HOUSE COMMITTEE OF REFERENCE REPORT

Chairman of Committee

April 16, 2014 Date

Committee on Agriculture, Livestock, & Natural Resources.

After consideration on the merits, the Committee recommends the following:

<u>HB14-1332</u> be amended as follows, and as so amended, be referred to the Committee on <u>Appropriations</u> with favorable recommendation:

1 Amend printed bill, strike everything below the enacting clause and 2 substitute:

3 "SECTION 1. In Colorado Revised Statutes, 37-60-115, add (9)
4 and (10) as follows:

5 **37-60-115.** Water studies - rules - repeal. (9) South Platte river alluvial aquifer study - additional study authorized - study 6 7 advisory board - creation - definitions. (a) THE BOARD SHALL, IN 8 CONSULTATION WITH THE STATE ENGINEER AND THE INSTITUTE, CONDUCT 9 A COMPREHENSIVE STUDY BUILDING UPON THE CONCLUSIONS AND 10 RECOMMENDATIONS OF THE STUDY COMPLETED IN ACCORDANCE WITH 11 SUBSECTION (7) OF THIS SECTION FOR THE PURPOSE OF IMPLEMENTING THE 12 RECOMMENDATIONS SET FORTH IN THE HB 12-1278 STUDY.

(b) AS USED IN THIS SUBSECTION (9), "HB 12-1278 STUDY" MEANS
THE REPORT ENTITLED "HB 1278 STUDY OF THE SOUTH PLATTE RIVER
ALLUVIAL AQUIFER", AS PREPARED BY THE INSTITUTE AND DATED
DECEMBER 31, 2013.

17 (c) IN CONDUCTING THE STUDY, THE BOARD, IN CONSULTATION18 WITH THE INSTITUTE, SHALL:

(I) FURTHER STUDY THE MOVEMENT OF WATER IN THE ALLUVIAL
AQUIFER OF THE SOUTH PLATTE RIVER, OR PORTIONS OF THE ALLUVIAL
AQUIFER, AND THE TIME, LOCATION, AND AMOUNT OF ANY CONTRIBUTIONS
THAT THE ALLUVIAL AQUIFER MAKES TO SURFACE FLOWS. TO EXAMINE
THE ALLUVIAL AQUIFER'S CONTRIBUTIONS TO SURFACE FLOWS, THE BOARD

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1 AND INSTITUTE SHALL:

2 (A) PERFORM A STUDY OF HISTORICAL DATA REGARDING ALLUVIAL
3 AQUIFER LEVELS AND STREAM GAIN IN WATER DISTRICT 2 TO ESTABLISH
4 RELATIONSHIPS BETWEEN AQUIFER LEVELS AND STREAM FLOWS; AND

5 (B) IN COORDINATION WITH ONGOING EFFORTS FOR THE SOUTH 6 PLATTE DECISION SUPPORT SYSTEM TO DEVELOP GROUNDWATER 7 MODELING, DEVELOP CALIBRATED NUMERICAL GROUNDWATER MODELS TO 8 TEST AGAINST ANALYTICAL METHODS THAT HAVE BEEN HISTORICALLY 9 APPLIED TO WELLS IN THE AREAS IDENTIFIED IN THE HB12-1278 STUDY AS 10 EXPERIENCING DAMAGING HIGH GROUNDWATER LEVELS IN GILCREST, 11 COLORADO; LASALLE, COLORADO; AND STERLING, COLORADO. THE 12 BOARD AND THE INSTITUTE SHALL CONDUCT ADDITIONAL FIELD STUDIES 13 TO SUPPORT THE DEVELOPMENT OF THE NUMERICAL GROUNDWATER 14 MODELS, INCLUDING FIELD STUDIES TO MONITOR AND MEASURE AQUIFER 15 LEVELS IN RESPONSE TO GROUNDWATER WITHDRAWALS WITHIN THE 16 STUDY AREA.

(II) COORDINATE WITH THE STATE ENGINEER, THE DIVISION
ENGINEER, THE DIVISION OF WATER RESOURCES, OTHER INTERESTED
AGENCIES, AND INTERESTED WATER USERS TO DESIGN AND INITIATE A
MONITORING WELL NETWORK, BUILDING UPON RECOMMENDATION 3B OF
THE HB12-1278 STUDY.

