

**Upper Gunnison River Water Conservancy District
Board Meeting Minutes
Monday, January 28, 2019**

The Board of Directors of the Upper Gunnison River Water Conservancy District conducted a regularly scheduled meeting on Monday, January 28, 2019 at the District's offices, 210 West Spencer Avenue, Suite B, Gunnison, Colorado.

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

Cheryl Cwelich
Ashley Hom, U.S. Forest Service
Tom Grant, Wet Meadows Program Coordinator
Jesse Kruthaupt
Frank Kugel, General Manager
Jill Steele, Office Manager
Henry Woods, Lake San Cristobal Water Activity Enterprise

1. CALL TO ORDER

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

2. EXECUTIVE SESSION TO DISCUSS PERSONNEL MATTERS

John McClow said that the board is authorized to meet in executive session to discuss personnel matters pursuant to §24-6-402(4)(f)(I), C.R.S.

Julie Vlier moved, and Stacy McPhail seconded to adjourn into executive session to discuss personnel matters pursuant to §24-6-402(4)(f)(I), C.R.S. The motion carried.

Bill Nesbitt moved, and Julie Vlier seconded, to adjourn the executive session. The motion carried.

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

3. AGENDA APPROVAL

Board President Michelle Pierce called the regular meeting back to order at 5:55 p.m.

Michelle Pierce said that additions to the agenda include a memo from Dave Currier, which will be discussed under agenda item 8. The board also received a revised list of non-operating expenses for approval.

Bill Nesbitt moved, and George Sibley seconded, to approve the amended agenda with the additions mentioned. The motion carried.

4. CONSENT AGENDA ITEM

Kathleen Curry asked that the Wilson Water Group bill be removed from the consent agenda.

Rebie Hazard moved and Bill Nesbitt seconded approval of the remaining consent agenda items. The motion carried.

Consideration of the Wilson Water Group bill: Kathleen asked Frank to comment on the status of the budget for Wilson Water Group's work, given their comment in bold on the invoice.

Frank Kugel said that Erin Wilson has notified him that they are donating part of their time in large part because they are behind schedule in providing the work product.

Kathleen Curry moved, and Andy Spann seconded, to approve the Wilson Water Group bill. The motion carried.

5. LEGAL AND LEGISLATIVE MATTERS

John McClow said that the legal matter he has to discuss will be the subject of the executive session later.

The board received a legislative activity report in their packets.

John said that on the ditch easement bill, HB 19-1082, the committee had concerns last week and put together an amendment that Representative Catlin was comfortable with, a few changes were made, and the committee voted to support it.

John said that negotiations are still ongoing on HB 19-1113.

John said that Julie Nania suggested a resolution supporting HB 19-1113 to the committee. The bill is scheduled to come up to committee on Monday, so there is a short timeframe in which to support the legislation.

6. MANAGER'S REPORT

Frank Kugel showed the board the current drought monitor which, in contrast to last week's, shows less area of exceptional drought.

7. DINNER BREAK

8. BOARD/STAFF/COMMITTEE MEMBERS REPORTS

Treasurer's Report: Bill Nesbitt said that the District's income on investments exceeded the 2018 budgeted amount by 50%.

Gunnison Basin Roundtable: Kathleen Curry said the GBRT met January 21. They reviewed two grant applications and have been approving letters of support for other grant programs. They also discussed the status of demand management and drought contingency planning. They talked about phase 3 of the risk study and want to get a thorough update at the March meeting. Kathleen suggested it might be good to share that or to have an update on phase 3 at an upcoming board meeting. The model runs being done as part of that are very interesting.

The four, West Slope round tables will meet to talk about phase 3 of the risk study and to provide input to a September meeting of all the roundtables in the state.

Update on Drought Contingency Planning: John McClow said that he and Frank included a memo in the board packets on basin-specific issues related to demand management. He said that Julie Nania wrote a memo titled Local Concerns, Questions and Preferences from Irrigators and Water Resources, which included more local details.

John showed historic and projected end-of-month levels for Lake Powell. Levels were projected to be mostly below 3,575 feet of elevation through May 2020.

The memo contains the recommendation that the District compile a complete tabulation of pre-compact and post-compact water rights in the District to determine what impact curtailment could have, and where. In addition, the District should adopt a firm policy on the definition of "present perfected rights" and be prepared to support it. A question here is whether the District should advocate for using rights based on adjudication dates or use dates.

Andy Spann asked if an economic impact component will be involved. Bill Nesbitt said he supports Andy's comment and said he would like to see a number chosen for use in the basin that a number of working ranches could use in order to calculate what would happen with a certain percentage reduction of water use.

Frank said that the Gunnison basin shows a higher number of water rights because there are many straddle rights, which makes using appropriate dates beneficial for the basin.

Kathleen Curry suggested that the board could form a committee to study this and that she would be willing to participate.

Frank said that he has been asked to participate in a West Slope group of thirty parties to talk about the demand management and drought contingency planning.

John McClow discussed the conservation pilot program that has been ongoing for four years. One of the popular programs that participated in that process was a partial year irrigation process. Many Wyoming ranchers found that attractive. However, at the end of four years, the final analysis report concluded that was a very difficult process to evaluate. Due to the way return flows work and soils differ, they had difficulty in measuring, quantifying, and verifying. So that may or may not continue to be available. Deficit irrigation is another process being studied, but nobody seems to be able to decide what that means.

