

# Upper Gunnison River Water Conservancy District

## Annual Meeting Minutes

**June 22, 2009**

The Board of Directors of the Upper Gunnison River Water Conservancy District conducted its annual meeting on Monday, June 22, 2009 at the District's offices, 234 North Main Street, Suite 3B, Gunnison, Colorado.

**Board members present:** Steve Glazer, Rebie Hazard, Bill Nesbitt, Brett Redden, Steve Schechter, George Sibley, Ken Spann, and Dennis Steckel.

**Board members not present:** Gary Hausler, Ralph Grover and Jim Pike.

### **Others Present:**

Butch Clark  
Lynn Johnson  
Frank Kugel, General Manager  
John McClow, General Counsel  
Richard Rozman, Colorado Division of Water Resources  
Jill Steele, Office Manager  
Bill Trampe, Colorado River Water Conservation District

### **1. CALL TO ORDER**

Board President Brett Redden called the meeting to order at 6:35 p.m.

### **2. ELECTION OF OFFICERS**

**Dennis Steckel nominated Brett Redden for Board President. Rebie Hazard seconded the nomination. George Sibley moved that the nominations cease and that Brett Redden be elected Board President by acclamation. Rebie Hazard seconded. The motion carried.**

**George Sibley nominated Dennis Steckel for Board Vice-President. Ken Spann seconded the nomination. Ken Spann moved that the nominations cease and that Dennis Steckel be elected Board Vice-President by acclamation. Rebie Hazard seconded. The motion carried.**

**Dennis Steckel nominated George Sibley for Board Secretary. Rebie Hazard seconded the nomination. Steve Glazer moved that the nominations cease and that George Sibley be elected Board Secretary by acclamation. Rebie Hazard seconded. The motion carried.**

**Ken Spann nominated Gary Hausler for Board Treasurer. George Sibley seconded the nomination. Ken Spann moved that the nominations cease and that Gary Hausler be elected Board Treasurer by acclamation. George Sibley seconded. The motion carried.**

### **3. AGENDA APPROVAL**

Brett Redden said that under Miscellaneous Matters there will be a short presentation on the 2009 Gunnison Mobile Doppler Radar Project.

**George Sibley moved and Ken Spann seconded approval of the agenda as amended. The motion carried.**

### **4. CONSENT AGENDA ITEMS**

**George Sibley moved and Dennis Steckel seconded to accept the consent agenda items as circulated. The motion carried.**

### **5. CONSIDERATION OF RESOLUTION APPOINTING FINANCIAL OFFICERS**

**Steve Glazer moved adoption of Resolution 2009-2 appointing financial officers. Rebie Hazard seconded. The motion carried.**

### **6. REAUTHORIZATION OF STANDING COMMITTEES**

Ken Spann observed that Ralph Grover, who has resigned, will be missed.

George Sibley asked to be removed from the Finance Committee.

**George Sibley moved and Dennis Steckel seconded approval of the standing committees for 2009-2010. The motion carried.**

### **7. LEGAL MATTERS**

John McClow said he had no updates to his Legal Status Report dated June 16, 2009.

Bill Nesbitt and Steve Schechter arrived at 6:41 p.m.

Ken Spann asked for further information about the two easements in the Lake San Cristobal project. John McClow said that the abutment on the east side of the river will be on private property. The other one will be used for temporary storage of materials during construction.

Frank said that the reception in Mt. Crested Butte on July 20, 2009 will take place in the Elevation Hotel, the former Grand Butte hotel.

### **8. CWCB REPORT**

John McClow said he included information in the board's packets from the CWCB's New Water Supply Development Strategy. Front Range entities are pushing hard to get these evaluated. Taylor Reservoir (a.k.a. "Blue Mesa Pumpback") is on the list. John said he encouraged them to look at this alternative because the sooner they look at it, in an objective, credible study, the sooner it will come off the table because it will become clear that this will not be a solution that will yield any benefit to the Front Range.

John said that the Dolores Water Conservancy District withdrew its application for a loan that had already been approved and funded. Those funds were turned around and made available to three different entities. There is concern about the fact that the legislature raided all the money including some already committed to a project in Pueblo. There will be a CWCB retreat within the next few months to discuss the board's finances. State legislators will meet with the CWCB in July in Mt. Crested Butte to explore ways to protect the CWCB's reserves.

Regarding the Blue Mesa Pumpback, Steve Glazer said the CWCB needs a policy debate because it undertakes a study where there are no water rights.

John said that Representative Kathleen Curry and Jennifer Gimbel are debating whether or not Jennifer has authority to initiate a study without the legislature's approval. The CWCB is divided on this issue.

John said that Randy Seaholm will retire effective November 6. Mike Serlet has also announced plans to retire..

## **9. MANAGER'S REPORT**

### **Water Supply Update**

Frank Kugel said he had two updates to his June Manager's Report. One is a chart on Blue Mesa peak annual storage. It is within 7/8 of a foot of spilling.

