

**Upper Gunnison River Water Conservancy District  
Board Meeting Minutes  
Monday, February 24, 2020**

The Board of Directors of the Upper Gunnison River Water Conservancy District conducted a regularly scheduled meeting on Monday, February 24, 2020 at the District's offices, 210 West Spencer Avenue, Gunnison, Colorado.

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

Board members not present: Bill Nesbitt and Andy Spann.

Also present:

Perry Cabot, Colorado State University  
Sonja Chavez, General Manager  
Cheryl Cwelich, Western Water Channel  
Ashley Hom, U.S. Forest Service  
Jonathan Houck, Gunnison County Commissioners  
Paul Jones, Wet Meadows Program Coordinator  
Jesse Kruthaupt, Trout Unlimited  
John McClow, General Counsel  
Greg Peterson  
Jason Peterson, Gunnison County Stockgrowers  
Tom Rozman, Division of Water Resources  
Jill Steele, Office Manager  
Bill Trampe  
John Whitney, Office of Senator Michael Bennet  
Irah Wooten, Colorado State University

**1. CALL TO ORDER**

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

**2. AGENDA APPROVAL**

**Julie Vlier moved and Rosemary Carroll seconded approval of the agenda as circulated. The motion carried.**

**3. CONSENT AGENDA**

**George Sibley moved and John Perusek seconded approval of the consent agenda items. The motion carried.**

**4. LEGAL AND LEGISLATIVE MATTERS**

John McClow said that he has a phone conference scheduled with the Department of Justice, the Solicitor General's office, and Ernie Cockrell on March 4, 2020 to discuss the revisions to the Taylor Park stipulation.

Regarding legislative matters, John McClow said that HB 20-1157 passed out of the house unanimously. HB 20-1172 has undergone some modifications. The modifications were agreed to, but the bill's sponsor was not at today's State Affairs Committee meeting. If the proposed changes are made, he indicated he is comfortable with the bill in its amended form.

**5. MANAGER'S REPORT**

Sonja Chavez said that the board received her manager's report in the board packets. The finance committee matter from the report can be addressed later in the meeting.

**6. GRASS RECOVERY AND ET MONITORING UPDATE – JESSE KRUTHAUPT AND PERRY CABOT**

Perry Cabot, of Colorado State University, gave a presentation on grass recovery and ET monitoring.

Sonja Chavez asked if the diversity of grasses were affected by the following. Jesse Kruthaupt said that the Horse River parcel showed great diversity.

Rosemary Carroll asked if they have run a time series history on these fields to capture the variability in these fields through drought and wet periods and how that compared with 2019. Jesse said they did not look at historic data. Perry will send Sonja the thesis of Amal, a graduate student of his, who did look at historical data.

Sonja asked if they still recommend using the soil sensors, which have been problematic in the lower Gunnison valley. Perry said that academics have made enemies of some of these commercial applications and so there are new types of sensors that will be used.

**7. DINNER BREAK**

**8. BOARD/STAFF/COMMITTEE MEMBERS REPORTS**

**Treasurer's Report:** Jill Steele said that there has been quite a bit of investment activity this month. The District's Wells Fargo CD matured, and a new, Wells Fargo CD was purchased at a rate of 1.90% and a maturity date of 2/20/25. The CDs at Gunnison Bank and Trust will mature this month. They will be rolled into one CD for \$200,000 at a rate of 2.00%. The excess funds will be remitted to the District. The CD at Mountain View Commerce Bank will mature in March and will be rolled into a new CD for \$245,000 for 30 months at a rate of 2.36%. She said that Bill Nesbitt was pleased with the rates that were obtained. Sonja Chavez said that Bill is watching it all regarding the impact the Corona virus is having and could have.

**Finance Committee:** Sonja Chavez said that the District's procurement policy specifies a maximum amount of \$100,000 max for a sole-source contract. She said that if a total contract could be over \$100K in a phased project, having to go out and get an RFP in the middle of a project does not make sense. This is relevant to the work that Wilson Water Group is doing for the watershed management planning process. She would like to to be able to seek

board approval for sole-source contracts of over \$100K. She asked if the board was willing to amend the policy to allow for that.

