

**Upper Gunnison River Water Conservancy District  
Regular Board Meeting Minutes  
Monday, January 24, 2022**

The Board of Directors of the Upper Gunnison River Water Conservancy District (UGRWCD) conducted a regular meeting on Monday, January 24, 2022, 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: Sara Bergstrom, Rosemary Carroll (via Zoom), Joellen Fonken (via Zoom), Rebie Hazard (via Zoom), Stacy McPhail, Julie Nania (via Zoom), Bill Nesbitt, John Perusek, Michelle Pierce, Don Sabrowski and Andy Spann (via Zoom).

Others present:

Cheryl Cwelich, UGRWCD Watershed Programs Coordinator

Sonja Chavez, UGRWCD General Manager

John McClow, UGRWCD General Counsel

Beverly Richards, UGRWCD Water Resource Specialist

Jill Steele, UGRWCD Accountant

Sue Uerling, UGRWCD Administrative Assistant/Communications Support Specialist

**1. CALL TO ORDER AND INTRODUCTION OF CHERYL CWELICH**

Board President Michelle Pierce called the meeting to order at 5:30 p.m. Watershed Programs Coordinator Cheryl Cwelich was introduced to the Board. Cheryl expressed her enthusiasm for joining the UGRWCD team.

**2. AGENDA APPROVAL**

**Director Stacy McPhail moved and Director John Perusek seconded approval of the amended agenda as circulated. The motion carried.**

**3. CONSENT AGENDA ITEMS**

**Director Bill Nesbitt moved and Director Stacy McPhail seconded approval of the consent agenda. The motion carried.**

**4. LEGAL MATTERS**

General Counsel John McClow reported that all parties to the Memorandum of Agreement have now signed the agreement for the development of the hydroelectric generation facility proposed

by Gunnison County Electric Association (GCEA) and Uncompahgre Valley Water Users Association at the Taylor Park Dam.

John also reported that the first Legislative Committee meeting of the year was held on Friday, January 21 to discuss potential water bills that could be brought forward during this legislative session. John will continue to monitor these bills and will call more meetings as necessary during the session. Legislative Committee meetings are typically held on Friday mornings at 8 AM via teleconferencing.

## **5. GENERAL MANAGER’S AND COMMITTEE REPORTS**

### **A. Treasurer’s Report**

Treasurer Bill Nesbitt said the Dow was down 1100 points initially today and then came back to finish 99 points up at the end of the day. The volatile trading was due to institutional buying and selling. Bill reported that it is likely that the Fed will raise interest rates at least three times next year. Bill reported that the District will have a US Treasury Note that will come due on February 15, 2022 and that finding any replacements with a better interest rate will be challenging at best. He noted that there is also more cash than he likes to carry in the checking account. A CD at Community Banks of Colorado in Lake City will mature February 20, 2022. He would like the District to continue to keep those monies in Lake City if possible. He asked if Director Pierce could pick up a rate sheet from the Lake City bank to bring to the next Board meeting.

### **B. Executive Committee Update**

President Michelle Pierce reported that the committee met on January 20<sup>th</sup> to discuss a possible UGRWCD Employee Home Ownership Program, a revised Board meeting schedule and a request for adjusting the General Manager’s Paid Time Off (PTO) maximum accumulation allowance.

Michelle said several questions came up during the Employee Home Ownership Program discussion, so this matter was tabled for further details.

As for changing the current 2022 Board Meeting schedule, Michelle reported the Executive Committee was not in favor of making a change to the schedule but did agree that some committee reports could be given every other month instead of monthly to reduce staff preparation time for Board meetings. General manager Sonja Chavez did say she would like to see the December meeting noted as a “Special Budget Meeting” that would occur remotely due to its shortened length and focus on the budget only. There was also a question regarding whether the board could approve the budget remotely. General Counsel John McClow confirmed that there was no issue with the Board approving the budget remotely since there is a policy that allows for voting remotely.

Michelle reported the Executive Committee was recommending a change to the General Manager's PTO maximum accrual to 432 hours. The General Manager is finding it difficult to take PTO at a frequency that allows her to stay below the current 240 hours of maximum PTO accumulation identified in her contract and maintain her responsibilities. She is losing PTO. The recommendation for 432 hours is consistent with the personnel handbook.