Cheryl Cwelich said that as part of her capstone project at Western, she is working on strategic implementation for the draft contingency plan in the Gunnison basin based upon pilot programs that have been used. Her group will meet with John tomorrow. Their goal is to develop basin specific uses to present to the state engineer.

Watershed Management Planning:

George said that the board received a memo in their packets. He said that the model that is supposed to tell us how the watersheds work is not working well. The diversion information we have is not precise enough.

George said that he wants to have stakeholder meetings to present the needs assessment we have come up with and to sound out stakeholders on what would be good demonstration projects to address some of the needs being identified. We need to have this done by June and then move on to other streams.

George said that the next meeting will be February 4, and our consultant will be here for that. We have a lot of good information put together by Ashley and Julie and Jesse. We may have to go with the information we have in order to be done by June.

There was support from the board for this approach.

2019 Grant Program:

Frank Kugel said that notices will be published this week and next, with February 28 being the application deadline. Then the Grant Committee looks at the applications and makes recommendations to the board for consideration at the March board meeting.

Update on Scientific Endeavors Within the District:

Rosemary Carroll said that while state-funded Airborne Snow Observatory flights will fly as planned this year, those funded by NASA will be postponed until next year due to the government shutdown.

Rosemary said that a new SNOTEL site is being scoped out in the Kebler pass/Lake Irwin area.

Phase two of the effort with the DOE to model the entire East and Taylor drainages will begin in October of this year. This entails a weather forecast model along with a ground model. While not intended to specifically address agriculture, some large-scale information will be produced that could be useful down the road.

Julie Vlier said that in the 2019 budget, \$30,000 is included for Taylor River basin modeling. She and Rosemary and Frank have talked with Dave Gochis and have developed a scope of work for him and his staff. The modeling effort should be getting underway soon.

Frank said that new SNOTELS are located at Mirror Lake, near Italian Mine, and in the Trail Creek area. One transmits data in real time, and the others are currently logging data.

Frank said it was hoped that the Floresta area would be suitable for a SNOTEL because it faces north and retains snow. However, the property is for sale and the owners are not interested in any encumbrances on the property. He asked Ashley Hom, of the Forest Service, about the timing for obtaining a permit to install a SNOTEL on government property. Ashley said the NEPA part of it takes about one month, and the permit itself takes about two to three months.

9. CITIZEN COMMENTS

No citizens requested to speak.

10. MISCELLANEOUS MATTERS

The board considered the resolution drafted by Julie Nania in support of House Bill 19-1113 to amend the Colorado Mined Land Reclamation Act.

Julie Vlier moved to support the resolution in support of House Bill 19-1113 to amend the Colorado Mined Land Reclamation Act. George Sibley seconded. The motion carried.

John McClow said there are two primary sponsors of this bill in the house and there are four secondary sponsors. He will send the resolution to the six of them, and also to a senate sponsor when there is one.

Frank Kugel said he met today with Solarize Gunnison County, a Masters in Environmental Management (at Western) project in cooperation with a solar energy vendor in Almont. He indicated the District's interest and will give more information when he has it.

11. FUTURE MEETINGS

Frank reminded the board of the upcoming Colorado Water Congress convention. He said that there are many workshop opportunities Wednesday morning and afternoon.

12. SUMMARY OF MEETING ACTION ITEMS

1. Follow up on demand management memo recommendations, but in addition to what was listed in the memo to include a recommendation on doing the economic analysis.
2. Think about what deficit irrigation really means.

13. EXECUTIVE SESSION TO RECEIVE LEGAL ADVICE FROM COUNSEL AND INSTRUCTION FOR NEGOTIATORS REGARDING TAYLOR PARK RESERVOIR OPERATIONS.

John McClow said that the board is authorized to meet in executive session pursuant to §24-6-402(4)(b), C.R.S., conference with attorney and §24-6-402, C.R.S., (4)(c)(I) positions regarding negotiations and instructing negotiators.

Bill Nesbitt moved and Andy Spann seconded to meet in executive session pursuant to §24-6-402(4)(b), C.R.S., conference with attorney and §24-6-402 (4)(c)(I), C.R.S., positions regarding negotiations and instructing negotiators. The motion carried.

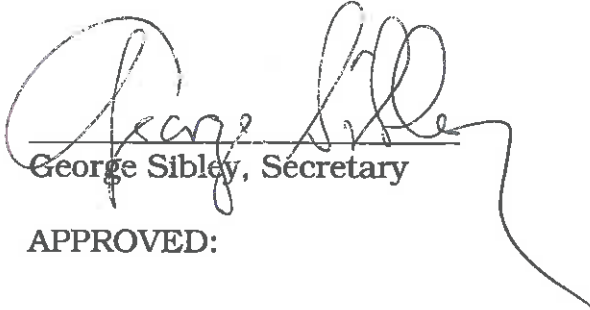
Rosemary Carroll moved and George Sibley seconded to adjourn the executive session. The motion carried.

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

14. ADJOURNMENT

Board President Michelle Pierce adjourned the January 28, 2019 meeting at 8:32 p.m.

Respectfully Submitted,


George Sibley, Secretary

APPROVED:


Michelle Pierce, President

As chair of the executive session, I hereby attest that the executive session held on January 28, 2019 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 January 28, 2019 was confined to the topic authorized for discussion in an executive session, as reflected by the minutes.


John H. McClow, General Counsel

