long Bill is signed, funding is available on July 1.

***Submit proposals to  
[steve.biondo@state.co.us](mailto:steve.biondo@state.co.us)  
by January 31 of each year!***

For information about this or other water resource topics contact the CWCB at:

1313 Sherman Street, Room 721, Denver, CO 80203

Phone: (303) 866 3441, FAX: (303) 866-4474

Web site: <http://cwcb.state.co.us>

## Examples of Operational Account Requests

*Requests should contain the name of the project, the recipient, any partners in the effort, the amount being requested, a thorough explanation of the project or program to be funded, and the relationship of the project to local water planning, and – most importantly to the MEGA Board – energy and mineral development.*

- **Statewide Water Planning**

**Grantee/Contractor:** CWCB

**Amount of Request:** \$50,000

**Product Produced:** Eight water basin fact sheets will be produced that contain basic information to help local communities address water supply issues. This information will be transferred to the Internet. The information will eventually be linked electronically with the data sources. Additional products will continue to be produced as by-products.

**Water Planning Relationship:** The CWCB, the MEGA Board and the General Assembly have discussed the need for basic information to promote statewide water planning.

- **Water Supply Protection Program**

**Hydrogeology and Water Quality of the Shallow Unconsolidated-rock Aquifers**

**Grantee/Contractor:** Upper Arkansas Water Conservancy District

**Amount of Request:** \$37,400

**Product Produced:** Study involving the collection and analysis of groundwater level and quality data in the Upper Arkansas Basin from Buena Vista to Salida. This funding is for a portion of the final year of a three-year study.

**Water Planning Relationship:** This study will assist local planners in the Upper Arkansas Basin in defining the needs for augmentation and quantity of storage required to accommodate area growth and increasing groundwater withdrawals. The area is also an important mining area – historically and currently.

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**For the Severance Tax Trust Fund Operational Account Grant Application visit:** <http://cwcb.state.co.us>

**For more information about the MEGA Board visit:** <http://mining.state.co.us/MegaBoard/MegaBoard.htm>

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### **Post Grants Award Process**

- Successful applicants are notified about the award and are directed to: (1) contact a CWCB Project Manager; (2) provide scopes of work and required documentation; (3) begin the contracting process with CWCB; (4) perform the work of the project and submit billing; and (5) provide a Completion Report.
- The CWCB prepares an annual report about the status of its non-reimbursable and grant projects. To review this report on line visit the Water Resource Information Center at:

<http://cwcbweblink.state.co.us/search.aspx?templatename=Board%20Meetings>

See CWCB Director's Reports for September Board Meetings (Prior to 2008 see July Board Meetings)

**Examples of Severance Tax Projects**  
**[ Funds Distributed to CWCB Program Sections for Management and Oversight ]**

<b>Project</b>	<b>Location</b>	<b>Fiscal Year</b>
<b>Water Supply Protection Program</b>		
Local Water Planning	Various	1997-2007
Fountain/Monument Creeks Transit Loss Studies	El Paso & Pueblo	2005-2007
Forest Restoration Pilot Project	Statewide	2006-2007
Tamarisk Control Projects	Statewide	2002-2007
Native Species Conservation	Platte River Basins	2005-2006
Base Flow Method Evaluation for Streams in the So Platte Basin	Morgan & Logan	2005-2006
Recreational In-Channel Diversion Support	Boulder, Gunnison & Routt	2002-2006
Upper Colorado Recovery Implementation Program	Mesa	2004-2005
Raton-Vermejo Groundwater Study	Las Animas	2004-2005
Arkansas River Transit Loss Study	Las Animas	2004-2005
Hydrogeology & Water Quality of Shallow Unconsolidated-Rock Aquifer	Chaffee & Fremont	2003-2004
Las Animas County Groundwater Analysis	Las Animas	2003-2004
Coalbed Methane Technical Studies/Assistance	Las Animas	2002-2003
Alluvial Map for Colorado	Statewide	2002-2003
<b>Water Supply Planning and Finance Program</b>		
Restricted Dam Inventory	Multi-Basin	2006-2007
Rural Water Supply Planning	Statewide	2006-2007
Diversion Structure Inventory	Multi-Basin	2001-2007
Upper Big Sandy Ground Water Management District Feasibility Study	Elbert, Lincoln & El Paso	2004-2005
DARCA Handbook for Ditch Companies	Statewide	2004-2005
Leavenworth Creek Reservoirs Feasibility Study	Clear Creek	2003-2004
Northwest Council Feasibility Study	Grand	2003-2004
Upper Gunnison River Reconnaissance Study	Gunnison & Saguache	2001-2002
Southern High Plains Groundwater Evaluation	Baca, Prowers & Las Animas	2001-2002
Box Elder Study	Weld	2000-2001
Boulder Left Hand Ditch Company Feasibility Study	Boulder	1998-1999
<b>Stream and Lake Protection</b>		
Instream Flow Outreach and Education	Statewide	2006-2007
Dolores River Dialogue Hydrology Study	Montezuma	2006-2007
Instream Flow Support Services	Various	2004-2006
Natural Lake Level Data Collection and Water Rights Filings	Statewide	2005-2006
UMETCO Water Right Engineering Study	Montrose	2004-2005
Acoustic Doppler Pilot Project	Statewide	2004-2005
Federal Funding Opportunities Study	Statewide	2004-2005
Dolores River Dialogue Core Science Team Analysis	Montezuma	2004-2005
Rio Blanco Restoration Study	Rio Blanco	2004-2005
ISF Decision Support Database Design & System	Statewide	2001-2003
Stream and Lake Monitoring and Planning	Statewide	2001-2002