**Director Stacy McPhail made the motion to adopt the recommendation of the Executive Committee to increase the General Manager's PTO maximum accrual to 432 hours. The motion carried.**

### **C. Taylor Local User's Group (TLUG)**

TLUG Chair Don Sabrowski reported that the District received three letters of application for the "rafting/boating interest" opening and one letter of application for "flat-water recreation interests." These letters (and any letters of recommendation) were circulated to all Board members in the Board packet as follows: Mark Schumacher (requesting renewal of his term for the "rafting/boating representative" along with a letter of recommendation from Ches Russell of Scenic River Tours); Kestrel Kunz (a new "rafting/boating interests" applicant along with a letter of recommendation from John Mason, Western Colorado University Physics Professor); Rob Childerston (a new "rafting/boating interests" applicant); and, Ryan Birdsey (requesting renewal of his term for the "flat-water recreation interests").

Director Sabrowski noted that Mark Schumacher has held the "rafting/boating interests" representative position for several years now and Don feels that Mark does a good job of weighing the flow requests and timing wishes of all of the TLUG representatives. Don noted that Mark even received a letter of recommendation from Ches Russell of Scenic River Tours, one of Mark's competitors. Don "highly recommended" that the Board renew the appointments of Mark Schumacher and Ryan Birdsey for two-year terms each on TLUG.

**Director Bill Nesbitt moved and Director Joellen Fonken seconded the appointments of Mark Schumacher and Ryan Birdsey for renewal of their seats on TLUG for another two-year term. The motion carried.**

### **D. Watershed Management Planning Committee**

General Manager Sonja Chavez referred the Board to the memo included in the Board packet. Director Bill Nesbitt asked about the Upper Gunnison River Restoration & Irrigation Infrastructure Improvement Project (2021) and wanted a refresher about who was responsible for payment for the project and what it entailed. General Manager Chavez said the multi-beneficial water resource improvement project was designed to eliminate a gravel channel push-up dam in the river and included an improved headgate and other shared infrastructure. The project was funded through various grants including an Upper Gunnison District Grant to Steve Guerrieri, Colorado Water Conservation Board, Colorado River District, and US Fish and Wildlife Service. Significant cash and in-kind services were also provided by water right holders. The Upper Gunnison and Trout Unlimited also provided in-kind services in

managing the project. The project is complete. On-going maintenance for the infrastructure is the responsibility of the water right holders.

#### **E. Grant Committee**

Water Resource Specialist Beverly Richards referred to her memo included in the Board packet. Bev said the numbers were pretty slim for potential applicants who attended one of the two virtual grant trainings on January 13 and 18. There was one applicant for the first training and three for the second. Bev has emailed the training to another applicant and it is now posted on the UGRWCD website. The deadline for grant applications is February 15.

#### **F. Education and Outreach Committee**

Administrative Assistant/Communications Support Specialist Sue Uerling referred to the memo included in the Board packet. Sue reported that on Friday, January 21, staff met with representatives from the Gunnison Rotary Club and offered sponsorship funds from the “Collaboration with Water Groups” line item on the 2022 Education Action Plan to sponsor the Awards Ceremony for the Rotary Club Fishing Tournament May 7 and 8, 2022 at Blue Mesa Reservoir. With the sponsorship, the District will get to distribute water information rack cards, water bottles, dry bags for cell phones and other promotional items to the estimated 250 participants from all over the state. General Manager Chavez and/or a Board member will be able to give a brief overview of what the District does for the participants at the Awards Ceremony on Sunday, May 8 near the marina. In addition, the District’s sponsorship includes a free entry for one two-person team from the District to participate in the fishing tournament. Sue asked Board members to let her know if they were interested in being on the team and encouraged them to come to the Awards Ceremony. Sue will send more details to the Board as they become available. Sue noted that the tournament has been held for 32 years and was originally organized by the Kiwanis. When the Kiwanis Club became defunct about 6 years ago, the Rotary Club took over the management of the tournament. Proceeds from the tournament support four college scholarships for area youth and Rotary grants for area non-profits.

