

**Upper Gunnison River Water Conservancy District**  
**Regular Meeting Minutes**  
**March 28, 2016**

The Board of Directors of the Upper Gunnison River Water Conservancy District conducted a regularly scheduled meeting on Monday, March 28, 2016 at the District's offices, 210 West Spencer Avenue, Suite B, Gunnison, Colorado.

Board members present: Kathleen Curry, Steve Glazer, Rebie Hazard, Bill Nesbitt, Michelle Pierce, Brett Redden, Steve Schechter, and George Sibley

Board members not present: Richard Hagan, Gail Schwartz, and Ken Spann.

Also present:

Phil Chamberland, Gunnison County  
Burt Guerrieri, Gunnison County Stockgrowers  
Bill Ketterhagen, Goddard Ranch  
Jesse Kruthaupt, Trout Unlimited  
Frank Kugel, General Manager  
John McClow, General Counsel  
Julie Nania, High Country Conservation Advocates  
Tom Rozman, Colorado Division of Water Resources  
Jill Steele, Office Manager  
Marlene Zanatell

**1. CALL TO ORDER**

Board President Brett Redden called the meeting to order at 5:30 p.m.

**2. AGENDA APPROVAL**

Brett Redden said that Steve Glazer has asked to comment on Mount Emmons during Miscellaneous Matters.

**Bill Nesbitt moved and Steve Schechter seconded approval of the agenda as circulated. The motion carried.**

### **3. CONSENT AGENDA**

Steve Schechter said that that in the February 22, 2016 minutes, he is listed as both present and not present. He was not present at that meeting.

**Michelle Pierce moved and Bill Nesbitt seconded approval of the operating and non-operating expenses. The motion carried.**

**Bill Nesbitt moved and Michelle Pierce seconded approval of the February 22, 2016 minutes as corrected. The motion carried.**

### **4. LEGAL MATTERS**

John McClow said that the United States has filed the stipulation and proposed decree to make the Taylor Park Refill water right absolute.

### **5. LEGISLATIVE ISSUES**

Kathleen Curry suggested giving Senator Donovan some input on HB16-1228, Ag Protection Water Right Transfer Mechanism. John will talk with the Senator.

Frank Kugel asked Kathleen Curry for an update on the redistricting ballot initiative. She said it is an anti-gerrymandering issue. There is a title-setting issue that will likely go to the Supreme Court, so it may be split into two initiatives.

### **6. MANAGER'S REPORT**

Frank Kugel gave an update on snowpack percentages. He said that conditions are drier up the East and Taylor Rivers and slightly above normal on the Tomichi and Lake Fork drainages.

Steve Schechter asked if the Bureau of Reclamation has a forecast for Lake Powell's elevation at the end of the runoff season. Frank said that their 24 month study would include that figure.

### **7. CITIZEN COMMENTS**

No citizens requested to speak.

Brett Redden said that the board would return to agenda item 6 to follow up on the Board Retreat. Brett said he felt that the day was beneficial. Meeting agendas have been changed slightly as a result. It was decided at the retreat to have the strategic

management plan be discussed and worked on by the entire board as opposed to a committee.

Brett said that this board could do what the CRWCD does and identify a few goals and policies each year for review. This could be accomplished by devoting twenty to thirty minutes to these during each board meeting leading up to the beginning of the budget cycle.

Frank and John will put together a bulleted list from the retreat.

Michelle Pierce said she thought the day was well spent.

## **7. CITIZEN COMMENTS Continued**

Marlene Zanatell addressed the board. She said she applauds the District's mission statement. She said she wished to call the board's attention to water case 2016CW3004 for finding of due diligence in a case in the Powderhorn area on Cebolla Creek. She asked if the board has discussed this case.

The board has not discussed this case.

Rebie Hazard arrived.

Steve Glazer asked John McClow what is the board's policy on intervening in in-basin water rights cases. John said that historically, the District does not do this unless it affects the District's water rights. This one does not.

