

**Upper Gunnison River Water Conservancy District
Regular Meeting Minutes
Monday, October 25, 2021**

The Board of Directors of the Upper Gunnison River Water Conservancy District conducted a regular board meeting on Monday, October 25, 2021 at 5:30 p.m. in the District office, 210 West Spencer Avenue, Suite B, Gunnison, CO, 81230 and via Zoom video/teleconferencing.

Board members present: Rosemary Carroll (via Zoom), Stacy McPhail, Julie Nania, Bill Nesbitt, John Perusek, and Don Sabrowski.

Board members absent: Sara Bergman, Joellen Fonken, Michelle Pierce and Andy Spann.

Director Rebie Hazard arrived at 5:44 pm.

Also present:

Sonja Chavez, General Manager
Emily Halvorsen, Assistant Attorney General (via Zoom)
Jesse Kruthaupt, Trout Unlimited (via Zoom)
Matt McCombs, USFS (via Zoom)
John McCLOW, General Counsel (via Zoom)
Beverly Richards, Water Resource Specialist
Jill Steele, Accountant/Office Manager
Jonathan Tucker, USFS (via Zoom)
Sue Uerling, Administrative Assistant

1. CALL TO ORDER

Board Vice President Stacy McPhail called the meeting to order at 5:33 p.m.

2. AGENDA APPROVAL

Bill Nesbitt moved and John Perusek seconded approval of the agenda. The motion carried.

3. CONSENT AGENDA ITEMS

General Manager Sonja Chavez noted that on page 4 of the September 2021 Board Minutes distributed in the packet, an error was discovered in the Employers Council compensation ranges

table of the 2021 Upper Gunnison District Compensation Study. In the table on page 4 of the minutes, under the Job Title “Accountant,” the Minimum compensation range should be \$51,900 and the Midpoint should be \$64,500. The Maximum listing of \$72,600 was correct. These corrections were verified with the Employers Council.

Bill Nesbitt moved and Julie Nania seconded approval of the consent agenda items with the corrections to the minutes as noted. The motion carried.

4. LEGAL AND LEGISLATIVE MATTERS

General Counsel John McClow reported that he and General Manager Sonja Chavez had met in Montrose last week with representatives from the Bureau of Reclamation, Gunnison County Electric Association and the Uncompahgre Valley Water Users Association to review the terms of the Memorandum of Agreement among these parties regarding the installation and operation of a hydroelectric generation facility on the existing facilities at Taylor Park Dam.

John said the parties agreed to terms that were sufficient for the Bureau of Reclamation to approve the contract. He said the District got the commitments they were insistent upon including that it operates solely as a “run of the river” facility, utilizing only the releases made in accordance with the decrees; that they agree it will not seek or acquire any water right for storage of water in Taylor Park Reservoir or release of water; and that they are not a party to the 1975 agreement and cannot participate in negotiations to modify or extend that agreement.

General Counsel also referred to the Legislative Activity Report included in the meeting packet. John said two bills of interest regarding speculation will be considered Wednesday of this week and if the committee adopts these bills, they will be introduced to the legislature in January. John asked that if Board members had any concerns on the proposed bills, to please communicate those to him so that he can pass on the concerns to the committee. Director Julie Nania questioned if this new legislation being introduced wasn’t somewhat redundant of legislation that is already in place with respect to speculation. She asked if there were really any substantive changes. John replied that in his opinion, there is already a large body of law in place regarding this topic, it is redundant and there is really no need for additional legislation.

5. SPEAKERS – Jonathan Tucker and Matt McCombs, USFS – Forest Plan Update

Jonathan Tucker (Assistant Forest Planner) gave a Power Point presentation outlining the timeline and highlights of the *GMUG Draft Forest and Land Management Plan*. Following the presentation, Matt McCombs and Jonathon offered to answer any questions. They emphasized that the public is encouraged to provide comments on the plan through November 12th.

