

**Upper Gunnison River Water Conservancy District
Board Meeting Minutes
Monday, September 23, 2019**

The Board of Directors of the Upper Gunnison River Water Conservancy District conducted a regularly scheduled meeting on Monday, September 23, 2019 at the District's offices, 210 West Spencer Avenue, 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.

Others present:

Jesse Kruthaupt, Trout Unlimited
John McClow, General Counsel
Matt Peacock
Tom Rozman, Water Commissioner
Jill Steele, Office Manager

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 additional materials including a revised non-operating expenses list, an updated 2020 draft budget and a request for additional phase II work on risk study.

Bill Nesbitt moved George Sibley seconded approval of the agenda with the additions noted. The motion carried.

3. CONSENT AGENDA ITEMS

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

4. MANAGER'S REPORT

Update on Selection Process for General Manager Position: Michelle Pierce said that this afternoon, the Executive Committee interviewed three of the five candidates selected for an interview. Two more interviews will be conducted on Friday. She anticipates scheduling a special meeting for Monday, September 30, 2019 to select a finalist and discuss compensation.

George Sibley said that the Wet Meadows Coordinator position will be offered to Paul Jones, who retired once from this kind of work with CPW. He has a lot of experience and knows the big picture of what we are working on.

Vacant Seat on State Affairs Committee: John McClow said that Frank Kugel was the District's alternate representative on the State Affairs Committee. He anticipates that the new manager may fill that seat, but board members are also welcome to express their interest.

Tom Rozman gave a brief update on Meridian Lake Reservoir. Over a 15-day period, 1.4 acre feet needed to be released. He said he has released about 1.3 acre feet and said that one more visit to MLR should be sufficient.

John McClow said that the board received an email from John Currier, Chief Engineer at the CRWCD, regarding additional Phase III Risk Study work.

John said that Kathleen Curry heard that the District hired John Carron to do this work and thought it could be a good fit for the Gunnison Basin Roundtable and that funds from the Water Supply Reserve Account could be used to pay for it. Those funds would be available in February 2020 at the soonest.

John Currier's email proposes two things: 1. That the \$3500 work effort contemplated by the UGRWCD to address Upper Gunnison specific questions be conducted as an additional task under the existing Hydros Consulting contract with the River District. The UGRWCD would provide the proposed scope of work, the CRWCD would issue a task order to Hydros, and the work could commence immediately. 2. That the UGRWCD consider contributing an additional \$5,000 to help cover the extensive Phase III outreach efforts and additional modeling efforts.

John McClow recommended that the District do its own study, without waiting for the GBRT, and he thinks it is worthwhile to contribute \$5,000 to the Phase III study.

Julie Vlier moved to approve John's recommendations to proceed with our own study now, that we don't route Hydros payments through the River District, and to contribute \$5,000 for Phase III. The source of the funds would be from the unexpended, budgeted \$300,000 for the purchase of Aspinall Water that was not needed. Bill Nesbitt seconded. The motion carried.

5. 2020 BUDGET DISCUSSION

Discussion of Goals, Activities, and Draft 2020 Budget:

John McClow said that the board has received a revised, draft 2020 budget tonight. The highlighted cells represent numbers that are different from the 2019 budget. According to the County Assessors' estimates, there appears to be sufficient revenue to meet budgeted expenditures.

Comments on budget line items included the following:

Line 14, Administrative Salaries: John McClow said that a place holder was used for the General Manager salary. He said that he went through three employment surveys which recommended a 3% cost of living increase. John's salary in the draft budget includes this 3% increase.

Line 15, Staff Salaries: The draft 2020 budget includes a 3% cost of living increase for Jill Steele. John said that he is recommending a merit raise for Bev Richards to \$50,000. He said that he and Jill both feel she is underpaid. She has obtained a master's degree since being here, and she is active in the Watershed Management Planning effort. There was general agreement among the board for the salary items in lines 14 and 15.

Line 17, Employee Benefits: John said that Jill located a new insurance plan that will save the District approximately \$11,000 per year and that also provides vision, dental, and life insurance.

