

**Upper Gunnison River Water Conservancy District  
Board Meeting Minutes  
Monday, September 24, 2018**

The Board of Directors of the Upper Gunnison River Water Conservancy District conducted a regularly scheduled meeting on Monday, September 24, 2018 at the District's offices, 210 West Spencer Avenue, Suite B, Gunnison, Colorado.

Board members present: Kathleen Curry, Rebie Hazard, Stacy McPhail, Bill Nesbitt, John Perusek, Michelle Pierce, George Sibley, Andy Spann, and Julie Vlier.

Board members not present: Rosemary Carroll and, Julie Nania,

Also present:

Sonja Chavez, Colorado River Water Conservation District  
Heather Dutton, San Luis Valley Water Conservancy District  
Peter Fleming, Colorado River Water Conservation District  
Tom Grant, Wet Meadows Coordinator  
Frank Kugel, General Manager  
John McClow, General Counsel  
Paul Mowry, Gunnison County Stockgrowers Association  
Andy Mueller, Colorado River Water Conservation District  
Emma Reesor, Rio Grande Headwaters  
Jill Steele, Office Manager  
Henry Woods

**EXECUTIVE SESSION**

**1. CALL TO ORDER**

Board President Michelle Pierce called the executive session to order at 4:30 p.m.

**2. EXECUTIVE SESSION TO RECEIVE LEGAL ADVICE FROM COUNSEL REGARDING COLORADO RIVER MATTERS AND TO GIVE DIRECTION TO NEGOTIATORS**

John McClow recommended that the board meet in executive session pursuant to § 24-6-402 (4)(b) and (e)(I) to receive legal

advice from Counsel regarding Colorado River matters and to give direction to negotiators.

**Julie Vlier moved, and Kathleen Curry seconded to meet in executive session pursuant to § 24-6-402 (4)(b) and (e), (I) to receive legal advice from Counsel regarding Colorado River matters and to give direction to negotiators. The motion carried.**

### **3. ADJOURN EXECUTIVE SESSION**

**Bill Nesbitt moved, and John Perusek seconded to adjourn the executive session. The motion carried.**

The board took no action as a result of the executive session.

### **REGULAR SESSION**

Rebie Hazard arrived.

### **4. CALL TO ORDER**

Board President Michelle Pierce called the regular session to order at 5:40 p.m.

### **5. AGENDA APPROVAL**

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

### **6. CONSENT AGENDA ITEMS**

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

### **7. LEGAL MATTERS**

John McClow said that he received a consultation letter from Division Engineer regarding the application to make the Meridian Lake Reservoir water right absolute.

There is a concern about the method of accounting on senior rights that were purchased and junior rights that were appropriated and how those

interact. Wilson Water Group will do some additional engineering to respond to Assistant Division Engineer Jason Ullman's concerns.

#### **8. MANAGER'S REPORT**

Frank Kugel said that he spoke with Mr. Collard regarding the potential sale of water rights in the Taylor Park Cattle Pool. Mr. Collard is selling a storage water right and also an instream flow right. The priority is relatively junior, but it is senior to the second fill and would allow for a small storage reservoir at Union Park that would be in priority on that stretch of the stream. Frank will continue discussion with Mr. Collard.

#### **9. SOCIAL MEDIA AS A WATER EDUCATION TOOL – SARAH HIGGINS – WSCU**

Sarah Higgins did not attend the meeting.

#### **10. DINNER BREAK**

#### **11. ACTIVITIES AND WATERSHED MANAGEMENT PLANNING IN THE SAN LUIS VALLEY - HEATHER DUTTON, SLVWCD AND EMMA REESOR, RIO GRANDE HEADWATERS**

Heather Dutton, manager of the San Luis Valley Water Conservancy District gave a presentation on the SLVWCD to the board.

The SLVWCD was formed in 1949 in order to construct and manage a reservoir, but the project was never built. The boundaries are defined as including those who would have benefitted from use of the canal which the district was formed to use.

Emma Reesor, Executive Director of the Rio Grande Headwaters, gave a presentation on the Rio Grande Headwaters Restoration Project.

The Rio Grande Headwaters is a non-profit organization formed to implement the 2001 study. Its mission is to restore and conserve the historic function and vitality of the Rio Grande in Colorado for improved water quality, agricultural water use, riparian health, wildlife and aquatic species.

