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FISCAL IMPACT REPORT

SPONSOR Wirth DATE TYPED 03/10/05 HB 782/aHAGC

SHORT TITLE Santa Fe Permanent Water Harvesting Project SB _____

ANALYST Hadwiger

APPROPRIATION (in \$000s)

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY05	FY06	FY05	FY06		
	\$200.0			Non-Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Department of Finance and Administration (DFA)

Economic Development Department (EDD)

Office of the State Engineer (OSE)

SUMMARY

Synopsis of HAGC Amendment

The House Agriculture and Water Resources Committee amendment would require that, prior to expenditure of the appropriation on construction or system implementation, the City of Santa Fe consult with the State Engineer and obtain any water rights permits required by the state engineer.

Synopsis of Original Bill

House Bill 782 appropriates \$200,000 from the general fund to Department of Finance and Administration (DFA) to assist the City of Santa Fe in funding the ongoing effort by a national non-profit land conservation organization to plan, design and develop a permanent water harvesting demonstration project for sustainable water management on the Santa Fe Railyard park and plaza.

Significant Issues

DFA offered a background for HB782: The Trust for Public Land, who helped the City of Santa Fe purchase the railyard property from BNSF over ten years ago, seeks to include a sustainable water harvesting demonstration project at Santa Fe's new plaza on the railyard. Rainwater cap-

tured from rail yard building roofs would be stored in underground cisterns and aboveground tanks emulating the look of 19th century railroad water tanks. The Trust and the City both intend the project to provide all the water needed for railyard landscaping as well as to inspire plaza visitors such as farmer's market shoppers to learn sustainable water harvesting from this demonstration project. DFA indicated the funds are needed during the beginning of the redevelopment phase of the railyard, set to commence in 2005, so that the sustainable water harvesting project can be incorporated in the most cost effective manner.

The state engineer expressed concern that the original version of HB782 did not specify from what surfaces water would be harvested, or for what purposes the harvested water would be used in this demonstration project. To ensure that the provisions of state water law and state engineer rules and policies applicable to water harvesting are followed, the bill should be clarified to require that prior to the initiation of the project the city must consult with the state engineer and obtain any necessary water right permits from the state engineer. The HAGC amendment addresses this concern.

The state engineer policies relevant to water harvesting can be summarized as follows:

Rooftop Water Harvesting: The state engineer supports the wise and efficient use of the state's water resources, and therefore encourages the harvesting, collection and use of rainwater from residential and commercial roof surfaces for on-site landscaping irrigation and other on-site domestic uses. The collection of water harvested in this manner should not reduce the amount of runoff that would have occurred from the site in its natural, pre-development state. Harvested water may not be appropriated for any other use. This state engineer policy applies only to rooftop harvesting of rainwater/snowmelt for the aforementioned uses.

Stormwater Runoff Harvesting: The state engineer views any project within the state to harvest stormwater runoff and to place the harvested water to beneficial use as a new appropriation subject to his administrative authority. The proposed project to be funded by this bill is within the Rio Grande basin, the waters of which are considered fully appropriated. Any new beneficial use of water (any new effects to the river system) within the Rio Grande surface water system must be offset by the retirement and transfer of water rights to the new place and/or purpose of use in accordance with state water law.

FISCAL IMPLICATIONS

The appropriation of \$200,000 contained in this bill is a non-recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of FY06 would revert to the general fund.

ADMINISTRATIVE IMPLICATIONS

DFA would contract with the City of Santa Fe to perform the requested task.

DH/lg