

**Upper Gunnison River Water Conservancy District
Board Meeting Minutes
Monday, June 24, 2019**

The Board of Directors of the Upper Gunnison River Water Conservancy District conducted its annual meeting on Monday, June 24, 2019 at the District's offices, 210 West Spencer Avenue, Suite B, Gunnison, Colorado.

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

Also Present:

Michael Dale, National Park Service
Nicki Gibney, National Park Service
David Gochis, NCAR
Frank Kugel, General Manager
Brian Lieberman, Crested Butte Land Trust
John McClow, General Counsel
Paul Mowery, Tomichi Creek rancher
Jill Steele, Office Manager
Greg Peterson, Tomichi Creek rancher
Jason Peterson, Gunnison County Stockgrowers

1. CALL TO ORDER

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

2 AGENDA APPROVAL

Michelle said that the board received an amended agenda, an order of appointment, oaths of office, additional non-operating expenses and a revised Taylor Park Reservoir inflow forecast.

Rosemary Carroll moved and Andy Spann seconded approval of the amended agenda. The motion carried.

3. ADMINISTRATION OF OATH OF OFFICE

Chief District Judge J. Steven Patrick administered the oath of office to returning board members Rebie Hazard, Division 2; Michelle Pierce, Division 1; Rosemary Carroll, Division 5, and to new board member Joellen Fonken, Division 3.

4. CONSENT AGENDA ITEMS

Bill Nesbitt clarified that the \$643.50 payment to Stacy McPhail was a District reimbursement for the Ag Ventures Days water education program.

Julie Vlier moved and Rosemary Carroll seconded approval of the consent agenda items. The motion carried.

5. ELECTION OF OFFICERS

Michelle Pierce said that the outgoing officers are: Michelle Pierce, President; Kathleen Curry, Vice-President; Bill Nesbitt, Treasurer; and George Sibley, Secretary.

Rebie Hazard moved to retain Michelle Pierce as President, George Sibley as Secretary, and Bill Nesbitt as Treasurer, and to nominate Stacy McPhail as Vice-President. The motion carried.

Michelle Pierce said that Kathleen Curry had been the District appointee to the Gunnison Basin Roundtable and that the board needed to appoint a new GBRT representative.

Rosemary Carroll moved and George Sibley seconded to appoint Julie Nania to be the District's representative on the Gunnison Basin Roundtable. The motion carried.

6. CONSIDERATION OF RESOLUTION APPOINTING FINANCIAL OFFICERS

Michelle Pierce said that the check signers would be: Michelle Pierce, Stacy McPhail, George Sibley, Bill Nesbitt, and Frank Kugel.

Bill Nesbitt moved and Andy Spann seconded to adopt Resolution 2019-2. The motion carried.

7. RE-AUTHORIZATION OF STANDING COMMITTEES

The board discussed some changes to the standing committees.

Andy Spann moved and Rosemary Carroll seconded to reappoint the standing committees for 2019-2020 as follows:

Education Committee: Chair – Bill Nesbitt, George Sibley, Rosemary Carroll, Julie Nania, Stacy McPhail, Frank Kugel, Beverly Richards.

Executive Committee: Chair – Michelle Pierce – President; Stacy McPhail – Vice President; Bill Nesbitt – Treasurer; George Sibley – Secretary.

Finance Committee: Chair - Bill Nesbitt, Julie Vlier, Rebie Hazard, Michelle Pierce, John Perusek, Frank Kugel, Jill Steele.

Grant Committee: Rebie Hazard, Andy Spann, Rosemary Carroll, Julie Nania, Joellen Fonken, Frank Kugel, Beverly Richards.

Legislative Committee: Chair – Michelle Pierce, Rebie Hazard, Julie Vlier, Julie Nania, Andy Spann, John McClow, Frank Kugel.

Projects Committee: Bill Nesbitt, Rosemary Carroll, George Sibley, John Perusek, Julie Vlier, John McClow, Frank Kugel.

Water Administration Committee: Julie Vlier, Joellen Fonken, Rebie Hazard, Andy Spann, Michelle Pierce, John McClow, Frank Kugel.

Watershed Management Planning Committee - Chair - George Sibley, Andy Spann, Michelle Pierce, Frank Kugel, John McClow, Beverly Richards.

The motion carried.

8. LEGAL MATTERS

John McClow included a draft of a proposed redlined stipulation in the Taylor Park Reservoir decree, presented by the United States to Ernie Cockrell's attorneys. He said that there was a meeting on June 19 which included an excellent conversation. Mr. Cockrell is willing to put more flexibility into the forecast, which is a positive outcome.