#### **12. 2019 BUDGET DISCUSSION**

**Discussion of Goals, Activities, and Draft 2019 Budget:** Michelle Pierce said that she intends to see a revision of the goals and objectives

document in the next year, with the goals and objectives but not the micromanagement of staff on how to accomplish it all.

The board discussed input from board members on the goals, and agreed to the following:

In Action Item to Accomplish all Goals: Replace the word “all” with “most” in the first sentence so that it reads: “The Watershed Management Planning Project is a means to accomplish most of the goals enumerated below.”

Goal 1 ongoing task a): Change to priority 1 and restate so that it reads: “Pursue the water banking concept aggressively with relevant other state and regional organizations.”

The board decided to wait until the next meeting to discuss a suggested change by George Sibley to add another priority 1 action step to Goal 1 regarding demand management.

Goal 1 ongoing task h) will be made a priority 1 action step.

Goal 2 ongoing tasks: Kathleen Curry said that we are very likely to have a call from UVWUA next year. She suggested adding that the District would pursue acquisition of Aspinall Unit water in the event of a Gunnison tunnel call and to earmark funds for that. Frank thinks that is appropriate and he suggested \$200K as a placeholder. The consensus of the board was to do this.

Goal 3 action step e) will be made a priority 1 and it will be re-worded so that it reads: “Seek out and evaluate other water projects and partnerships.”

Goal 3 action item i): George Sibley suggested commissioning a study of ecosystem services by agriculture, such as carbon sequestration studies.

Tom Grant said there is a preliminary project with the Masters in Environmental Management program at Western, working with Cold Harbour Ranch on holistic grazing and how it affects carbon sequestration. Jenny DeMarco is the contact person.

Rebie Hazard said that the study of carbon sequestration should focus on all grasses and not just on agricultural grasses.

Frank Kugel said that Rocky Mountain Biological Laboratory is doing a lot of carbon sequestration research on the East River. There is a wealth

of scientific research in our own backyard. He has been talking to them about how the District can reap the benefits of their research.

Goal 3, ongoing task c): Julie Vlier suggested adding “increase data collection to develop more accurate forecasting tools, communicate issues in a timelier manner, and manage releases of Taylor Park Reservoir” and to make it a priority 1. The consensus of the board was to do this. Frank and Julie will work on the language.

Michelle Pierce said that Julie Nania submitted a comment on Goal 5. Michelle will ask Julie for clarification on her comment.

Goal 5 ongoing tasks 5) and 6): George Sibley suggested moving these tasks to action step status. The consensus of the board was not to do this at this time.

Goal 6: John Perusek said he would like to see some water quality data. He said he sees a lot of changes in streams around here. Frank, said that the Upper Gunnison Water Quality Monitoring Program has been ongoing for over 20 years and there is a lot of data available. He will talk to the USGS about getting a summary of local data.

Goal 7: New action step: “Develop and implement a social media and marketing strategy to raise awareness and increase participation in District events and planning processes.” The consensus of the board was to do this.

Goal 7: George Sibley suggested adding an action step to “initiate research projects on a number of agricultural locations, high and low in the watersheds, to test the recovery resilience of fields to fallowing, split season irrigation, or other alternate transfer methods.”

Kathleen Curry said in order to accomplish this, we would have to allocate funds and find landowners. She said she is not being critical, and she has thought that they should have more of their own data.

Julie Vlier suggested reaching out to CSU to get some data from Perry Cabbot’s work. She said there is bound to be a plethora of data and we need more site-specific data than we have now.

Sonja Chavez said that the Water Bank Workgroup is about to finalize phase one of their study which includes data on fallowing, economic impacts, and mitigation. When that is finalized, in the next 4 to 6 weeks, they can share that data. The workgroup is also trying to figure out what the economic impact of that would be. Kathleen Curry said maybe we

could follow up on this and try to scope out how it would work for the board for the next meeting. The data compiled by Joe Brummer at the Mountain Meadows Research Center was all over the place but it was helpful. We could start with that and then work with the River District and maybe develop some more stakeholders.

Goal 8: George Sibley suggested adding a new ongoing task to “continue to actively participate in Western’s Water Workshop, in an advisory capacity as well as financial support.”