## **9. BOARD/STAFF/COMMITTEE MEMBERS REPORTS**

**Treasurer's Report:** Bill Nesbitt said that interest on investments is on track. The District has 34.72 months of operating expenses in reserve, 20.7 months of those in cash. He said that he is still looking for some CD opportunities in other areas.

Bill said he thinks there is an element of risk in the Arch Coal's bankruptcy condition and that is why he had asked John McClow to look into whether or not they could abate their taxes during bankruptcy. John McClow said they can abate, but cannot discharge them. Brett Redden said that Arch Coal is not in our taxing district.

Bill said that he was asked to attend a Federal Reserve meeting in Denver next Monday, and he will update the board on that at the next meeting.

## **8. DINNER BREAK**

## **9. BOARD/STAFF/COMMITTEE MEMBERS REPORTS - Continued**

**Grant Committee:** Brett Redden said that in their packets, the board has a recommendation from the grant committee.

Steve Glazer thanked all those who were involved working on and with the committee. It was an unusual year with fewer requests received than dollars allocated in budget. The committee's recommendation is to approve 6 of the 7 applications.

Frank Kugel showed the location of the grant applications on a map. He said that the committee felt the whole board should discuss the Loken Pond project application, located on Ohio Creek. The application is for \$25,000. The applicant submitted a similar funding request in 2014. At that time, funding requests exceeded the available budget and the Loken project did not get funded. Frank said that all requirements and guidelines have been met, and he recommends funding the Loken Pond project.

Steve Glazer said that the Cheeney No. 1 Ditch Headgate and Maintenance project request is unique in that the applicant requested \$1,000, and the committee thought it might not be sufficient for the project.

**Kathleen Curry moved and Bill Nesbitt seconded approve the Loken Pond request. The motion carried. George Sibley abstained from voting. The motion carried.**

**Kathleen Curry moved to approve \$2,000 for the Cheeney No. Ditch request. Steve Schechter seconded.**

Steve Schechter disclosed that he sits on the ColdHarbour board. Kathleen Curry made the same disclosure, noting that she stands to make no personal gain from their grant request.

There was agreement that this was an unusual case and that, due to the lack of experience with irrigation equipment and costs, the applicant has most likely underestimated the expenses associated with the project. The board could decide to allow Frank and John discretion to approve an additional \$1,000 with some restrictions.

**Steve Glazer offered a friendly amendment to add \$1,000 to the Cheeney Ditch Headgate project conditioned upon making appropriate submittals to the UGRWCD showing the need for the additional \$1,000. Steve Schechter agreed to the friendly amendment.**

Steve Glazer expressed concern about setting such a precedent.

Rebie Hazard said if the board is going to do this for that applicant, why not for the \$4,700 application.

**The amended motion carried.**

**Steve Glazer moved to approve the committee's recommendation for the other five grant applications. The motion carried.**

**Water Administration Committee:** John McClow said that the board has received a draft policy for administration of the District's RICD water right. The board had previously received a memo from staff via email. The committee recommended the board adopt a policy consistent with the RICD decree.

The Division Engineer has stated that an additional measuring device is necessary to quantify flows through the whitewater park. This real-time measuring gage would need to be located on either the Gunnison River mainstem or on the West Branch of the Gunnison near the Twin Bridges. The usual cost for a USGS gage is \$18,000 for installation and \$16,500 for annual operating costs, but can be prorated for the five month period, May through September, described in the RICD decree. With this approach, the annual cost would be reduced to approximately \$6,875.

Frank Kugel said that the Colorado Division of Water Resources has agreed to a cost of \$10,000 for installation of the gage on the West Branch and approximately \$3,000 per year for maintenance. The Division 4 hydrographer would conduct period flow measurements to establish and maintain an accurate stage-discharge relationship.

**Kathleen Curry moved to approve the March 28, 2016 draft policy regarding administration of the District's RICD water right. Bill Nesbitt seconded.**

Steve Glazer said the District has spent a lot of money on the RICD water right, and adoption of this policy does not seem to add much cost for the value it provides. We need to feel comfortable that we can have the water commissioner properly administer a call.

