

**Upper Gunnison River Water Conservancy District
Regular Board Meeting Minutes
March 25, 2019**

The Board of Directors of the Upper Gunnison River Water Conservancy District conducted a regularly scheduled meeting on Monday, March 25, 2019 at the District offices, 210 West Spencer Avenue, Suite B, Gunnison, Colorado.

Board Members Present: Michelle Pierce, George Sibley, Julie Vlier, John Perusek, Bill Nesbitt, Rebie Hazard, Julie Nania and Rosemary Carroll.

Board Members Not Present: Andy Spann, Stacy McPhail and Kathleen Curry.

Also Present:

Ian Billick, RMBL
Travis Brooks, Eagle Ridge Ranch
Cheryl Cwelich, UGRWCD Intern
Michael Dale, National Park Service
Will Dujardin, Town of Crested Butte
Tom Grant, Wet Meadows Coordinator
Tyler Hanson, Mill Creek Ranch
Jonathan Houck, Gunnison County Commissioner
Jesse Kruthaupt, Trout Unlimited
Frank Kugel, General Manager
John McClow, General Counsel
Brandon Miller, US Fish and Wildlife Service
Cathie Pagano, Gunnison County
Hedda Peterson, Crested Butte Land Trust
Beverly Richards, Administrative Assistant
Bob Robbins
Don Sabrowski
Rob Strickland, Midnight Marketing
Alphonse Taramaraz
Sue Wallace, CBSPOA

1. CALL TO ORDER

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

2. AGENDA APPROVAL

Michelle Pierce said the board has received additional non-operating expenses for approval.

George Sibley moved and John Perusek seconded approval of the agenda as presented. The motion carried.

3. CONSENT AGENDA ITEMS

Julie Nania moved and George Sibley seconded approval of the consent agenda items. The motion carried.

4. LEGAL MATTERS

John McClow said there has been progress on a possible settlement of the Taylor Park Reservoir issues. He has been working with the Colorado River District and the Justice Department Attorney and they have come up with a document that is consistent with what was discussed at a previous meeting.

5. LEGISLATIVE ISSUES

John McClow said Frank attended the State Affairs Committee as the District's representative. Regarding House Bill 19-1218, there was a motion to support which failed the Committee; therefore, State Affairs takes no position. Later in the day, the bill passed out of the House Energy & Environment Committee seven to four. John provided an update on other bills in the legislative memo included in the board packets.

Bill Nesbitt asked for an update on the concept of the bill. John said the bill proposes that the owner of a water right will be allowed to loan the water to the CWCB. There will be an assessment by the State Engineer associated with the loan that provides assurances there will be no injury to other water users. The analysis of injury will be done in advance of approving the loan, where the applicant for loan approval will have to provide evidence of historic consumptive use. There is also be a period where protests will be allowed, both before the loan is approved and at the end of each year during the loan, from anyone who thinks they may have been injured as a result of the loan. This is a proposed extension of an existing program where there have been fifteen loans and no protests since 2004. Rebie Hazard asked about the notification process. John said they will include notifications to the in-stream flow notifications list and the Substitute Water Supply Plan list. These will be made via e-mail and regular mail.

6. MANAGER'S REPORT

Frank Kugel said that since last month's report and the current report, significant improvements have occurred to the water supply outlook. According to the drought map dated March 12, the extreme drought conditions have improved with Gunnison and Saguache counties being considered

drought free. The persistence map shows that Colorado is almost totally drought free and long-range forecasts indicate it should stay that way for some time.

According to the SNOTEL map for the Blue Mesa group, the current information matches 2017 closely, which was a good year for precipitation. Frank spoke with a representative from KBUT who asked about flooding. It is too early to tell, but in 2017 we had significantly greater snowpack but there was no flooding.

The 6- to 10-day and 8- to 14-day forecasts show near normal temperatures and above normal precipitation. The April through July forecast shows normal temperatures and significantly wetter than normal precipitation. This is encouraging from a water supply perspective and they are monitoring flooding conditions closely.

Frank said he traveled to Lake City at the request of one of the county commissioners. He provided some pictures of the avalanche areas near Lake San Cristobal. The drought monitor shows an improvement in this area based on the amount of snow they have had so far this season. He also said that he has been unable to provide Meridian Lake Reservoir updates as the Crested Butte Avalanche Center has advised not going into this area due to existing avalanche conditions. Frank showed a video of the lake and outlet he took with his drone.

7. DROUGHT CONTINGENCY PLANNING UPDATE

John McClow said he provided a memo in the board packet that gives an update of the proposed CWCB work plan which is how the state is going to pursue the framework for demand management. This is heavily oriented toward citizen input. The seven states principals' letter was sent to Congress with agreed on language for proposed legislation. Sub-committees in the House and Senate will hold hearings on the legislation later this week. There has been some push back on the environmental impacts of reoperation of the CRSP reservoirs. House leadership will not entertain any bill that even touches environmental issues as it is too close to the current administration's policy on environmental issues. The current language is designed to address that concern.

