

**Upper Gunnison River Water Conservancy District
Board Meeting Minutes
Monday, February 25, 2019**

The Board of Directors of the Upper Gunnison River Water Conservancy District conducted a regularly scheduled meeting on Monday, February 25, 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, John Perusek, Michelle Pierce, George Sibley, and Andy Spann.

Board members not present: Bill Nesbitt and Julie Vlier.

Also present:

Ashley Bembenek, Alpine Environmental Consultants

Cheryl Cwelich, UGRWCD Intern

Tom Grant, Wet Meadows Coordinator

Ashley Hom, U.S. Forest Service

Jesse Kruthaupt, Trout Unlimited

Frank Kugel, General Manager

Molly McConnell

John McClow, General Counsel

Greg Peterson

Jill Steele, Office Manager

Bill Trampe, Colorado River Water Conservation District

Zack Vaughter, Coal Creek Watershed Coalition

1. CALL TO ORDER

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

2. AGENDA APPROVAL

Michelle Pierce said that the board has received additional non-operating expenses for approval, a resignation letter from the TLUG group by Diane Marriott, a letter of intent by Brian Birdsey seeking appointment to the TLUG to fill Diane Marriott's position, and the final EIS for the CBMR project.

Rebie Hazard moved, and George Sibley seconded approval of the agenda as amended. The motion carried.

3. CONSENT AGENDA ITEMS

Rosemary Carroll requested to remove the January 28, 2019 minutes from the consent agenda.

Andy Spann moved and Julie Nania seconded approval of the remaining consent agenda items. The motion carried.

Rosemary said that in the minutes, under Update on Scientific Endeavors within the District, it should be stated that the ASO flights will fly this year, but only using state funding. ASO flights funded by NASA will fly next year.

Rosemary said that phase 2 with the DOE will begin in October 2019 - we are not currently within phase 2.

Rebie Hazard moved, and Rosemary Carroll seconded, approval of the January 28, 2019 minutes as corrected. The motion carried.

4. LEGAL AND LEGISLATIVE MATTERS

John McClow said he discussed with Peter Fleming and David Gehlert the idea the board considered regarding the District's current Taylor Park Reservoir dispute. Both agree in principle with the idea the board discussed.

A week ago, all parties to the 1975 Agreement met to discuss the draft to extend the agreement. There was a generally positive response. The Bureau of Reclamation will review the contract and will likely write the contract for forty years, as opposed to the current contract term of fifty years. Upon signature, the new agreement would become effective, and the old agreement would be cancelled.

John said that HB 19-1082, the ditch easement bill, passed the Senate with amendments, and now the House has to see if they approve of the Senate amendments.

John said that the resolution the board passed in support of HB 19-1113 was forwarded to the sponsors and co-sponsors. Three out of the four responded

positively. The resolution was also provided to Senator Donovan, along with a message conveying the District's appreciation for her Senate Sponsorship. She also responded favorably. HB 19-1113 will be heard in the Senate Ag Committee on March 7.

5. MANAGER'S REPORT

Frank Kugel said that the Drought Monitor classification for Gunnison County has improved from Extreme to Severe.

Frank said that Gunnison basin snowpack is at 120% of average, and the statewide figure is 114% of average. The three SNOTELS used to calculate Taylor Park inflows are at 114% of average. The five Blue Mesa SNOTELS are at 117% of average.

6. UPDATE ON CCWC ACTIVITIES - ASHLEY BEMBENEK AND ZACH VAUGHTER

Ashley Bembenek, Ashley Hom, and Zack Vaughter gave an update on Coal Creek Watershed Coalition's activities, including the Musician's Camp toilet and the Nellie Creek toilet upgrade which the District help to fund.

There have been some high levels of E. coli measured in Washington Gulch near the Slate River. Frank Kugel asked if any work has been done to determine the cause of the elevated E. coli levels. Ashley Bembenek said the CCWC is considering doing a genetic analysis which will determine which animal was the origin of the E. coli.

7. DINNER BREAK

8. U.S. FOREST SERVICE GRANT UPDATES - ASHLEY HOM

Ashley Hom updated the board on U.S. Forest Service grants.

9. UPDATE ON TOMICHI CREEK STUDY - JESSE KRUTHAUPT

Jesse Kruthaupt gave a presentation on the Tomichi Water Conservation Program. He said that a consumptive use figure of .9 per acre was arrived at by the study. Refinements to the irrigated acreage tabulations made by Wilson Water Group will be incorporated into the program going forward in order to improve modeling.

10. BOARD/STAFF/COMMITTEE MEMBER REPORTS

Treasurer's Report: Board Treasurer Bill Nesbitt was not present.

Taylor Park Reservoir: Frank Kugel said that the first TLUG meeting of the season is scheduled for March 8. He said we have contracted with Dave Gochis, a researcher with NCAR, to do some modeling work in order to help improve water supply forecasting.

Frank said that based on the February 1 forecast, the Bureau projects a peak storage level of 92,000 acre feet by the end of June. The March 1 forecast projects 90% of average inflows into Taylor Park Reservoir.

Frank said that Diane (Dee Dee) Marriott has resigned from the TLUG because she has sold Taylor Park Marina to Rory Birdsey's two sons. One of them, Brian Birdsey, has asked to be added to TLUG to fill Diane's seat as the flat-water recreation representative.

Kathleen Curry moved that Brian Birdsey be appointed to complete the term held by Dee Dee Marriott on the TLUG. Andy Spann seconded. The motion carried.

Update on Drought Contingency Planning: John McClow said that he sent the board materials on drought contingency planning efforts.