9. MANAGER'S REPORT

Frank Kugel said that the flood alert has been removed from area streams, but that the Gunnison County Sheriff is continuing boating closures for portions of the Gunnison, East and Slate Rivers. The Drought Monitor currently shows no drought conditions in Colorado. Predictions are for warmer temperatures and average precipitation.

Frank said that the Taylor Park area SNOTELs have melted off significantly, and later than in 2011, 2017 and 2018. Blue Mesa is 24 feet below the spillway and has risen by two feet per day for the past nine days. It is expected to fill by the end of July. Taylor Park is 13 feet below full level and is expected to fill in July.

Frank said that he met with employees at Camp Gunnison today to see the George Smith No. 2 ditch, which has washed out from high flows in the Gunnison River.

13. BOARD/STAFF/COMMITTEE MEMBERS REPORTS

Treasurer's Report: Bill Nesbitt said there is a 75% chance that we will see a 25 to 50 basis point drop in interest rates in September.

Bill suggested closing the District's NuVista savings account which has a balance of \$26.00. Frank will check into closing that account.

The District's CD in Lake City matures on August 20, 2019. Bill recommends allowing the CD to roll over, and he will see if it is possible to obtain a higher interest rate.

Approval of 2018 Audit: Bill Nesbitt said he had a conversation with Paul Miller, who indicated he saw no issues. Bill recommended approval of the 2018 audit.

Julie Vlier moved and George Sibley seconded to approve the 2018 audit. The motion carried.

Bill said that Paul Miller has been doing the audit for more than five years. There is documentation showing it is okay to use the same auditor for more than five years; therefore, he has decided not to request to change auditors, and he recommended having Paul Miller perform the District's audit for another two or three years. There was general agreement from the board for this.

Taylor Park Reservoir: Julie Vlier said the current inflow forecast is for 138% of average. Many expect to see a prolonged runoff condition. A release rate of 350 cfs is contemplated for August and September. The year-end reservoir content will be at least 75,000 acre feet, which will put us in a good position for 100 cfs releases during the winter.

Joellen Fonken said that the Taylor Downriver Race component of the Gunnison River Festival that took place last week went very well.

12. TAYLOR PARK RESERVOIR: RUNOFF FORECASTING TOOLS – DAVID GOCHIS, NCAR

Dave Gochis of the National Center for Atmospheric Research gave the board a presentation on hydrologic monitoring and ensemble seasonal water supply forecasts for the Upper Gunnison basin. He gave the same presentation to the TLUG group in March.

The goal is to provide biweekly ensemble seasonal water supply forecasts and to explore methods to improve quality of statistical forecasts through model forecast cost processing. He said that measuring stations costing \$10,000 each measure snow depth, temperature, humidity, wind speed and direction, solar radiation, soil moisture, and temperature.

Frank said that the National Weather Service recently issued a press release about improvements to their global forecasting system. He asked if there was a benefit from this system upgrade that could be applied to NCAR's. Dave said that NCAR uses a model that produces a 14-day forecast. The National Weather Service's model creates a 10-day forecast.

10. DINNER BREAK

11. PEANUT LAKE RESTORATION PROJECT UPDATE - CRESTED BUTTE LAND TRUST

Brian Lieberman, Crested Butte Land Trust Stewardship Manager, gave a presentation on the Peanut Lake restoration project, which was the recipient of a District grant. Project goals include preventing the Slate River from breaching Peanut Lake, stabilizing the west bank of the Slate, and restoring wetland function.

Brian said that construction was completed in October 2015. In 2018, year three, all stream morphology performance standards are being met. Wetland vegetation has begun to be established. The 2019 corrective actions include live plantings, soil samples, organic fertilization, seeding, and noxious weed treatments

Drought Contingency Planning Update: John McClow said that at the state level, an email was sent out identifying the workgroups and outlining a framework for the plan. The initial meeting of workgroups will be after the conclusion of the CWC summer convention in Steamboat Springs. The state is producing a webinar which will be open to the public. He will send the link to the seminar, which will take place in July.

Locally, the economic impact study was kicked off two weeks ago with Ed Harvey. He met with Watershed Management Planning Committee members and spent over three hours fine-tuning the scope of work. Jesse Kruthaupt's following study is under way. He just sent a report today which will be provided in the board packets for the next board meeting.

Andy Spann said a presentation on the economic impact study will be given to the Gunnison County Stockgrowers on July 1 during their board meeting.

Frank said that the Upper Colorado River Commission held a workshop in Salt Lake City last week to which representatives from the four upper basin states were invited. There were about 80 people present to receive an update on demand management. He said it is interesting to see the varying degrees of progress being made by the four upper basin states, and it is pretty clear that Colorado is the leader in that group.