22 (d) THE BOARD SHALL ENTER INTO A CONTRACT WITH THE 23 INSTITUTE, USING EXISTING PROCUREMENT MECHANISMS AND 24 AGREEMENTS BETWEEN THE BOARD AND THE INSTITUTE, TO CONDUCT, 25 OVERSEE, AND COORDINATE ALL ASPECTS OF THE STUDY. THE BOARD 26 SHALL FUND THE STUDY FROM EXISTING RESEARCH RESOURCES AT LEVELS 27 AGREED TO BETWEEN THE BOARD AND THE INSTITUTE. IN ADDITION, TO 28 IMPLEMENT THE ACTIVITIES OF THE STUDY, THE BOARD SHALL 29 COORDINATE WITH WATER USERS AND WATER ORGANIZATIONS TO 30 IDENTIFY AND SECURE ADDITIONAL FUNDING FROM SOURCES INCLUDING 31 STATE AND FEDERAL GRANTS AND THIRD-PARTY GIFTS, GRANTS, AND 32 DONATIONS.

(e) (I) THE INSTITUTE SHALL PERFORM THE STUDY
independently, under the direction of a study advisory board,
created in this paragraph (e) and referred to in this subsection
(9) as the "advisory board". The advisory board consists of one
Representative appointed by each of the following entities:

(A) THE NORTHERN COLORADO WATER CONSERVANCY DISTRICT;

(B) THE CENTRAL COLORADO WATER CONSERVANCY DISTRICT;

40 (C) THE LOWER SOUTH PLATTE WATER CONSERVANCY DISTRICT;

41 (D) THE SOUTH PLATTE ROUNDTABLE;

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1 (E) THE METRO ROUNDTABLE;

2 (F) THE BOARD; AND

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(G) THE STATE ENGINEER'S OFFICE.

4 (II) THE INSTITUTE, WITH THE ADVISORY BOARD'S APPROVAL, 5 SHALL APPOINT AN ENGINEERING SUBCOMMITTEE, CONSISTING OF AT 6 LEAST FIVE INDIVIDUALS WITH EXPERIENCE AND QUALIFICATIONS SPECIFIC 7 TO THE SOUTH PLATTE RIVER BASIN, TO ASSIST THE INSTITUTE IN AN 8 ADVISORY CAPACITY WITH TECHNICAL MATTERS.

9 (III) THE INSTITUTE, WITH THE ADVISORY BOARD'S APPROVAL AND 10 WITH THE AGREEMENT OF THE AFFECTED ENTITY, MAY CONTRACT WITH 11 EMPLOYEES OF THE NORTHERN COLORADO WATER CONSERVANCY 12 DISTRICT, THE CENTRAL COLORADO WATER CONSERVANCY DISTRICT, OR 13 THE LOWER SOUTH PLATTE WATER CONSERVANCY DISTRICT TO PERFORM 14 REASONABLE AND NECESSARY TASKS AND ANALYSIS FOR COMPLETION OF 15 THE STUDY'S GOALS.

16 (f) THE BOARD SHALL COMMISSION THE STUDY AS SOON AS 17 PRACTICABLE.

18 (g) ON OR BEFORE OCTOBER 1 OF 2014, 2015, AND 2016, THE 19 INSTITUTE SHALL REPORT TO THE WATER RESOURCES REVIEW COMMITTEE, 20 CREATED IN SECTION 37-98-102, ON THE PROGRESS OF THE STUDY. THE 21 INSTITUTE SHALL PREPARE A FINAL REPORT, INCLUDING ITS CONCLUSIONS, 22 AND SHALL PRESENT IT TO THE WATER RESOURCES REVIEW COMMITTEE NO 23 LATER THAN NOVEMBER 1, 2017, AND, DURING THE SECOND REGULAR 24 SESSION OF THE SEVENTY-FIRST GENERAL ASSEMBLY IN 2018, SHALL 25 PRESENT THE FINAL REPORT TO A JOINT MEETING OF THE COMMITTEE ON 26 AGRICULTURE, NATURAL RESOURCES, AND LIVESTOCK IN THE HOUSE OF 27 REPRESENTATIVES AND THE COMMITTEE ON AGRICULTURE, NATURAL 28 RESOURCES, AND ENERGY IN THE SENATE, OR THEIR SUCCESSOR 29 COMMITTEES.

30 31 (h) THIS SUBSECTION (9) IS REPEALED, EFFECTIVE JULY 1, 2018.

