

**Upper Gunnison River Water Conservancy District  
Board Meeting Minutes  
Monday, March 26, 2018**

The Board of Directors of the Upper Gunnison River Water Conservancy District conducted a regularly scheduled meeting on Monday, March 26, 2018 at the District's offices, 210 West Spencer Avenue, Suite B, Gunnison, Colorado.

Board members present: Rosemary Carroll, Kathleen Curry, Rebie Hazard, Julie Nania, Bill Nesbitt, John Perusek, Michelle Pierce, Brett Redden, George Sibley, Andy Spann, and Julie Vlier.

Also present:

Ashley Bembenek, Alpine Environmental  
Sonja Chavez, Colorado River Water Conservation District  
Noel Durant, Crested Butte Land Trust  
Jesse Kruthaupt, Trout Unlimited  
Frank Kugel, General Manager  
Diane Martin, Tornay Highline Ditch  
John McClow, General Counsel  
Paul Mowry, Gunnison County Stockgrowers  
Madeline Redden  
Bev Richards, Administrative Assistant  
Bob Robbins, rancher  
Jill Steele, Office Manager

**1. CALL TO ORDER**

Board President Michelle Pierce called the meeting to order at 5:30 p.m.

**2. AGENDA APPROVAL**

**George Sibley moved and Rosemary Carroll seconded approval of the amended agenda as circulated. The motion carried.**

**3. CONSENT AGENDA ITEMS**

**Bill Nesbitt moved and Julie Nania seconded approval of the consent agenda items. The motion carried.**

**4. LEGAL MATTERS**

John McClow said that to date, no statements of opposition have been received in the District's water court applications.

## **5. LEGISLATIVE ISSUES**

John McClow said that the bill authorizing the CWCB to approve deficit irrigation pilot projects was killed in the senate last week.

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

Andy Spann arrived.

Frank Kugel said that the 8 to 14-day forecast calls for warmer than normal temperatures and slightly above normal precipitation. The current snowpack data shows a slight increase in snowpack with a snow water equivalent of 63%.

Rebie Hazard arrived.

Frank said he does not expect MLR will fill this year unless significant moisture is received within the next month or so.

## **7. (Deleted)**

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

**Treasurer's Report:** Bill Nesbitt said he estimates the District is on track to earn \$32,761 in interest on its bond portfolio. Rob Casaceli confirmed this.

Bill said he is transferring some funds to avoid exceeding the FDIC limit of \$250,000 per financial institution. The District has a Wells Fargo savings account which will be liquidated and moved elsewhere. One of the District's bonds will be callable in August.

**Taylor Park Reservoir:** Julie Vlier said that the TLUG group will meet April 10. Taylor Park Reservoir can be discussed more in detail later in the meeting during discussion of John's memo on Taylor Park operations.

**Gunnison Basin Roundtable:** Kathleen Curry said that Jonathan Houck is now the Gunnison County representative to the GBRT. She said she learned there is a list of basin projects, and she suggested that the board revisit its list of projects identified under the Basin Implementation Plan and include those in the list.

Kathleen said that the roundtables were informed by the IBCC that they were given the task of contacting all county candidates for office via letter informing them about the water plan and the IBCC and its activities. She said that the District's staff helps a lot with requests like this because the GBRT has no administrative support staff. Kathleen said that money available for funding continues to decline.

## **Water Administration Committee:**

- **Review of UGRWCD Potential Storage and Diversion Projects:**

Frank thanked Bev for her good work on this memo. There are other projects not listed which are likely not feasible. Julie Nania asked if there is a list of those also. Frank said he will provide a bulleted list of those.

John McClow said that many of the projects listed in the memo were projects associated with the Upper Gunnison's conditional water rights or some variation of those projects. For various reasons, they were deemed infeasible.

Julie Vlier asked if it is possible that some that were deemed infeasible in the past might could be feasible in the future.

John McClow said that the question answered by the memo was what the District has done to explore storage opportunities. Nothing is ever off the table unless a project was eliminated from consideration due to physical limitations. Also, the board's policy was and has been that full cost recovery must come from the beneficiaries of a project.

The board discussed changing the policy requiring projects to be paid for by the direct beneficiaries since it is not possible for agricultural users to do.

Julie Vlier said these projects benefit everything and everyone even if indirectly. She thinks the policy needs to be reevaluated and the costs need to be spread among many people. The District represents all the people and all the uses.

John McClow said that the BIP has a list of projects that the UGRWCD supplied as being potential projects for development in the basin. The BIP committee met and updated the list last year. This means that the District needs to develop priorities and funding mechanisms.

John said there is a group funded by the Walton Family and the Gates foundations which has identified people to meet and brainstorm potential funding sources for implementation of Colorado's Water Plan. Two meetings have been held so far. The conversations are divided between how money will be raised and how it will be spent. He said that the District should get its list together and decide on priorities and come up with our plan.

Kathleen Curry said that the board needs to discuss what types and sizes of projects it is interested in pursuing and how to fund them.

Julie Nania said that the District has two processes for making decisions: the grant program and the watershed management planning process. She said she does not want the board to be surprised if additional funding is needed for further investigation in connection with the watershed planning process.

Michelle Pierce said she believes this group is open and ready to consider new things, and she acknowledged the need to allow the WMP process come to fruition.