Bill Nesbitt said that since taxpayer money has been spent on this, it would be remiss of us not to have a policy.

Frank Kugel said this provides a prudent path to enable the Division Engineer to honor and administer a call.

John McClow said he has checked in other water divisions around the state and as far as he can discover no one has ever placed a call for an RICD water right, so there is no guidance elsewhere at this point.

Both John McClow and Frank Kugel confirmed that they support adoption of this policy.

**The motion carried.**

**Education Committee:** George said that the committee met last week and has provided a memo in the board's packets. He said that some educational materials are displayed which Frank and Bill brought back from a visit to Colorado Springs Utilities on February 7.

The committee has some plans to work with local schools. It appears there is some flexibility in the curriculum at the middle- and high-school levels for water education. On May 13, George, Michelle and Frank will operate the NRCS water education trailer as part of the 4<sup>th</sup> Grade Water Festival.

George said that the committee intends to put something together next year, possibly a mini conference, for World Water Day on March 22.

Bill Nesbitt said he would like to invite the two Colorado Springs Utilities staff members to come here. The information they provided was very exciting, and the kids get really involved. They received a \$150,000 WSRA grant for a three-year water education project.

**Watershed Management/Structure Inventory:**

Brett Redden recommended that the board set up the ad hoc committee at this time.

George Sibley said that what the committee will do is to some extent decide how the work is going to get done to do these inventories and a broad representation is needed on the ad hoc committee.

Steve Glazer, George Sibley, and Michelle Pierce volunteered for the ad hoc committee.

George Sibley said that the committee plans to have recommendations for the board by July.

The board discussed how to recruit and install the rest of the committee.

Brett Redden asked Burt Guerrieri how to go about recruiting one or more members of the Gunnison Stockgrowers for the ad hoc committee. Burt recommended approaching

the Stockgrower board to see if there are volunteers or recommendations outside the group. The next meeting is the first Monday in May at 7:00 p.m. at GCEA. Burt agreed to have Frank on that agenda.

Brett Redden said that the ad hoc committee should meet in April to flesh out the purpose. It would be helpful to get a representative from the Stockgrowers to attend that meeting.

Steve Glazer said that Gail Schwartz might be willing to be on the ad hoc committee.

Brett Redden said that the ad hoc committee, so far, will consist of Steve Glazer, George Sibley, Michelle Pierce, Brett Redden, and maybe Gail Schwartz. Frank will organize the first meeting.

**Taylor Park Reservoir:** The board received the Gunnison River spreadsheet in their packets and also a memo reporting on the recent TLUG meeting. Frank said that as of March 27, 77% of normal inflows are forecast for Taylor Park Reservoir. It is currently at 64% of capacity, and is forecasted to reach a seasonal maximum of 95,480 acre feet, or 90% of capacity.

Kathleen Curry asked about Mark Schumacher's concerns about this winter's icing on the Taylor River and the possible need for further analysis. Frank said that there was no consensus by the TLUG group that more analysis needed to be done. Kathleen said that any additional analysis would not need to be done right now in any case. Frank agreed.

## **10. MISCELLANEOUS MATTERS**

Steve Glazer said that Mt. Emmons Mining Company (MEMCO) was happy to have various stakeholders coming together with some positive efforts to work together on this. Our contributions to the Coal Creek Watershed Coalition are very helpful.

Frank Kugel pointed out a thank you letter from Jessie and Shea Earley, acknowledging the work that Bev does with the augmentation customers.

George Sibley requested that in July, the UGRWAE meeting come before the UGRWCD meeting and that the board receive some history and information on the Meridian Lake Reservoir project. Bill Nesbitt suggested discussing the financial aspect of the project at that time.


## **11. FUTURE MEETINGS**

The next meeting of the UGRWCD board will take place on Monday, April 25, 2016.

**12. ADJOURNMENT**

President Brett Redden adjourned the March 28, 2016 meeting at 8:05 p.m.

Respectfully Submitted,

  
George Sibley, Secretary

APPROVED:

  
Brett W. Redden, President