

50th Anniversary

COLORADO WATER CONGRESS

Attachment B

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DOUGLAS KEMPER
EXECUTIVE DIRECTOR

February 11, 2009

The Honorable Jim Isgar, Chair
Senate Agriculture Committee
The Honorable Kathleen Curry, Chair
House Agriculture Committee
Colorado State Capitol
200 East Colfax
Room 271
Denver, CO 80203

Dear Chairman Isgar and Chairman Curry:

Thank you for your continued support of the DWR and CWCB missions and budgets during your legislative service. The Colorado Water Congress would like to offer our continued support of your efforts to protect critical funding for these agencies.

Toward this end, we convened a budget working group to provide you with recommendations on the 08-09 and 09-10 budgets as well as future funding options for DWR and CWCB.

In general, the services provided by the DWR and CWCB are critical functions of state government and we strongly believe should be financed with General Fund dollars. As you know, DWR ensures water rights that all citizens of the State depend on are administered in priority and that Colorado is in compliance with our interstate water compacts. The CWCB provides funding and services associated with identifying water supply needs, water availability and the ability to meet future water needs of our citizens.

These functions cannot be privatized nor completely cash funded.

During these difficult economic times, however, we believe, constructive funding alternatives must be on the table to partially and temporarily insulate CWCB and DWR from drastic budget cuts.

First, new programs should not be funded out of severance tax dollars while DWR and CWCB budgets are being cut. For example, providing funding for LEAP out of these dollars should be discontinued and funding cuts to existing programs restored.

Second, in the 08-09 budget year we supported DWR's request for an increase in well permit fees. We would suggest, however, that geothermal wells be subject to a fee per well formula like all other wells rather than a fee per installer. It is critical that \$250,000 be restored to the Division to reinstate overtime and mileage for water commissioners. For many of these employees this represents 25% of their total compensation.

Several options are worth evaluating as discussions continue on the 09-10 budget year including:

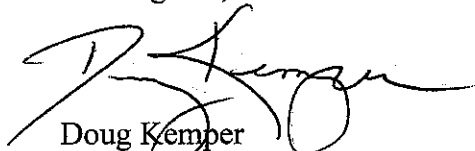
- 1) Dam Design Review Fee- this fee could be increased to reflect not only the time of SEO office staff but to align more closely with fees charged by other states.
- 2) Division Water Resources staff spend many hours on substitute water supply plans. Fees could be set at the same level as fees charged for Interruptible Supply Agreements and Gravel Pits.
- 3) Well Inspection Fees could be increased.

Long term, the Water Congress is committed to discussing other options such as dam inspection fees and augmentation plan fees.

Although we have been supportive of the Water Supply Reserve Account funding for the CWCB Construction Fund, DWR funding should take precedence over this program. If we cannot fund programs that provide essential services to the state and to projects that provide water to our citizens in the near term we cannot fund feasibility studies and projects for the future.

Again, thank you for being a strong voice in the water community in the General Assembly. We hope these thoughts and suggestions are helpful and productive during these difficult budget negotiations.

Best regards,



Doug Kemper
Executive Director