This weekend is Gunnison River Festival. There is a raft available for those who would like to participate in the community raft race at 9:00 a.m. Saturday morning. Current flows in the park are a little over 2000 cfs; 1700 is considered optimal. Sunday there boat races on the Taylor River. Taylor Park Reservoir's content is increasing once more.

## **10. COLORADO RIVER WATER CONSERVATION DISTRICT UPDATE - BILL TRAMPE**

Bill Trampe said that in the Mediation Process, Front Range entities including Northern and Denver Water indicated their opinion that the roundtable process is a worthless process and would not accomplish anything.

Bill said that the mediation process has made some real progress and is on the verge of accomplishing something. He hopes that individual counties do not become so focused on their own desires and needs that the process unravels.

Bill said that in an attempt to protect the Colorado mainstem from transmountain diversions from western Colorado, the mediation includes a requirement that anybody

participating directly in the mediation and signing off on it will not take more water out of the mainstem above Glenwood Springs.

Bill said that real progress has been made on establishing geographic limits, on volumetric limits, and on Blue River issues. There has been big progress for the West Slope in general.

Rebie Hazard said it is a big honor that Bill was accepted into the mediation and we are fortunate he has been a part of it.

## **11. FOLLOW-UP DISCUSSION OF JUNE 1, 2009 SPECIAL MEETING**

Bill Nesbitt said that the City of Gunnison is drafting a letter to the DNR. John McCloy urged not sending that letter due to the hostile tone. The city is represented in discussions with the state by its four directors on this board.

Dennis Steckel said that other local entities ought to look to the District for leadership in water matters as opposed to taking action on their own.

Ken Spann said he is concerned about the substantive thought process that has gone on in developing the state's proposed water service contract out of Blue Mesa. And whether expectations are being raised that this is a solution to Front Range water needs, or if the idea is just a placeholder as stated by Harris Sherman and Alex Davis. If that is the case, why are they spending so much effort on it? The response the board got was so poorly thought through that he is not sure how much energy to spend on it at this point.

Steve Glazer believes it is placeholder, but for what?

The board discussed a draft letter to Harris Sherman dated June 18, 2009.

Ken Spann suggested adding "legitimate and serious" before the word "concerns," in the first sentence of the second paragraph. He said there is no harm sending a copy to the Bureau, as suggested by Bill Nesbitt, along with a copy of the District's May 20, 2009 letter.

Steve Glazer suggested copying our elected officials on the letter.

Ken Spann suggested adding as a second sentence in the second paragraph: "At the meeting with you we also discussed some potential, fatal flaws with your proposal."

**Ken Spann moved to authorize that the letter be signed as discussed with changes made above and that a copy be sent to the Bureau of Reclamation along with the District's May 20, 2009 letter. Bill Nesbitt seconded. The motion carried.**

## **12. FILLING OF DIVISION 1 DIRECTOR VACANCY**

Frank Kugel outlined the procedure of filling a vacancy on the board. The District will publish a notice of the vacancy for two weeks instructing interested individuals to apply directly to District Court. Judge Patrick will consider the applications and make the appointment.

**Rebie Hazard moved and Bill Nesbitt seconded to instruct staff to proceed to fill the vacancy in Division 1.**

Ken Spann asked that the resolution thanking Ralph for his services specifically emphasize his work on the Lake San Cristobal Project, the Project Committee and the Gunnison Basin Roundtable.

**The motion carried.**

### **13. BOARD/STAFF/COMMITTEE MEMBER REPORTS**

#### **Treasurer's Report**

Board Treasurer Gary Hausler was not in attendance.

#### **Taylor Park Reservoir**

Ken Spann said that the Taylor Local Users Group met last Friday. As of last Friday, releases were down to 400 cfs. The plan is to continue to follow the inflows down 400. Since last Friday, 1000 acre feet have been stored. The goal is to hold the reservoir as full as possible, matching outflows to inflows.

Ken said that at the Four Parties meeting, Marc Catlin said he would like to see the end of year content at 70,000, while avoiding a spill. As of last Thursday the entire first fill water right was moved to Blue Mesa.

Steve Glazer has unanswered questions about the model.

**Steve Glazer moved and Steve Schechter seconded to accept the June 22, 2009 recommendation from the Taylor Local Users Group through October 15, 2009, addressing any adjustments as necessary. The motion carried.**

#### **Gunnison Basin Roundtable**

George Sibley said the last GBRT meeting was abbreviated due to State of the River meeting right afterwards. Time was spent talking about getting information and discussing the Clean Water Restoration Act.

Steve Glazer said that the critical stream reaches that were adopted the month before were modified to add the Dominguez to the wilderness segments. The Needs Assessments Committee was instructed to proceed with its report and work to refine some of the SWSI 2 consumptive needs numbers.