## **8. DINNER BREAK**

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

### **Grant Committee:**

- **Policy Concerning Use of Grant Funds for Federal Infrastructure:**

Frank Kugel said that the District received funding requests for fifteen very good projects. The total amount requested was \$313,456 for the \$150,000 budgeted. This made the funding decision very challenging.

### **The Grant Committee recommended funding the following projects:**

1. Biebel #1 and #2 Diversion Improvement Project \$ 5,000
  2. Facilities Improvement at Musicians Camp\* \$ 16,000
  3. Gunsight Bridge Replacement Project \$ 22,000
  4. Hyzer Ditch/Ohio Creek Bank Stabilization \$ 5,500
  5. Marshall No. 2 Point of Diversion Restoration \$ 18,589
  6. McCanne #2 Ditch Improvement Project \$ 3,000
  7. Nellie Creek Toilet Retrofit Project\* \$ 13,650
  8. Shady Island River Park Project \$ 7,000
  9. Slate River Working Group Project \$ 7,000
  10. Tomichi Creek Preserve Restoration Project \$ 15,000
  11. Tomichi Water Conservation Program \$ 10,000
  12. Tornay Highline Diversion Improvement Project \$ 17,000
  13. Virtual Fence Project \$ 10,000
- Total Recommended for Funding \$149,739

Frank asked if the board is comfortable funding federal projects indirectly by funding projects which are applied for locally but are located on federal lands.

Rebie Hazard said she is okay with it for the two projects in the list, although she would normally be opposed due to the projects' locations on federal land.

Andy Spann said he is opposed to taking local tax dollars to fund a project the federal government should take care of.

Julie Nania pointed out that the District helps fund USGS stream flow gaging. She suggested that a case by case approach could be beneficial.

There was support among the board for a case by case analysis of local grant projects that may be located on federal land.

**Julie Vlier moved approval of the grant committee's recommendation. No second was required for a recommendation by a committee. The motion carried.**

Michelle Pierce thanked the grant committee for their work on this.

Bill Nesbitt suggested increasing grant program funding in the 2019 budget.

Frank Kugel thanked the grant applicants who are here tonight.

**Watershed Management Planning Committee:**

George Sibley said that the committee met on March 12 and discussed with Wilson Water Group and Ashley Bembenek the plan for finishing up the first three basins this summer. There is a fairly extensive list of needs and of options. The next meeting will take place April 9. Erin Wilson will give a "modeling 101" presentation, and the group will consider draft criteria for pilot projects as well as outreach at the Gunnison River Festival and during Cattlemen's Days.

Michelle Pierce reminded the board that the water management planning budget contains funding for education and outreach which do not overlap with the education committee.

**Update on Scientific Endeavors within the District:**

Rosemary Carroll said that the Airborne Snow Observatory flight is scheduled for the first week of April. It will be a two-day flight over the highest elevations across Taylor Park Reservoir and much of the East River, Cement Creek, Brush Creek, the Slate River, Coal Creek, Lake Irwin, and upper elevations of Ohio Creek.

Frank said that the data gathered will be used to help site a new SNOTEL in the Ohio Pass/Kebler Pass area as well as the four SNOTEL Lites in the Taylor Park area.

**Wet Meadows Project:** The board received a memo from Tom Grant, Wet Meadows Program Coordinator, in their folders.

**10. MISCELLANEOUS MATTERS**

Michelle Pierce said that she very much enjoyed the Gunnison Tunnel tour.

Bill Nesbitt asked if there is any position advice going into the four basin roundtables meeting. Michelle commented that it is hard to develop positions before going in and having the discussion.

### **11. CITIZEN COMMENTS**

Jesse Kruthaupt expressed his thanks to the grant committee and the board.

Ashley Bembenek thanked the board on behalf of the Coal Creek Watershed Coalition and also thanked John for the Taylor Park Reservoir memo.

Maddie Redden is currently on spring break from Colorado School of Mines and said that she is glad to be here.

### **12. FUTURE MEETINGS**

Julie Vlier asked that the policy as to who pays for projects be brought for consideration at next month's meeting.

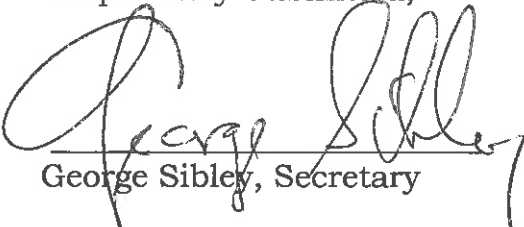
Frank said that on April 5 at 7:30 at the Crested Butte Center for the Arts, the Town of Crested Butte, along with others, will host a Climate Change in the Headwaters program to be presented by Steven Saunders.

Frank said that there will be a SWAT 4 meeting on April 13 in Montrose.

### **13. ADJOURNMENT**

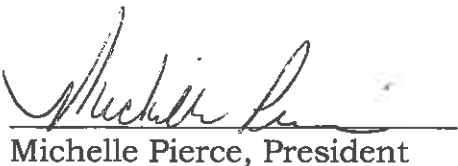
Board President Michelle Pierce adjourned the March 26, 2018 meeting at 8:11 p.m.

Respectfully Submitted,



George Sibley, Secretary

APPROVED:



Michelle Pierce, President