Director Julie Nania asked if they could highlight where some of the watershed components of the plan could be found. Matt replied that since “water touches everything” that several of the

broad sections of the plan include standards and guidelines related to water quality, water resources and water management, including the sections: Riparian Management, Aquatic Ecosystems, Watershed and Water Resources, Recreation, Transportation and Conservation. It was also noted that there is a second link with story maps where you could click on a portion of the map to see what new land areas/trails would be added to forest lands within the different draft plans.

Director Don Sabrowski asked if any of the pending sage grouse legal litigation would affect any of their forest draft plans. Matt replied that while he does not comment on any pending litigation, if there were any binding decisions that came out of litigation, the USFS would factor those into the plans with a programmatic approach.

General Manager Sonja Chavez expressed concerns about adding new trails in the basin when there are already trail systems within the basin that suffer from overuse and a lack of personnel to control violators. She noted that in the Brush Creek area overuse of the trail system there created extra pressure on local law enforcement to manage this problem. She wondered if any of the new draft plans address overuse and pressure on existing trails. Jonathan noted that the draft plan options do not address specifics about current management of the trail system but that they do allow for more flexibility for the USFS to curtail overuse of any natural resources. He suggested that in the comment section, they would especially appreciate comments on specific corridors where there are such concerns so that this could be captured in the recreation management section. Matt noted that the new plans do include the establishment of wildlife management areas which will focus on trail density as it relates to wildlife in the area. Matt said that they have already taken an aggressive management approach to curtailing overuse by creating designated camping areas, moving sites away from water resources and installing more pit toilets in high use areas.

Director Rosemary Carroll asked if the draft plans include educating the public about proper back county etiquette. Matt said that the plan incentivizes the Forest Service to enhance partnerships with communities and other land/water resource managers to provide more of a field presence and education efforts. He is hoping that fees that will be imposed under the plans will help them raise revenues to manage overuse more actively. Matt suggested that the directors/staff should provide feedback in the comments section about revenues to cover this if we don't feel the plans are robust enough in this area. Jonathan said it will be imperative to set up collaborations to actively deal with forest plan usage issues.

Director Bill Nesbitt asked whether the draft plans include strategies to deal with dispersed camping and will there be more money available to invest in more campsites in the basin? Matt said that they will continue to try to develop resources to address dispersed camping and new sites. Jonathon was happy to announce that they got a grant from the Great American Outdoors Act that will allow them to address this problem. In addition, Western Colorado University

Center for Public Lands received a grant from the National Partnership office of the U.S. Forest Service to look at campsites as possible learning laboratories while providing revenues for the study. He would also like to see the USFS get to the point where there can be a fee-based reservation system for all campsites in the future.

Director Nesbitt also asked about how the families that run cattle in the Lottis Creek area might be affected by changes to the plan. Matt said that the plan does speak specifically to family farms and ranches and that the USFS desires to sustain the grazing program on forest lands deep into the future. Matt explained that when a family vacates a permit for grazing, the permit does not go away but becomes available for another party to apply. Matt said that in the Taylor Park area they have had no issues filling permits as the market has been strong enough that there have always been applicants interested in available permits.

Director Nania noted that many of the objectives seem to rely heavily on federal funding to support more active management in the future and she wondered what effect a lack of funding would have on the objectives. Jonathan replied that he feels the objectives are based on reasonable, expectable budget funding and that they looked closely at how the objectives can be measured with time specific criteria. Matt noted that they didn't want to overestimate their abilities to achieve the objectives and then fall short. Matt said that the current infrastructure bill that passed in the U.S. Senate will provide considerably more funding for public land management, as much as a 5,000 percent increase, so he feels there are a lot of opportunities for funding. He said that with the current draft plans, they tried to get right in the middle range of what they consider to be a reasonable expectation of funding.