Michelle Pierce said that committee members weighed in on this via email. Julie Vlier voted against amending the policy. Julie Vlier said that over \$100K feels too discretionary to her. She said that the policy needs to embrace transparency or competitiveness. She said that sole source is a slippery slope for the District, especially if the board wants to pursue additional grants. Sonja said that in researching federal procurement guidelines, there is no set, monetary limit. The guidelines state that if an applicant does not have a procurement policy, the federal procurement policy should be used, and if the applicant has a policy, it should use that policy.

Julie Nania said that the language is that “no single source contract should” exceed....” She said the intent is different than if it used language such as “must” or “should.” Michelle agreed that “should” differs from “must” or “should.” Julie said she believes this can be addressed through the contract.

John asked if the board wants to take another month to discuss or if they want to discuss having Sonja proceed with Wilson Water Group.

Julie Nania said she understood that the board would have scopes of work to review at this meeting. Sonja said she decided not to bring that forward this month with this policy question unresolved.

Sonja Chavez asked if the board will want to review all scopes of work. She said it ties her hands in being able to move forward efficiently. Julie Nania said she would like to review them in order to try to avoid some of the challenges there have been during the first phase of the watershed management planning process. If it delays the process by a couple weeks, that is fine.

George Sibley said that if we had followed the policy during the first phase, he would feel comfortable with what Sonja is proposing, and with using the same contractor in a phased contract. He said that if a contract is over \$100K, the board should be required to approve it. He said he does not object to continuing to use Wilson Water Group because they are good, and they are familiar with the process.

Sonja asked if she should bring a \$50K contract, scope of work to the board. Julie Nania thinks this is a good idea due to the fiduciary responsibility the board has.

Stacy McPhail said that contracts should be scrutinized within the committee and then brought to the board for approval. If the board goes through all the contracts, it would never get out of contracting. That is why the board has the committees. She said she would look to the finance committee for its input on this policy. If there is an undue burden in administering this multi-phase grant, maybe the board would want to review that one.

Rebie Hazard said that the Finance Committee did meet and vote on this. She asked if the board could go forward with the motion now. Michelle Pierce said that a majority of the Finance Committee members approved the proposed change. She said that as long as there is a way in the existing policy for the board to proceed in the selection process, it could be worth it to take a more detailed look at the procurement policy, but she does not want that to hinder moving forward now. George Sibley said he thinks the board can proceed on the selection.

Sonja said she would like to be able to move forward with the small scopes of work that the committee has reviewed. George said the current policy says anything under \$20K can be done by the manager. It may be worthwhile to raise that limit some.

Julie Vlier thanked Sonja for bringing up this matter. She is reviewing District policy and wants to do things right and move forward. She appreciates what Sonja is doing.

**Taylor Park Reservoir:** Julie Vlier said there is no report on Taylor Park Reservoir.

**Update on Drought Contingency Planning:** Sonja Chavez said that she included a report on drought contingency planning in her general manager's report. At the state level, things are moving a bit slowly. The IBCC meets on March 4 and 5, 2020 in Denver.

**Education Committee:** Sonja Chavez said that Cindy McKee, as an educator, will be able to provide a lot of assistance in the District's education and outreach efforts. Additional details were provided in the manager's report.

**Watershed Management Planning:** George Sibley said that Stacy McPhail has agreed to take over as committee chair. George will stay on the committee and do outreach to some other entities, such as the Forest Service's Adaptive Management Group and the Gunnison Conservation District. The committee is working to finish up the Phase 1 assessments and is also moving ahead on Phase 2. More details were included in the report in the board's packets.

Sonja Chavez said that Molly McConnell has taken a job with Denver water, and so the District will need to hire another intern.

**Grant Committee:** Bev Richards said the closing date for grant applications is Friday, February 28, and no applications have been received to date.

**Wet Meadows Project Update:** Paul Jones gave a presentation to the board on the Wet Meadows Restoration Resiliency Building project.

Paul said that most of the work in 2020 will be to clean up and finalize work on already-established projects. Tom Grant obtained a grant from NFWF for \$139,447 for use in 2020 – 2021.

Paul said that he is in the process of preparing an application for a grant from RESTORE Colorado, which is a partnership between NFWF, COGO, the Gates Family Foundation, the Colorado DNR, CPW, and the CWCB. The minimum grant amount is \$100K. Paul wants to apply for \$1.8 million over a 3-year period as follows: \$506K to be used in 2020, \$590K in 2021, and \$700K in 2022. He asked for the board's approval in moving forward with this application.