The board discussed continuing to fund the Colorado Water Workshop, which is in transition. There was no consensus on the funding at this point.

Goal 8: George Sibley suggested adding a new action step to initiate a monthly or bimonthly two-page newsletter.

Michelle Pierce said that at the last Education Committee meeting, the committee came to a consensus to hire a consultant. She sees George’s suggestion as being incorporated into an overall communications plan. The committee can evaluate the effectiveness of producing a newsletter.

Goal 9 Administrative Tasks: change to priority 1.

Michelle Pierce said that at the next meeting, the board will go through the budget line by line. If there is something someone wants to bring up tonight, she would entertain that.

Julie Vlier suggested including approximately \$300,000 in line 41 under projects development & evaluation costs to bring on a consultant on an as-needed basis to evaluate various water resource opportunities and their feasibility.

Julie Vlier suggested increasing Taylor River Watershed Modelling under line 44 to \$150,000.

Kathleen Curry suggested including \$250,000 for the potential purchase of Aspinall water under line 43.

Michelle asked Julie for more detail on her comments on line 41. Julie said that we would look to our staff to bring some ideas to the forefront in 2019 and to have them evaluated. There are now more partnerships and creativity now which could be used to possibly bring back and do a project that was formerly dismissed.

Andy Spann said he would rather put money into buying augmentation water than putting a lot of money into projects for which water may not be available.

Kathleen Curry asked staff to find out the price of augmentation water from the Aspinall Unit and how much might be needed for various scenarios, for example, one week of water at 50 cfs.

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

**Treasurer's Report:** Bill Nesbitt said that we purchased a few new certificates of deposit at good interest rates. The District will exceed its income on investment line item in 2018.

**Taylor Park Reservoir:** Julie Vlier said that the TLUG group met September 21 to determine the winter release rate. The recommendation from TLUG was for winter releases from Taylor Reservoir to be set at 50 cfs beginning October 1. This takes into consideration the projected end of September reservoir content of 57,253. Also discussed was reducing September releases from 150 to 100 cfs. This was accomplished speedily. Julie said that she is asking for board approval of the TLUG recommendation.

**Andy Spann moved, and Kathleen Curry seconded to accept the Taylor Local Users Group recommendation of winter flows out of Taylor Park Reservoir of 50 cfs.**

Bill Nesbitt asked if there were any comments in relation to Ernie Cockrel's letter.

Frank said that in 4 out of 16 years, releases have been cut to 60 cfs or lower. It is ultimately the Bureau's decision, but they will take input at the four parties meeting this Friday.

**The motion carried.**

Julie Vlier said that she will be working with Frank this winter to bring the TLUG group together to let them know more about what this board is doing to increase forecasting accuracy. The group will convene in early March 2019, which is earlier than usual. The goal is to improve communications and be more proactive. Julie added that the TLUG group felt comfortable with the 50 cfs, given it is in the decree, and given that it is such a dry year.

John McClow asked the CRWCD representatives present, as one of the four parties, if there were any reason they might object. Peter Fleming said that the CRWCD would support the 50 cfs.

**Gunnison Basin Roundtable:** Kathleen Curry said that the GBRT met September 17. They discussed the Gunnison Basin Implementation Plan and got an updated list of projects to review. A new member from the City of Montrose was welcomed.

Kathleen said that the GBRT submitted a letter to the CWCB in advance of its September 19, 2018 meeting, stating its support of the Southwest Water Conservation District and the Colorado River Water Conservation District's resolution regarding the proposed storage pool legislation as well as the need to limit any future demand management program to voluntary, compensated curtailment of water use. The Yampa Roundtable did not submit a letter, but the chair offered comments. They wanted to hold off until after the CWCB meeting. The GBRT requested to be included as a stakeholder in future discussions with the CWCB.

**Education Committee:** Bill Nesbitt said that the board received a summary dated September 11, 2018 relating to items that it considers worthy of funding in 2019. Those include \$500 for fen research, \$650 for the City of Gunnison swimming program, \$775 for purchase of the Frank Ashe water books, \$5,000 for newspaper and radio ads, \$1,000 for the Gunnison White Water Park camera, \$2,000 for the purchase of items bearing the District's logo, and new sponsorship of the Ag Venture program for \$1,000. The committee recommended including \$10,000 as a placeholder in the 2019 budget for social media.