Matt reported that the Desired Conditions listed in the draft are: (1) Watershed conditions and the integrity of public water supplies are maintained or improved, and priority watersheds achieve or are moving toward a higher functioning condition class as defined by the national watershed condition framework (or similar protocol). (2) The Forest Service and stakeholders actively coordinate in sustaining ecological and hydrologic processes to continue to provide critical water supplies—including water quality—to communities and water users; and (3) State of Colorado water quality standards are met and State-classified uses are supported for all waterbodies. Water quality for those waterbodies listed as impaired or potentially impaired on the State of Colorado 303(d) list and Monitoring and Evaluation list, respectively, move toward fully supporting State-classified uses. The main objective of this section is: Over the life of the plan, trend at least 15 percent of subwatersheds toward improved watershed conditions, including their chemical, physical, and biological attributes, based upon the watershed condition framework or other accepted protocols.

Matt concluded by thanking Jonathan for the presentation, thanking the Board for their time and encouraging them to be a part of the process by making their voices heard in the comment section.

6. BREAK

The Directors took a 15 minute break and resumed the meeting at 6:35 p.m.

7. 2022 Draft Budget Discussion

Handouts of the 2022 Draft Budget proposal were provided to the Board and discussion and questions ensued about specific line items. The following line item changes were recommended:

Line Item 15, Administrative Salaries: General Counsel salary, 4.39% increase.
General Manager 12.62% increase

Line Item 16, Staff Salaries

Water Resource Specialist 12.73% increase

Accountant 5.96% increase

Administrative/Communications Specialist: 17.20% increase* (*Communications Specialist job duties were added to this position and the position is currently unbenefited.)

General Manager Sonja Chavez said a copy of her memorandum to the Executive Committee will be provided to all Board members explaining the process used to determine salaries. Vice President Stacy McPhail noted that the salary recommendations for the budget came out of the Executive Committee meeting that was held earlier in the day. The recommendations were the result of Performance Appraisals that were conducted for all staff, as well as based upon the salary surveys and Compa-Ratio formulas provided by the Employers Council at the September Board meeting. Director Rosemary Carroll motioned that the Board accept the Executive Committee's salary recommendations. General Counsel John McClow noted that instead the Board needs to make a motion to adopt the budget as a whole at the conclusion of the budget review.

Operating Expenses

Line Item 19 Public Outreach. Youth Conservation Corps support of \$6,500 was moved out of this line item since it is not an education activity and was moved to Non-Operating Expense Line Item 44 Regional Water Supply Improvement Program where we track Wet Meadows Program funding and expenditures.

New line item 37: District Vehicle. This figure includes maintenance, fuel, insurance, annual registration and fees for the newly acquired District vehicle.

Non-Operating Expenses

Line 43: Title of item was changed from “Basin Augmentation Program” to “Aspinall Subordination Agreement Report” as this more accurately reflects this expenditure.

Line 47 Basinwide Planning.

Under Watershed Management Planning, staff added more detail to the budget to reflect existing funding source being managed. These included: CWCB PO 2020-2013 - \$16,000 added/included (the amount previously listed was 0); and the Watershed Restoration Grant Program - \$135,000 was added/included (the amount previously listed was 0).

Budget Message: On the last page, reference to the 2022 goals was removed. In addition, there were a couple of minor typographical corrections made.

Director Bill Nesbitt moved and Director Julie Nania seconded approval of the 2022 Draft Budget with changes noted. Motion carried.

The revised 2022 Draft Budget will be presented for Public Hearing at the November 22, 2021 District Board Meeting.

8. GENERAL MANAGER AND COMMITTEE REPORTS

Treasurer’s Report - Treasurer Bill Nesbitt reported that there are not a lot of changes to report in the treasury market. He noted that the District had a bond earning 1.68 percent that was callable, so the proceeds from that bond will be in the account soon. He also noted that there was a CD that matured and for now, the \$160,000 from that CD was moved into the bank’s money market account until an alternative investment can be found. Bill said that we are not going to make \$88,000 in interest this year but all the District’s investments are safe and liquid.