Line 18, Public Outreach: The sub line item Public Education/Advertising has been increased by \$1,000 from the 2019 budgeted amount in order to fund additional swim lessons with the City at \$500, as well as \$500 for sponsorship of Ag Venture Days.

Line 32, Board of Director Fees: Bill Nesbitt proposed increase board member fees from \$50 to \$100 per meeting.

Line 42, Building Expenses: John McClow said that the solar panels are paid for and have been removed from the budget.

Line 43, Aspinall Unit Contract Costs: The \$300,000 budgeted in 2019 for short-term Aspinall water purchase has been removed from the 2020 budget.

Line 44, Regional Water Supply Improvement: Julie Vlier asked if the \$80,000 included in the 2020 budget reflects an estimated level of effort for Dave Gochis's efforts in NCAR. John McClow said that the District has committed \$30,000 to his efforts in 2019. The work is not completed yet, and the question is, is it necessary to budget \$80,000 in 2020. Julie Vlier said it would be appropriate to request a statement of work for 2020 from Dr. Gochis.

Line 45, Basinwide Planning: \$77,500 is included under to reflect the remaining budget for Phase I.

The board had already decided to include \$9,500 in 2020 for the Water Bank Work Group's efforts. This amount is included in the 2020 budget.

Julie Vlier questioned whether \$75,000 budgeted for Watershed Management Planning Implementation is sufficient or if it should be doubled. Rebie Hazard suggested leaving it at \$75,000 for now and come back to it after going through the rest of the budget. George Sibley said that WMP members decided this would be on hold until a new manager is on board.

Julie Vlier said that line 45 should include a sub line item for emergency grant funding. She suggested a placeholder for that of \$30,000 - \$40,000. John McClow said that the District's budget is a single, general fund, and the board you can make line item adjustments at any time during the year with a motion. The District has a reserve fund of \$4,000,000 it could divert to emergencies if needed. The board discussed creating a process for defining an emergency and agreed that the new manager should be involved in this process.

Bill Nesbitt said that the parking lot should probably be sealed and striped and an estimate for that can be included in the budget. John said staff will research this.

The board discussed increasing Watershed Management Planning Implementation from \$75,000 to \$150,000, and they discussed increasing the Grant Program from \$150,00 to \$200,000. The consensus of the board was to increase Grant Program funding to \$200,000 in 2020, and to maintain Watershed Management Planning Implementation at \$75,000.

John McClow said there are only two budget items still in question. One is if \$1,000 is sufficient to seal the parking lot. The other is information that Dr. Gochis will provide informing us if we need to budget more than \$80,000 for Taylor River Modeling. He said he suspects that amount should be sufficient. He said that the new General Manager salary will be included in the budget for the next board meeting.

6. DINNER BREAK

7. BOARD/STAFF/COMMITTEE MEMBERS REPORTS

Treasurer's Report: Board Treasurer Bill Nesbitt said that the District has a bond that is callable, but probably will not be called. He said he believes the District will exceed its budgeted amount for interest on investments this year.

Taylor Park Reservoir: Julie Vlier said that the reservoir received 140% of average inflows. Mark Schumacher, a TLUG member, reached out to ask if

releases through October 6 could stay at 350 cfs. In order to provide a better rafting experience through the first week in October.

The consensus of the board was to schedule a TLUG conference call.

Gunnison Basin Roundtable: Julie Nania said that the GBRT is looking at the 2020 basin implementation plan update. The CWCB will select a contractor, and would also like the contractor to work with a "local expert." GBRT discussed what constitutes a local expert. There is a roundtable committee to look at the BIP, and they would be tasked with culling projects and updating the local expert with the local progress that has been made.

Drought Contingency Planning Update: John McClow said this was covered it in the conversation about John Currier's email.

Watershed Management Planning Committee

Review of Draft Phase I CWCB Report: Julie Vlier complimented the committee on the big effort. She said that the extension that was requested and granted served the committee very well. She was pleased with the refinements and said it reads really well. She thinks its ready for the CWCB.

Joellen Fonken suggested enlarging the photos towards the end of the narrative.

Michelle Pierce said that John has worked many, many hours on this, with Bev's help. This is not a final document. Both John and Bev deserve our appreciation.

