

COLORADO WATER CONSERVATION BOARD
823 State Centennial Building
Denver, Colorado 80203

July 10, 1979

M E M O R A N D U M

TO: Members, Colorado Water Conservation Board
and Colorado Water Congress Executive Committee

FROM: Laren D. Morrill, Acting Director

SUBJECT: Senate Bill 537 - Colorado Water Conservation Board
Construction Fund

Enclosed herewith is a copy of Senate Bill 537 which was passed by the Colorado General Assembly and signed by Governor Lamm on July 6, 1979.

The approved bill includes several important changes which will govern our operation and administration of the Board's construction fund. These are summarized below:

1. The bill adds flood control and recreational facilities as project purposes. All or any portion of the costs attributable to these two purposes may be considered nonreimbursable in the discretion of the Board, but only to the extent approved by the General Assembly.

2. The bill authorizes the Board to commit or expend on a continuing basis a sum not to exceed \$150,000 in any fiscal year from the construction fund for the preparation of feasibility reports on proposed projects.

3. A new section was added to the bill which credits sales and use tax receipts to the Board construction fund during the next three fiscal years in the following amounts:

a. Eight million dollars for the fiscal year beginning July 1, 1979.

b. Ten million dollars for the fiscal year beginning July 1, 1980.

c. Ten million dollars for the fiscal year beginning July 1, 1981.

Memorandum to Members, Colorado Water Conservation Board
and Colorado Water Congress Executive Committee
July 10, 1979
Page two

The bill provides that this new section is repealed effective July 1, 1982.

4. Section 4 of the bill authorizes for construction five new projects. These projects together with dollar amounts authorized are listed as follows:

a. Chatfield Project Channel Improvement	\$2,500,000
b. Closed Basin	500,000
c. Beaver Park	1,500,000
d. Larkspur	200,000
e. Rio Grande Reservoir	<u>90,000</u>
Total	\$4,790,000

The Chatfield project channel improvement and the Rio Grande Reservoir project shall be constructed as first priorities from funds made available from the sales and use tax receipts. The funds for the Chatfield project channel improvement may be expended only through a contract with the United States by which the United States agrees to provide not less than one-half of the total cost of said channel improvements. The other three projects authorized by the bill shall not preempt any project priority previously established by the General Assembly.

The funds authorized by Senate Bill 537 together with anticipated revenues from the mineral leasing funds and repayments from completed projects should permit us to initiate construction during the current and upcoming fiscal years on projects previously authorized.

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Enclosure