Director Nesbitt also noted that he had been approached about whether or not the District would be interested in purchasing the BLM’s portion of the current office building and he felt he needed to let the Board know. General Counsel John McClow advised that the District is not in the business of property ownership and that this does not align with our mission.

Watershed Management Planning Update – General Manager Sonja Chavez reported that she will be meeting with City of Gunnison Engineer Cody Tusing and City Wastewater Treatment Plant Manager Mike Rogers on Friday to discuss more of the specifics of the City’s water plan and how the District might be able to collaborate on projects. Sonja noted through the Watersmart group, she also hopes to engage with the other municipalities in the District in 2022.

Sonja reported that the Grant Committee will be meeting soon to address recommended changes to application materials, parameters around making changes to engineered designs paid for by the District, guidelines for the Committee around Operation and Maintenance type projects.

Craig Ullman from Applegate Group will also be coming on Friday to conduct a final inspection of the Gunnison River Restoration Project, conduct a field site visit related to recommendations for improvements to the City Ditch system, and other infrastructure assessments throughout the basin.

Taylor Local Users Group – Chairman Don Sabrowski said that he had received a call from TLUG Representative Ernie Cockrell who was disappointed that the TLUG representatives did not have the opportunity to modify releases in late September to try to remain above 59,000 acre-foot level at which winter flows could be maintained at 75 cfs versus estimated 72.5 cfs. There were difficulties around communication with TLUG members to approve recommended changes via email (need majority vote), with Reclamation to relay recommendations (Erik Knight was out of town) and with the need to get approval from the 4 Parties to implement recommendations for changes on such short notice. General Manager Sonja Chavez pointed out that although she would have liked to save a little more water, the stipulation requires that the elevation not drop below the minimum of 57,500 acre feet level (actual April to July inflow in a dry year) which the TLUG group worked very hard to accomplish. She noted that all the TLUG representatives compromised on their preferences for releases throughout the spring and summer due to drought conditions. Director Stacy McPhail commended TLUG on ending the summer with above 58,000 acre feet considering the lack of snowpack and dry soil content. The Board was reminded that TLUG does not have any control over releases and can only make recommendations to the 4 Parties and that ultimately the BOR manage the flows at their discretion. Chairman Sabrowski recommended that we work on lines of communication for next year when we know that Erik Knight or other key individuals including the dam tender will be gone. Don also asked if the District could be sure the TLUG representatives got the minutes from the September 2nd meeting and include the BOR internet link that includes current elevations for Taylor Park Reservoir as they are updated daily.

Education and Outreach Update – The District’s quarterly newsletter went out a couple of weeks ago.

A small group of students from Gunnison Middle School and High School will utilize the District conference room to participate in the United Nations/ Glasgow University’s International Conference on Climate Crisis. The students will be giving reports on advocating for protecting the “water towers of the world” (mountain watersheds) from climate change. The reports will begin at 7:30 AM on November 4.

Basin Water Supply Information October 2021 - Water Resource Specialist Beverly Richards said there has not been much change on conditions since the previous meeting. Overall, stream flows were 25 percent of normal and storage was 35 percent of normal for the water year throughout the entire Gunnison Basin. Blue Mesa Reservoir was forecasted to be 25 percent of capacity for the end of the year and is currently at that level. Bev said cloud seeding will start November 15.

Director Bill Nesbitt relayed that at the last Gunnison Basin Roundtable meeting there was a lot of frustration from the members about why the BOR started the Emergency Drought Operations Agreement releases in August rather than late September or October when it isn't needed for recreational uses in the Upper Basin. Releases in August had a negative impact on the end of season recreation activities at Blue Mesa and thus had a likely economic impact for our community. General Counsel John McClow said the BOR made the decision and gave less than two weeks' notice to the states. John said that going forward Wayne Pullen, the Upper Colorado River Regional Director, has assured the state that area water managers will be consulted about the timing of DROA releases in order to minimize negative impacts.