Michelle Pierce said that Stacy McPhail is very knowledgeable in marketing and communication. The committee came to a consensus to hire a consultant. Stacy put together a bulleted list which Bev sent to firms for cost estimates. The board will have those figures for the next meeting. She said that this is a key piece of the Watershed Management Plan outreach and is included in the WMP budget. The board will still want to add some money to what is already in the WMP budget.

**Watershed Management Planning Committee:** Frank Kugel said that the pertinent information is contained in the memo the board received summarizing the recent meeting.



**Wet Meadows Project Update:** Tom Grant gave a brief update of work that has been done this season on Sapinero Mesa. He invited board members to come tour the site with him.

Tom said he would love to broaden his role and is trying to figure out what it could be. He said that there is a CWCB grant he wrote through which funding was obtained for work on Middle Quartz Creek above Pitkin.

Julie Vlier expressed her appreciation for the excellent work Tom has done. She said that the board should do whatever it can to be supportive of Tom and his work. This could come in the form of information, data, letters of support when grants come up, or scholarships for courses he takes. Tom thanked her and said he feels very well supported.

Bill Nesbitt asked if Tom feels funding is secure. Tom said he feels that 2018-2019 funding is secure.

**NWCCOG QQ Meeting Summary:** George Sibley said he attended the recent QQ meeting in Silverthorne and found it very interesting and informative.

#### **14. MISCELLANEOUS MATTERS**

**Summary of CWRWCD Annual Water Seminar:** Frank said it was a well-attended seminar complete with many excellent discussions.

#### **15. CITIZEN COMMENTS**

Henry Woods thanked the board for their good service. He suggested that the District's Goal 8 should include having discussion with Gunnison County Electric Association urging them to follow the example set by DMEA to pressure Tristate Generation and Transmission to cut down on coal burning.

Mr. Woods also said he wants the board to help spread the word that annual ice skating party on Lake San Cristobal is a recreational use of the lake.

Paul Mowry asked how the board would find interested participants in projects. He has the feeling there is lack of interest from the community or hesitation in taking on these big money projects or restoration projects. He thinks there may be more people jumping on board in the San Luis Valley because it is a more agriculturally dominated community than Gunnison is presently. Emma Reesor said the Rio Grande

Headwaters restoration has been successful because it was formed with many diverse leaders and has helped bring people together, which is its role as a non-profit organization.

**16. FUTURE MEETINGS**

A meeting of the Education Committee meeting will be scheduled.

Kathleen Curry said that the GBRT roundtable meeting should not be listed on the calendar for December.

Kathleen Curry said that the Gunnison Stockgrowers meeting will take place October 1.

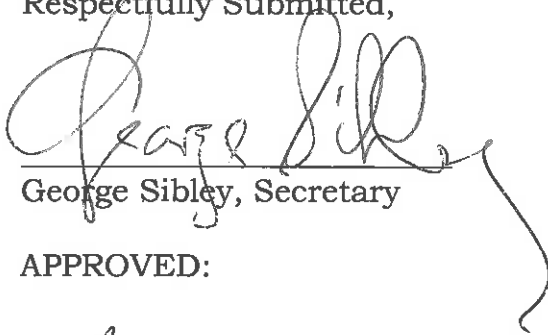
George Sibley said that the Watershed Management Planning Committee will meet October 15.

The next board meeting of the Upper Gunnison River Water Conservancy District will take place October 22, 2018.

**17. ADJOURNMENT**


Board President Michelle Pierce adjourned the September 24, 2018 meeting at 9:13 p.m.

Respectfully Submitted,



George Sibley, Secretary

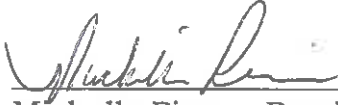
APPROVED:



Michelle Pierce, President

Executive Session Certification:

As chair of the executive session, I hereby attest that the executive session held on September 24, 2018 was confined to the topic authorized for discussion in an executive session, as reflected by the minutes.



Michelle Pierce, President

**CERTIFICATION**

As attorney for the Upper Gunnison River Water Conservancy District, I hereby attest that the executive session held on September 24, 2018 was confined to the topic authorized for discussion in an executive session, as reflected by the minutes



John H. McClow, General Counsel