Update on Scientific Endeavors within the District: Rosemary Carroll said that the District has supported Rocky Mountain Biological Laboratory's weather monitoring network at \$5,000 each year over nine years. There are six stations: one on Mexican Cut, three near Gothic, one on Snodgrass, and one at Almont. Dave Gochis was hired to assess all the stations. RMBL plans to reduce the number to three stations and to add precipitation gages to them.

Rosemary said that Dave Gochis has been paid to install SNOTEL lites. These have been installed on Italian Creek and at Tincup. The one on Cottownwood could not be installed yet due to road construction. The data is fantastic, but satellite communication is not working. Dave is coming in October and thinks he can fix that.

Rosemary said that the drilling campaign in the Upper East River has been finished. Five deep wells have been drilled in mancos shale. All will be collecting groundwater data which is something we do not have.

8. MISCELLANEOUS MATTERS

John McClow gave an update the Kelmel Owens Number 2 Ditch and “psychedelic falls.” The District contracted with Merrick to inspect and make a recommendation on how to fix the problem there and at the Marshall Ditch. Site visits were done at both locations and they talked to some of the stakeholders. He has not heard back yet from Merrick with recommendations. He will email those recommendations to the board when he receives them.

Joellen Fonken suggested it might be prudent to ask the Dos Rios homeowners if they are ok with it. An easement might be a good idea.

Andy Spann said that the diversion is working for his family, and they are not interested in participating financially in the project.

The board received a copy of the wet meadows article published in the Denver post, from Tom Grant.

George Sibley said that the board received a summary from the Adaptive Management Workgroup. They are planning a lot of varied vegetation management in the Taylor Park area. George attended a day-long workshop put on by the Forest Service. Frank was going to be the water resources representative. George wanted to know if any board members were interested in this position. Rebie suggested waiting till the new manager is selected. Julie Vlier said that, only as far as it relates to Taylor Park, she would be interested, as an alternate seat.

Joellen Fonken said that was asked to temporarily replace Frank on the Gunnison Public Lands Initiative. She agreed to do this until the new manager is on board.

Bill Nesbitt suggested that the board budget \$750 in 2020 to provide shirts or blouses with the District’s logo, to all board and staff members.

Joellen moved and Bill seconded to buy District logo shirts from Land’s End for the board and staff. The motion carried.

9. CITIZEN COMMENTS

No citizens requested to speak.

10. FUTURE MEETINGS

John McClow said the board will hold a special board meeting on September 30, 2019, to discuss salary for the new manager. This meeting will be conducted in executive session and can be done by phone.

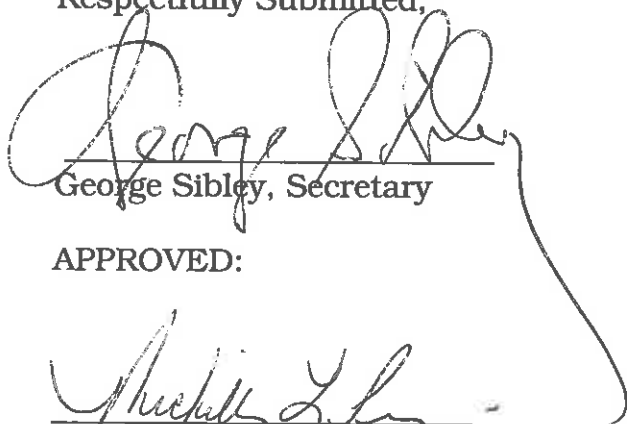
11. SUMMARY OF MEETING ACTION ITEMS

1. Contact Dave Gochis to request a scope of work for Taylor River watershed modeling.
2. Reach out to TLUG members to discuss Mark Schumacher's request.

12. ADJOURNMENT

Board President Michelle Pierce adjourned the September 23, 2019 regular meeting at 8:18 p.m.

Respectfully Submitted,

A large, stylized handwritten signature in black ink, appearing to read "George Sibley". The signature is written over a horizontal line.

George Sibley, Secretary

APPROVED:

A handwritten signature in black ink, appearing to read "Michelle Pierce". The signature is written over a horizontal line.

Michelle Pierce, President