**Julie Vlier moved to support Paul Jones applying for the RESTORE Colorado grant in the amount of \$1.8 million over a 3-year period. George Sibley seconded.**

Stacy McPhail asked Paul Jones if he is okay with tripling his workload. Paul replied that he is okay with that and that the rate at which the work takes place needs to be increased in order to get the project done and moving forward.

**The motion carried.**

**Update on Scientific Endeavors within the District:** Rosemary Carroll discussed Surface Atmosphere Integrated Field Laboratory (SAIL).

Rosemary said that she is writing a proposal to study groundwater sources of stream flows and how sensitive those sources are to snow processes, accumulation, and melt across space and time. The study is “Using Temperature and Age Tracers to Source Groundwater and its Persistence in a Changing Climate.” Rosemary said she would appreciate a letter of support for her work from the board.

The consensus of the board was for Sonja to provide a letter in of support of Rosemary’s study.

## **9. MISCELLANEOUS MATTERS**

**CWC Annual Convention Update:** Julie Nania, John McClow, and Sonja Chavez all attended the convention. Sonja said that it felt a bit hurried and that the sessions were long without many breaks.

Julie Vlier asked about the Harvey Economic study. John McClow said that Mr. Harvey will present his findings to the board when the study is concluded.

Sonja Chavez said that the \$2,000 that the board wanted to approve for the CWC Water Stewardship Project could be absorbed in the budget by the anticipated underspending of the other office equipment line item.

**Joellen Fonken moved and Stacy McPhail seconded approval of a contribution of \$2,000 to the CWC Water Stewardship Project. The motion carried.**

Joellen Fonken said that the board received a final report on the Cottonwood Pass Day Use Vault Toilet grant. There is \$7,000 in remaining funds. The committee would like to obtain more signage.

## **10. CITIZEN COMMENTS**

John Whitney, West Slope Regional Director for Senator Michael Bennett, spoke to the board about Senator Bennett’s legislative efforts, including the Curecanti legislation, which is an attempt to encourage the Bureau of Reclamation to continue replacing fisheries that were lost in the construction of the Aspinall Unit.

Senator Bennett has also introduced a piece of new, standalone legislation with Senator Daines from Montana, aimed at trying to get more of the federal agencies involved in addressing aquatic invasive species.

Mr. Whitney said that new legislation circulated by Senator Bennet aims to try to broaden efforts to combat climate change. It sets up a tax credit for farmers and ranchers to help sequester carbon in the soil in exchange for credits.

Jonathan Houck, Gunnison County Commissioner, said that Gunnison County has an interest in partnering with the District and in growing the connection between the District and the Commissioners.

Ashley Hom, of the U.S. Forest Service, said that she is excited to see the board’s support of the RESTORE Colorado grant.

Paul Mowry, of the Gunnison County Stockgrowers, asked John McClow for the number of the bill regarding instream flows. John said that the bill is House Bill 20-1157, and it relates to loans of water rights to the CWCB for instream flow purposes.

Cheryl Cwelich, of the Western Water Channel, invited the board and public to a Western Water Channel event tomorrow night. The free event will feature speakers.

**11. FUTURE MEETINGS**

The Watershed Management Planning Committee will meet March 9, 2020.

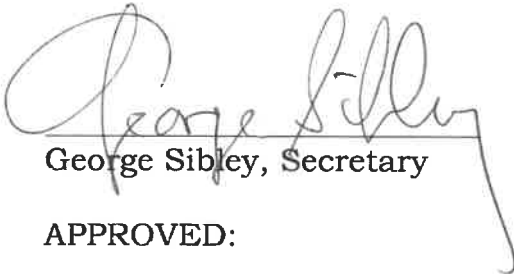
**12. SUMMARY OF MEETING ACTION ITEMS**

Rosemary Carroll will draft a letter of collaborative support for her study, for Sonja's signature.

**13. ADJOURNMENT**

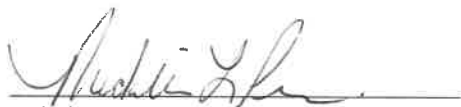
Michelle Pierce adjourned the February 24, 2020 meeting at 8:38 p.m.

Respectfully Submitted,



George Sibley, Secretary

APPROVED:



Michelle Pierce, President