Scientific Endeavors Update – Director Rosemary Carroll gave an update on scientific endeavors. Rosemary showed a Power Point of CSU's C-Band Radar facility that has been installed up near the old Teocalli lift platform at CBMR. She said it is not online yet, but is supposed to be next week.

Director Carroll also shared data from her study on streamflows during this monsoon season. Rosemary said that for a short period of time in July, August and September, streamflows were actually up compared to last year and provided some relief during a low water year. She emphasized that the basin is really needing a good snow year this winter.

Dam Inspections - General Manager Sonja Chavez reported that she recently met with Jason Ward at Meridian Lake for an inspection of the dam. Overall, the dam inspection was in "acceptable" condition. There was a little bit of seepage at the outlet works (present at last inspection) which Jason was not overly concerned about and suggested we continue to monitor for any changes. Jason Ward also met with Robert Hurd at Lake San Cristobal to inspect the dam and it was relayed that conditions are also "acceptable". Formal dam inspection report write-ups should be available in early 2022.

Whitewater Park Improvements - General Manager Chavez reported that improvements to the Whitewater Park were discussed with Marlene Crosby from the County and that some improvements need to be made to drops one and two, particularly drop two, which has eroded under the structure and is becoming dangerous. There were discussions about installing a sort of gate system that could be manually operated to change the flow to better recreational needs in varying hydrologic conditions. There was no price tag mentioned for such a system. Marlene did

mention that there are some county reserves earmarked for the Park and that she will discuss the conditions and potential improvement options with the Board of County Commissioners.

9. MISCELLANEOUS MATTERS

Policy on Board Member Use of District Vehicle - General Manager Sonja Chavez developed a policy for the staff for use of the vehicle that is now part of the Employee Handbook. General Counsel John McCloy used much of the same language for the Policy on Board Member Use of District Vehicle, which was provided in the meeting packet.

Julie Nania moved and Rebie Hazard seconded approval of the Policy on Board Member use of District Vehicle. The motion carried.

General Manager Chavez said there is a vehicle reservation calendar we maintain for vehicle use, so if a Director wants to reserve the vehicle for District uses, he or she just needs to let staff know so this gets scheduled in the calendar.

Barrels of Acetone Stored outside of District Garage – General Manager Sonja Chavez said there were concerns raised about the barrels of acetone that are used by the Cloudseeding Program and currently stored in the cargo bay outside the District offices. Sonja said since this is a hazardous material, there are storage rules about how the barrels are to be contained and what barriers need to be in place. Director John Perusek and Director Bill Nesbitt offered to work with Water Resource Specialist Bev Richards to come up with possible solutions.

10. CITIZENS COMMENTS

There were no comments from citizens.

11. FUTURE MEETINGS

A list of upcoming meetings was presented. No additions were made.

12. SUMMARY OF MEETING ACTION ITEMS

General Manager Sonja Chavez will have staff send the September TLUG meeting minutes and BOR link for the Taylor Reservoir tea-cup diagram to the TLUG members.

Water Resource Specialist Bev Richards will coordinate with Directors Perusek and Nesbitt on proper storage of the barrels of acetone.

General Manager Sonja Chavez will get an update from the BLM to pass along to the Board as soon as the new doppler radar is up and running.


Director Julie Nania offered that Board members could contact her with any concerns they have about the GMUG Forest Plan Drafts to help them find areas in the plan where specific watershed issues are addressed. The public comment period concludes on November 12.

Director Don Sabrowski requested Sonja Chavez give a presentation about District watershed issues at the Gunnison County Stockgrowers annual meeting on December 7th.

12. ADJOURNMENT

Vice President Stacy McPhail adjourned the October 25, 2021 meeting at 8:33 p.m.

Respectfully Submitted,

A handwritten signature in blue ink that reads "John E. Perusek". The signature is written in a cursive style and is positioned above a solid horizontal line.

John Perusek, Secretary

APPROVED:

A handwritten signature in blue ink that reads "Stacy McPhail". The signature is written in a cursive style and is positioned above a solid horizontal line.

Stacy McPhail, Vice-President