The District has directed staff to research the economic impact of demand management. John has spoken with Harvey Economics and they will prepare a proposal to be presented to the board at the April meeting. He has also had meetings with Andy Spann and Jesse Kruthaupt to discuss possible new pilot projects related to participation in a demand management program that might be considered good ideas from the perspective of the agricultural community.

8. DINNER BREAK

9. RMBL WEATHER STATION UPDATE

Ian Billick with Rocky Mountain Biological Laboratory gave an update on the six weather stations funding partially by UGRWCD and being upgraded by NCAR. They have a 5-year contract and have spent 25,000 to 30,000 on the sensor packages. They have begun the long process of getting them operational. Frank asked when they would be able to provide useful and shareable data from these stations. Ian said they are online now, and they plan on making this data actionable for making predictions which will close the loop on some of the models. Rosemary Carroll said actual snow depth data using solar radiation is an important component of these stations. Ian said the weather station and the data they generate was a great investment and will be useful in the long run.

Frank asked about the avalanches that have occurred off Gothic Mountain. Ian said as many people know, Billy Barr has tracked avalanches since the 70's and has the most complete data set in the world. Based on his information, they have had 5% less snow but 40% more water which makes it an above average year. This unusual combination will likely cause many spring slides. Bill Nesbitt asked about dust on snow events as compared to years past. Ian said currently there are none, but they typically occur in April and May and so could still have an affect on runoff. They are currently involved with a couple of other studies such as working with Jeff Deems on a snow pit in the Gothic townsite to provide more data on avalanches, developing more information on albedo incidents, and wind measurements at high alpine locations.

10. SOCIAL MEDIA CAMPAIGN AND WEBSITE DESIGN UPDATE

Rob Strickland with Midnight Marketing gave a brief overview of the website that is currently in development. He also discussed how the changes to the website will be integrated into the social media campaign the District is undertaking. He encouraged the board to provide input regarding the website to staff. Once all input is received and changes made, the website will be ready for launch. This should happen within the next couple of weeks.

11. BOARD/STAFF/COMMITTEE MEMBERS REPORTS

Treasurer's Report: Bill Nesbitt said investors are talking about what the Federal Reserve is anticipating and as of January 29, there is a 72% probability that they will cut interest rates. It does not look like there will be a rate hike and the District has stability with the rate structure that we have. This reaffirms that we should not change our current plan.

Taylor Park Reservoir: Julie Vlier said the first TLUG meeting was held on March 8. Dave Gochis from NCAR attended the meeting to present information about runoff forecasting and modeling tools and was very well received. There is a great snowpack this year and is forecasted to produce above-average runoff conditions. This presents an opportunity for us to refine the models and decision making with regards to Taylor Reservoir releases.

Ernie Cockrell was not in attendance at the meeting but was represented by Rory Birdsey and their input was that this is an opportunity to make some larger releases in May. This will be discussed at the next meeting scheduled for May 8 where they hope to hear from key stakeholders and set releases that will have multiple benefits.

Gunnison Basin Roundtable: Frank Kugel said at the last meeting they discussed WSRF grant applications, an update on drought contingency planning, and Phase III of the risk study. The Roundtable also approved a letter of support for the Shady Island project.

Grant Committee: Rosemary Carroll said the committee was tasked with distributing \$150,000 in grant funds. They received several excellent requests which covered a great diversity of projects. The total amount requested was \$251,236 for the \$150,000 budgeted.

The Grant Committee recommended funding the following projects:

1. Cottonwood Pass Vault Toilet Project	\$ 13,691
2. Canal Trail Bridge/Deck (Funded through WMP)	\$ 0
3. Coldharbour Institute Water Management Plan	\$ 12,200
4. CBSPOA Irrigation Efficiency Project	\$ 12,855
5. Eagle Ridge Ranch Enhancement Project	\$ 5,000
6. Gleason Ditch Improvement Project	\$ 3,750
7. Gunnison Valley Waterways Signage Project	\$ 0
8. Harris Bohm Potato Diversion Improvement Project	\$ 14,000
9. Innovation Irrigation Efficiency Project	\$ 20,860
10. Lower Twister Snowmaking Line Replacement	\$ 5,000
11. Milk Creek Ranch Irrigation Improvement Project	\$ 7,000
12. Road Beaver Creek Fish Barrier and Diversion Project	\$ 6,000
13. Shady Island River Park Project	\$ 40,000
14. Slate River Watershed Integrated Monitoring Project	\$ 4,569
15. Slate River Working Group Project	\$ 5,075
16. Slumgullion Earthflow Conservation Project	<u>\$ 0</u>
Total Recommended for Funding	\$150,000

Rebie Hazard said that while the vote on the Cottonwood Toilet was split among the committee members she does think this is an important project, though it is not normally the District does with their grant funding. She said that she envisions many requests such as this since the need is everywhere. Frank said the committee put a caveat on this funding recommendation with the acknowledgement that they would not entertain any other requests of this nature from the Forest Service.