(10) South Platte aquifer management plan pilot program -

32 repeal. (a) AFTER NOTICE AND A THIRTY-FIVE DAY COMMENT PERIOD,
33 THE BOARD MAY, IN CONSULTATION WITH THE STATE ENGINEER AND
34 AFTER CONSIDERATION OF ANY COMMENTS SUBMITTED, APPROVE UP TO
35 FIVE PILOT AQUIFER MANAGEMENT PLANS IN THE SOUTH PLATTE RIVER
36 BASIN TO TEST MANAGEMENT STRATEGIES INTENDED TO MITIGATE
37 DAMAGING HIGH GROUNDWATER LEVELS. A PROPOSED AQUIFER
38 MANAGEMENT PLAN SUBMITTED TO THE BOARD FOR APPROVAL MUST:

39 (I) SERVE A GEOGRAPHIC AREA LOCATED IN ONE OF THE HIGH
40 GROUNDWATER STUDY AREAS IN THE VICINITY OF GILCREST, COLORADO,
41 AND LASALLE, COLORADO, OR THE VICINITY OF STERLING, COLORADO, AS

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1 DELINEATED BY THE STATE ENGINEER; AND

2 (II) BE CHARACTERIZED BY HIGH GROUNDWATER LEVELS IN
3 EXCESS OF HISTORICAL AVERAGE GROUNDWATER LEVELS, AS DETERMINED
4 BY REFERENCE TO EXISTING HISTORICAL DATA, THAT ARE DAMAGING TO
5 STRUCTURES, INFRASTRUCTURE, OR AGRICULTURAL LANDS;

6 (III) IDENTIFY MONITORING WELLS WITHIN THE HIGH
7 GROUNDWATER STUDY AREAS CAPABLE OF MEASURING AND REPORTING
8 WATER LEVELS IN THE ALLUVIAL AQUIFER;

9 (IV) BE DESIGNED TO REDUCE GROUNDWATER LEVELS WITHIN THE 10 GEOGRAPHIC AREA TO BE SERVED BY THE MANAGEMENT PLAN TO THE 11 EXTENT NECESSARY TO MITIGATE DAMAGING HIGH GROUNDWATER 12 LEVELS, AS REFLECTED IN THE MONITORING WELL NETWORK. THE AOUIFER 13 MANAGEMENT PLAN MAY INCLUDE A PLAN TO INSTALL OR IMPROVE 14 DRAINS AND DRAINAGE SYSTEMS. THE AQUIFER MANAGEMENT PLAN MAY 15 ALSO INCLUDE PUMPING BY WELLS ALREADY LOCATED WITHIN A HIGH 16 GROUNDWATER STUDY AREA OR WELLS TO BE INSTALLED IN A HIGH 17 GROUNDWATER STUDY AREA FOR THE PURPOSE OF DEWATERING TO 18 PROTECT STRUCTURES, INFRASTRUCTURE, OR AGRICULTURAL LANDS. 19 WATER PUMPED FROM THE DEWATERING WELLS SHALL BE RETURNED TO 20 THE SOUTH PLATTE RIVER WITHOUT ANY INTERVENING USE. ONCE IN THE 21 RIVER, THE PUMPED WATER SHALL BE DISTRIBUTED ACCORDING TO THE 22 PRIORITY SYSTEM.

(V) INCLUDE AN AFFIRMATION BY THE APPLICANT THAT THE
APPLICANT WILL COOPERATE WITH ONGOING MONITORING, ANALYSIS, AND
MODELING EFFORTS PERFORMED BY THE BOARD AND THE INSTITUTE
UNDER SUBSECTION (9) OF THIS SECTION, INCLUDING PERMITTING ACCESS
TO LANDS, DEWATERING WELLS, AND MONITORING WELLS, AND PROVIDING
INFORMATION RELATED TO PUMPING, WATER USE, AND WATER LEVELS.

(VI) INCLUDE PROOF THAT THE PROPOSED AQUIFER MANAGEMENT
 PLAN HAS BEEN PROVIDED TO ALL INTERESTED PARTIES SUBSCRIBED TO
 THE DIVISION 1 SUBSTITUTE WATER SUPPLY PLAN LIST.

32 (b) PUMPING BY DEWATERING WELLS AUTHORIZED UNDER THIS
33 SUBSECTION (10) DOES NOT CREATE AN OBLIGATION TO REPLACE DELAYED
34 DEPLETIONS CAUSED BY THE PUMPING OF THE WELLS, PROVIDED PUMPING
35 IS WITHIN THE VOLUMETRIC LIMITS ESTABLISHED IN AN AQUIFER
36 MANAGEMENT PLAN APPROVAL.