Stacy McPhail said that, given how long it would take to develop data, the board should look at existing data and how it can be used; for example, on a field-by-field basis and on-the-ground testing with willing irrigators. It will take a long time for that data to get translated into a coefficient that can be used in calculations, without waiting for new data to be developed and included.

Kathleen Curry said that it is important that the coefficient be accurate. While we will never have enough data, more is still needed.

John McClow asked what the board wants to see from him and from Frank to move the process forward. Suggestions included following up on Jesse Kruthaupt's consumptive use work. It was noted that it would be helpful to find a few irrigators who are willing to talk through the financial aspect of what would happen if they were to lose a certain percentage of their hay crop

Watershed Management Planning: The board received a memo summarizing the last meeting. George Sibley said that the process needs more input, ideas, and participation from agricultural water users. The next WMP committee meeting will take place on March 11 at 1:00 p.m.

Wet Meadows Project Update: Tom Grant updated the board on the Wet Meadows Project. He said that currently most of the work involves planning for future projects and working with different agencies to plan out the work and funding. He has been working to identify suitable project management software. He said he would like to know more about what the board's expectations are for the project in the future, and he expressed interest in making it into an actual strategic plan.

Tom said he would welcome the opportunity to provide a more detailed presentation of perhaps fifteen minutes duration during a future meeting. Michelle Pierce said this can be included on a future meeting agenda whenever Tom is ready to do so.

Update on Scientific Endeavors within the District: Rosemary Carroll said that, due to the recent government shutdown, the Airborne Snow Observatory (ASO) did not do a flight prior to the peak snowpack, but it will fly in early April and during the melt season. She said that she will be leading a large crew to dig snow pits during March and April. Dave Gochis will be here to assist with that work.

11. MISCELLANEOUS MATTERS

Kathleen Curry asked how a board member would weigh in on legislation if they are not a member of the legislative committee. She referred to a proposal which would expand the process of a loan of water to the CWCB for an instream flow water right.

John McClow said that the bill is scheduled for discussion at the March 11 CWC State Affairs Committee meeting. The current law allows a water right owner to loan that water right to CWCB for instream flow purposes three times in a ten-year period. The bill would increase that to five times. The bill would allow the CWCB to accept a loan of water rights for its use in a reach where it does not already have an instream flow water right, and it would allow the loan to be renewed for two additional ten-year periods. John asked if the five-year issue was of concern to the board. There was agreement that it was of concern.

Kathleen will email John, and the whole board, with further questions and concerns.

Michelle Pierce said that some board members attended the CWC Annual Conference. She said that the best part was seeing John McClow receive the Wayne Aspinall Water Leader of the Year Award.

Kathleen Curry said she was inspired by forest health discussions. She suggested that it could be included on a future meeting agenda.

Ashley Bembenek referenced the EIS for the Teocalli 2 Expansion at Crested Butte Mountain Resort. She said that the Forest Service's information contains errors in terminology. Ashley will work with John and Frank in submitting a letter to address the terminology corrections.

Stacy McPhail moved, and Rosemary Carroll seconded, to support Ashley Bembenek's idea of working with Frank and John to address the errors in the Forest Service's information. The motion carried.

12. CITIZEN COMMENTS

Bill Trampe said that the CRWCD will have to come to a decision on a ballot issue in order to increase its revenues. De-Brucing has been attempted in the past without success. The outreach that has been done in the past has not seemed to change the election results. He said he is open to input on the subject.

Kathleen Curry said that a healthy and well-funded CRWCD is critical. She suggested looking at past ballot language to see if the messaging could be improved.

Frank Kugel said that the risk study, water banking, grant program, and selenium task force are all worthwhile activities that the River District should promote. He said that identifying what the CRWCD will do with the extra tax money is key.

Julie Nania said that, coming off a drought, a good message might be something along the lines of, "we are representing you on the issues you care about but may not have specific information on."

Greg Peterson said that he hopes that at their March meeting, the CWCB can move forward with the demand management process. John McClow said that

what will be seen from CWCB in March will not be a program, but a process for developing a program, and it will include stakeholder input.

Julie Nania suggested we begin making bullet points, to the extent possible, as to what our answers will be to the questions, knowing that those answers will be imperfect. John McClow agreed. Bill Trampe agreed and said that we never think about stopping consumptive use enlargement. The desire seems to be to have to have more people and do more things, but to keep agriculture here.

13. FUTURE MEETINGS

Frank Kugel said that the Taylor Local Users Group will meet March 8, 2019.

The Grant Committee will meet March 15 from 10:00 a.m. -12:00. The deadline for applications is Thursday, February 28 at 5:00 p.m. So far, one application has been received.

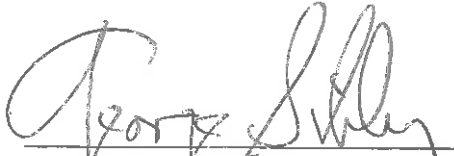
14. SUMMARY OF MEETING ACTION ITEMS

1. Frank and John to prepare a scope of work for their recommendations for next steps for the District in preparing for Drought Contingency Planning implementation. From this, the Board would select key components of voluntary, compensated, temporary demand management and determine which are acceptable and which are not.
2. Follow up on Jesse Kruthaupt's Tomichi Creek project (2019 conditions) and explore the possibility of another field trial during the 2019 irrigation season.
3. Literature review to find any existing data related to consumptive use and ET in the Upper Gunnison Basin.
4. Develop analysis of complete economic impact on producers participating in a demand management program, voluntary or involuntary.


15. ADJOURNMENT

Board President Michelle Pierce adjourned the February 25, 2019 meeting at 8:55 p.m.

Respectfully Submitted,


George Sibley, Secretary

APPROVED:


Michelle Pierce, President