Bill Nesbitt said that since this is the second year where the funding requests exceeded the budgeted funding amount, he would again champion an increase in this line item when discussing the next year's budget. Julie Vlier agreed with Bill and said that the projects recommended for funding represent the District's water users and it is important to have that diversity. She questioned the reasoning behind only funding \$5,000 for the Lower Twister snowmaking line project as this is in a reach of the East River that typically goes dry and causes problems for the fishery. Julie Nania said the application did not specifically address the benefits of this project and the committee was uncomfortable with funding a project that was the result of poor maintenance in the past. The committee recommended partial funding to open communications about these and other issues with the ski resort.

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

Watershed Management Planning Committee: The board received a memo summarizing the last committee meeting. George Sibley said that as the committee is finishing up Phase I of the planning process, they are looking at what does and does not work from the needs assessment model. The meeting also involved discussions about how to get this information to stakeholders to increase participation in the process. The committee is also looking forward to Phase II which analyzes the Taylor River, Gunnison mainstem, and Cebolla Creek. The next WMP committee meeting will take place on April 8 at 1:00 p.m.

Update on Scientific Endeavors Within the District: Rosemary Carroll said they have some Airborne Snow Observatory (ASO) flights scheduled between April 8 and April 13. They are aiming for between 12 and 20 snow pits to ground-truth the aerial data, mostly in the East River basin including Washington Gulch and the upper East River. They are also working on flights in the Taylor River, Ohio Creek, and Coal Creek basins. She also said that Jeff Deems is investigating an additional SNOTEL site in the Coal Creek-Kebler Pass-Ohio Pass area. They hope to have a definitive location for this by May 1.

Education Committee: Bill Nesbitt said he received an email from the Lake Fork Valley Conservancy about interpretative signage and whether they could

receive funding from the Education Committee. Frank said is not sure if such a project should be funded through this committee. Bill would like to schedule a meeting to discuss this and the school district curriculum. Frank will send out a Doodle poll to schedule the meeting.

12. MISCELLANEOUS MATTERS

There were no miscellaneous matters discussed.

13. CITIZEN COMMENTS

Tom Grant wanted to thank the board and staff for the flowers that were sent when his baby was born. He also wanted to let the board know that the Wet Meadows project has received the USDA Wings Across America Habitat Award. This is an award that is given out at the national level. The Forest Service will do the press releases as they nominated the project for the award.

Michael Dale from the National Park Service said they are predicting Blue Mesa Reservoir to reach 690,000 to 700,000 acre-feet of storage this year which is approximately 87% of capacity. This prediction is based on the Gunnison Tunnel taking their full amount of water. Frank said the Uncompahgre Valley Waters Users are not planning on placing a call this year so in conjunction with that this could be an above-average year for irrigation in our district.

14. FUTURE MEETINGS

The next regular board meeting is scheduled for April 22, 2019.

The Watershed Management Planning Committee will meet on April 8, 2019 at 1:00 p.m.

There will be a Taylor Park Vegetation Management Project Workshop on March 26, 2019 beginning at 4:30 p.m. The location for the meeting is the west wing of the Savage Library at the University. Tom Grant said there will be a second meeting held on April 22, 2019.

The Southwestern Water Conservation District's annual conference has been rescheduled for the fall.

There will a conference titled 'Growing Water Smart in the Headwaters' in Keystone at the end of April. This conference is being put on by the Sonoran Institute and is geared toward counties and municipalities and water management.

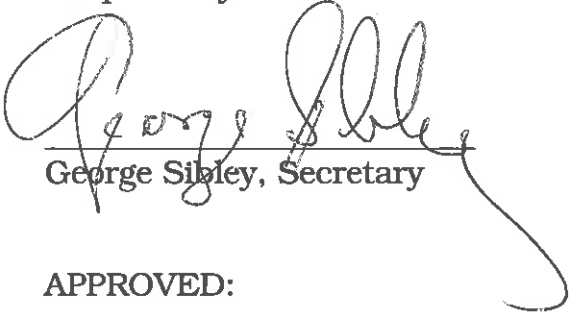
15. SUMMARY OF MEETING ACTION ITEMS

Frank will send out a Doodle poll to determine a date for the next Education Committee meeting.

16. ADJOURNMENT

Board President Michelle Pierce adjourned the March 25, 2019 meeting at 8:18 p.m.

Respectfully Submitted,



George Sibley, Secretary

APPROVED:



Michelle Pierce, President