**Examples of Severance Tax Projects**  
**[ Funds Distributed to CWCB Program Sections for Management and Oversight ]**

Project	Location	Fiscal Year
<b>Water Conservation Planning Program</b>		
Water Supply Assessment Follow-Up	Statewide	2006-2007
Water Education Projects	Statewide	2000-2007
Covered Entity Grant Program	Various	2005-2007
Best Management Practices for Water Conservation	Denver	2001-2003
The River's Journey, Water in the West (CD and Teachers' Guide)	Statewide	2002-2003
Colorado Conservation Laws & Rules Comparison to Other States	Statewide	2002-2003
Colorado Drought Planning	Statewide	2002-2003
Citizen's Guide to Water Planning	Statewide	2002-2003
Water Education Foundation Project	Garfield	2001-2002
Holly Area Best Management Practices Project	Prowers	2000-2001
<b>Flood Protection Program</b>		
Multi-Objective Watershed Restoration Projects	Various	2000-2007
Development of Infiltration & Unit Hydrograph Parameters	Statewide	2006-2007
Detailed Flood Hydrology Assessments	Costilla	2006-2007
NRCS SNOTEL Site Installations	Various	2004-2007
Hydro-Climate Indicators on Colorado River Basin Precipitation	Multi-Basin	2006-2007
Extreme Precipitation Study	Statewide	2005-2006
Improved Snowpack Forecasting	Statewide	2003-2006
Meteorological Services for State Flood Prediction & Data Collection	Statewide	2005-2006
Flood Hazard Mitigation Study	Costilla	2005-2006
Climatological Assessment of Cloud Seeding	Statewide	2004-2005
Floodplain Mapping	Various	1999-2005
Weather Modification Projects	Statewide	2003-2004
Grand Junction Drainage District Master Plan	Mesa	2002-2003
Poudre River Floodway Improvements	Weld	2002-2003
Fountain Creek Watershed Plan	El Paso	2002-2003
Willow Creek (Creede) Stream Restoration Study	Mineral	2001-2002
North Fork Improvements – New Channel Design	Delta	2001-2002
Statewide Drainage/Floodplain Management Criteria Manual	Statewide	2000-2001
Floodplain Aerial Photography	Various	1998-1999
Arkansas River Channel Mapping	Various	1998-1999
<b>Water Information</b>		
Groundwater Atlas	Statewide	2001-2007
Groundwater Resource Mapping Program	Various	2006-2007
South Platte Decision Support System	South Platte River Basin	2004-2007
SPDSS Groundwater Modeling Coordination	South Platte River Basin	2006-2007
Enhanced Snowpack Assessment – Phase III	Statewide	2006-2007
Underground Storage Sites in So. Platte & Arkansas River Basins	So. Platte & Arkansas Basins	2006-2007
Statewide Water Supply Initiative Cost Analysis Study	Statewide	2005-2006