Watershed Management Planning: George Sibley said that summary of the last meeting is in the board packets. A summary phase 1 report was included in board packets and is due to the CWCB at the end of the week.

Rosemary Carroll expressed concern that the report was not complete and did not contain many recommendations and data.

Julie Nania clarified that the summary overview is what was included in the board packets. There is other information coming in that will be used in the report. She recommended a full month to allow for a full board to review of the next phase.

Bev Richards said that a good deal of editing has been done on the report since the version in the board packets went out. What the board has in front of them is a rough draft.

Julie Vlier expressed concern with the draft report. She said she would have liked for Wilson Water Group to be here to formally present their portion of the document. She requested that Frank request an extension of time from the CWCB in order to refine and finalize the document. Frank said he will talk to Chris Sturm tomorrow morning to ask for an extension.

Rosemary asked to see the appendices when they become available.

Wet Meadows Project Update: There was no update on the Wet Meadows Project.

Gunnison River Festival Update: Joellen Fonken said that some events of the Gunnison River Festival have been rescheduled for August 24. With the lower flows in August, it will be possible to maximize the features of the park. A big plus is that the original whitewater festival was created by what is now Western Colorado University. Western students will be back in town that weekend, and the GRF is working with Western to get students and alumni to be a part of the festival.

Update on Scientific Endeavors within the District: Rosemary Carroll said some of the April Airborne Snow Observatory data is available, but data from the June flight is not yet available.

14. MISCELLANEOUS MATTERS

Bill Nesbitt asked Frank about the District's level of ongoing participation in the Wet Meadows Project. Frank said that the District has a number of partners in the project. The District's 2019 budgeted contribution is \$30,000. Frank's preference is to find someone to attempt to fill Tom Grant's role. He said he will need to see what the other partners want to do.

15. CITIZEN COMMENTS

Greg Peterson asked what the time frame is for completing the economic impact study. John said it depends on how we move forward with the Stockgrowers, but hopefully six months.

Greg asked how the process might work, whether the workgroups will meet in conjunction with the basin roundtables, or perhaps they will come to meet in this basin specifically. John McClow said that the workgroup meetings will not be public, but the CWCB staff will coordinate with the workgroups and the information and work they generate will be presented to CWCB. There are plans to conduct public outreach meetings.

Greg asked if there is a way to model the post-compact, consumptive use in the upper basin. John McClow said that is a good idea and can be done.

John said that the following study by Jesse Kruthaupt entails finding some land, shutting off the water and seeing what happens, including how long it takes to recover. The study aims to get the information needed for agriculture users to decide whether they want to volunteer or not.

Jonathan Houck, Gunnison County Commissioner, discussed some funding that has been provided through the Gunnison Stewardship Fund. They used \$15,000 to fund the toilet on Cottonwood Pass.

Joellen Fonken said that a subcommittee of stewardship group has put together language for signage for the region. Those will help anglers, boaters, etc., determine appropriate areas for their activities. The Tourism Association is funding kiosks that are being built for \$1500 apiece and will be ready for use this summer.

Paul Mowery said there is a spot where the high water comes up each year, originating on private property and flooding the town of Sargents. He asked if this is something the Upper Gunnison District could help with. Rebie Hazard recommended talking to Saguache County about this. George Sibley suggested the District's grant program might be appropriate for this. Frank said that typically an applicant would submit their application in February, and, if approved, a grant can cover up to 50% of project costs up to \$50,000. Grants

can also be awarded for projects completed within the previous twelve months. He recommended the board consider emergency funding as part of its grant program and said he would look into this.

SUMMARY OF MEETING ACTION ITEMS:

1. Circulate the current draft watershed management plan report.
2. Request an extension of time from the CWCB for submittal of the report.
3. Come up with a plan for meeting emergency needs due to high water.

16. FUTURE MEETINGS

The Watershed Management Planning Committee will meet on July 8, 2019.

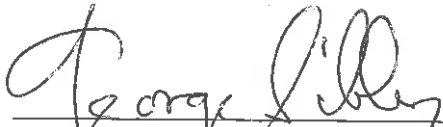
The Project Committee will schedule a meeting.

Frank said that today was first of a two-part series of a GMUG revised forest service plan. There is a webinar today and another on Wednesday. He provided comments during today's webinar.

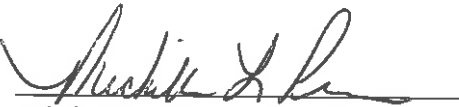
17. ADJOURNMENT

Board President Michelle Pierce adjourned the June 24, 2019 meeting at 8:20 p.m.

Respectfully Submitted,


George Sibley, Secretary

APPROVED:


Michelle Pierce, President