Ken Spann said that the gap is real in every area and the implications of ag transfers of water on the Front Range are staggering. If some water supply is not developed and serious conservation measures are not implemented, there will be significant transfers off of some very productive agricultural ground.

#### **Strategic Planning Workgroup**

Regarding the CSU Economic Study, Frank said that the contract expired by its terms on May 31 and the majority of the contract amount has already been paid, so it makes little sense to terminate the contract. But there is an opportunity to get a better product from them. George Sibley has offered to meet and discuss it.

### **Lake San Cristobal Project**

Steve Schechter said the board of the Lake San Cristobal Water Activity Enterprise met for the first time on June 11, 2009 in Lake City.

Steve said that the LSCWAE board discussed permits, inundation, and the project's designated low hazard classification.

Steve said that this was the first time the whole board had met with the engineers, and they voted to look at the dam design again. The two Hinsdale County representatives were not convinced that the Obermeyer gate was the way to go. The engineer is going to bring a design that is close to the Obermeyer.

John McClow will provide boiler plate bylaws for the WAE board to work from. The board also discussed erosion at south end of lake from wind piling up water. The board discussed the CWCB's indication that injury with mitigation might not be the way to go.

### **14. MISCELLANEOUS MATTERS**

Steve Glazer said that the Senate Environment and Public Works Committee voted the Clean Water Restoration Act out of committee with some amendments that modified it significantly.

Today the Supreme Court ruled on a case, allowing tailings to be deposited in a lake. Hopefully the designation of waste as fill material will be changed.

Frank Kugel added that the placement of the tailings into the lake was acknowledged to kill all the fish in the lake but was deemed the least environmentally damaging of the alternatives under consideration.

Frank Kugel said that Joe Busto from the CWCB, Joe Vasiloff from the NOAA/National Severe Storms Laboratory, and Dave Gochis from the National Center for Atmospheric Research, are here to give a presentation on the 2009 Gunnison Radar Project.

Joe Busto gave an introduction. He said that weather radar coverage on the Western Slope is bad due to the terrain, and this project is an effort to see what can be done to improve this. Gunnison is in an important headwaters region and accurate rainfall and snowfall estimates are needed.

The current contract with the CWCB and NOAA expires in September 2010 and planning is taking place now for next year. The current contract carries a cost of \$35,000.

The board invited them back to the August 24, 2009 meeting after five weeks of data will have been collected. There was discussion of opportunities for support and cooperation, including the possibility of other local meetings.

Frank Kugel said that there are rain gages to be distributed to locals for help in the CoCoRaHS project.

The board thanked Mr. Busto, Mr. Vasiloff, and Mr. Gotches for the presentation.

Frank Kugel said he met with United Companies and Marlene Crosby of Gunnison County, regarding the '75 ditch diversion. There was discussion of a cooperative effort to have the third structure to complete the Whitewater Park along with a more permanent diversion structure for the '75 ditch. The District's Grant Committee can discuss funding a future application. The third diversion structure in the park was not constructed initially due to icing concerns. This has turned out not to be an issue; however, the main power supply to the airport is in that vicinity.

Frank Kugel said that some water rights belonging to Phil Klingsmith are coming on the market. They are in the Pioneer Ditch, Hartman number 2. The Pioneer Ditch rights are more valuable. He will get more information on this and will report back to the board.

## **15. UNSCHEDULED CITIZENS**

Butch Clark said there is lots of literature in the Union Park case and subsequent discussion of that case, which might be useful regarding the pumpback from Blue Mesa. Other ideas that might contain useful information are the idea of taking water up Tomichi Creek and up Quartz Creek and into Union Park, and also straight up Tomichi Creek. There also is some information on the non-consumptive flows out of Taylor.

Butch suggested that the District post letters on its website.

## **16. FUTURE MEETINGS**

Next regular meeting of the UGRWCD: Monday, July 27, 2009.

Strategic Planning Committee: Wednesday June 24, 2009 at 10:00 a.m. (since rescheduled for Friday, June 26, 2009 at 10:00 a.m.)

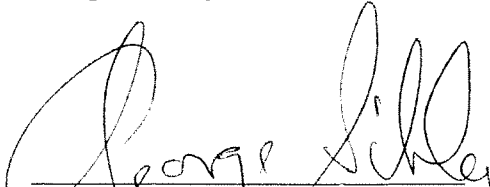
Ad Hoc Committee meeting on the District's 50<sup>th</sup> anniversary celebration: Right after Strategic Planning Committee.

Grant Committee also scheduled to meet on June 26: Steve Glazer asked Frank to send out the criteria used in the past.

**17. ADJOURNMENT**

Board President Brett Redden adjourned the June 22, 2009 meeting at 9:45 p.m.

Respectfully Submitted,



George Sibley, Secretary

APPROVED:



Brett Redden, President