37 (c) THE STATE ENGINEER MAY ISSUE WELL PERMITS FOR
38 DEWATERING IN LOCATIONS AND AMOUNTS CONSISTENT WITH AN AQUIFER
39 MANAGEMENT PLAN APPROVED UNDER THIS SUBSECTION (10).

40 (d) (I) THE BOARD SHALL PROVIDE A THIRTY-FIVE-DAY COMMENT
 41 PERIOD FOR INTERESTED PARTIES TO PROVIDE COMMENTS ON A PROPOSED

1 AQUIFER MANAGEMENT PLAN.

2 (II) UPON THE CONCLUSION OF THE THIRTY-FIVE-DAY COMMENT 3 PERIOD, THE BOARD SHALL APPROVE, APPROVE WITH CONDITIONS, OR 4 DENY A PROPOSED AQUIFER MANAGEMENT PLAN. IF THE BOARD APPROVES 5 A PROPOSED AQUIFER MANAGEMENT PLAN, IT SHALL APPROVE IT FOR A 6 PERIOD OF UP TO TWO YEARS. THE BOARD SHALL PROVIDE COPIES OF THE 7 AQUIFER MANAGEMENT PLAN AND THE BOARD'S DECISION APPROVING THE 8 AQUIFER MANAGEMENT PLAN TO ALL PARTIES WHO ARE SUBSCRIBED TO 9 THE DIVISION 1 SUBSTITUTE WATER SUPPLY PLAN LIST. NEITHER THE 10 BOARD'S APPROVAL NOR DENIAL OF A PROPOSED AQUIFER MANAGEMENT 11 PLAN CREATES ANY PRESUMPTIONS, SHIFTS THE BURDEN OF PROOF, OR 12 SERVES AS A DEFENSE IN ANY LEGAL ACTION THAT CONCERNS THE 13 AQUIFER MANAGEMENT PLAN. ANY APPEAL OF THE BOARD'S DECISION 14 CONCERNING AN AQUIFER MANAGEMENT PLAN MUST BE MADE TO THE 15 WATER JUDGE IN THE APPLICABLE WATER DIVISION WITHIN THIRTY-FIVE 16 DAYS. THE WATER JUDGE SHALL HEAR THE APPEAL ON AN EXPEDITED 17 BASIS.

18 (e) THE BOARD SHALL ESTABLISH A HIGH GROUNDWATER 19 MITIGATION GRANT PROGRAM TO PROVIDE FINANCIAL ASSISTANCE TO 20 PERSONS IMPLEMENTING AQUIFER MANAGEMENT PLANS THAT THE BOARD 21 HAS APPROVED UNDER THIS SUBSECTION (10).

22 (f) ON OR BEFORE OCTOBER 1 OF EACH YEAR, THE BOARD SHALL 23 REPORT TO THE WATER RESOURCES REVIEW COMMITTEE, CREATED IN 24 SECTION 37-98-102, ON THE PROGRESS OF MITIGATING DAMAGING HIGH 25 GROUNDWATER LEVELS IN THE STUDY AREAS. THE BOARD SHALL GIVE A 26 FINAL REPORT TO THE WATER RESOURCES REVIEW COMMITTEE REGARDING 27 THE EFFECTIVENESS OF HIGH GROUNDWATER MANAGEMENT STRATEGIES 28 ON OR BEFORE OCTOBER 1, 2019, AND, DURING THE FIRST REGULAR 29 SESSION OF THE SEVENTY-SECOND GENERAL ASSEMBLY, TO A JOINT 30 MEETING OF THE COMMITTEE ON AGRICULTURE, NATURAL RESOURCES, 31 AND LIVESTOCK IN THE HOUSE OF REPRESENTATIVES AND THE COMMITTEE 32 ON AGRICULTURE, NATURAL RESOURCES, AND ENERGY IN THE SENATE, OR 33 THEIR SUCCESSOR COMMITTEES. 34

(g) THIS SUBSECTION (10) IS REPEALED, EFFECTIVE JULY 1, 2020.

SECTION 2. Safety clause. The general assembly hereby finds, 35 36 determines, and declares that this act is necessary for the immediate 37 preservation of the public peace, health, and safety.".

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