Director Bill Nesbitt asked how this collaboration came about and Sonja said that Sue reached out to Colorado Parks and Wildlife and the Rotary Club about how the District might be able to collaborate with them on fishing tournaments.

Bill also reported that the last of the District’s supply of the book *Water* were distributed to first graders in Crested Butte and Lake City in November 2021. Copies of the new book *Drop: An Adventure through the Water Cycle* arrived a couple of days ago and Bill said they would be distributed to Gunnison first graders in the next several weeks.

#### **G. Basin Water Supply**

Water Resource Specialist Beverly Richards referred to her report in the Board packet. She noted that while soil moisture has improved, there needs to be a lot more snow to get the

basin back to normal. Forecasters predict that we will move from a LaNina pattern now to a neutral pattern until next winter where they predict we will move into an El Nino weather pattern. This usually means a better chance of higher snowpack. With the current snowpack percentage, they are predicting streamflows at 130% of normal, but that snowpack SWE percentage will likely disappear without more precipitation. Bev reminded everyone that there is a long way to go before we see maximum snowpack accumulation amounts – typically in April.

#### **H. Wet Meadows Program**

Watershed Program Coordinator Cheryl Cwelich referred to her report in the Board packet and said that her first three weeks have been “very invigorating” as she has had meetings with all of the program partners. Cheryl reported that the transition between Paul Jones and her has gone smoothly and that Paul has been gracious and helpful. Cheryl said the kick-off meeting last week went well as they poured over restoration structure construction sites. Some tasks she will be working on is revising the original 2014 Vision Statement; standardizing monitoring processes; working with staff to develop contracts with volunteer crews and contractors; writing new copy and streamlining existing website information and moving all of the Wet Meadows website onto the UGRWCD.org website; planning for the Sage Grouse Summit at Western Colorado University and finalizing activities outside of the basin per our grant agreements so that we can turn our attention back to the Upper Gunnison as directed by the Board. Cheryl noted that the District won’t be entering into any new grant agreements for work outside of the basin.

General Manager Sonja Chavez noted that Board members may continue to see some checks payable to Paul Jones as he is contracted in 2022 to help with transition to Cheryl’s leadership.

#### **I. Scientific Endeavors**

Director Rosemary Carroll noted that she did not have much to report as everyone was just coming back from holiday break. In early January, the groups collaborating on sharing hydrologic models, including the USGS, DOE and others, held their first workshop. Rosemary noted that the DOE SAIL campaign only had good radar data from during the Christmas/New Year’s storm sequence. There are 2 ASO flights currently funded for the East and Taylor River basins. Two more are awaiting additional funding. General Manager Chavez said she hopes there will be funding available for more ASO flights going forward and that the CWCB has a grant application in front of them from a Colorado ASO coalition group. Rosemary said for now the flights will focus on the upper East and Taylor Rivers. No flights are scheduled yet to fly on the Ohio Creek basin.

#### **J. Long Lake Stakeholder Workgroup**

This group has not met recently. Director Rosemary Carroll recommended removing this item from the agenda until later when meetings are scheduled again.

### **K. Gunnison Basin Roundtable (GBRT) Update**

General Counsel John McClow reported that the GBRT meeting on January 17, 2022 was relatively short. Steve Anderson of the Uncompahgre Valley Water Users Association received an Irrigation Leader award from Four States Irrigation. The Upper Gunnison District will be managing the CWCB funding and contract for the PEPO Chair. General Counsel McClow also answered questions about Nebraska's proposal to build an irrigation pipeline from Colorado.

### **L. Gunnison River Festival (GRF) Update**

Director Joellen Fonken reported that the GRF Board held their annual meeting on January 20, 2022 and elected officers as follows: Sonja Chavez, President; Marlene Crosby, Vice President; Lizzy McArthur, Secretary; and, Jill Steele, Treasurer; Katie Lewinger, Sponsor Director. Joellen is excited to have Lizzy McArthur on the GRF Board as she also served on the FibArk Board for five or six years and will bring a lot of knowledge and experience to the GRF. Joellen reported that Cheryl Cwelich will serve in the role of staff representative for the GRF. She reminded everyone that the dates for the 2022 GRF are June 10-12, 2022 and that this will be the 20<sup>th</sup> Anniversary celebration. Joellen said the Lake Fork Valley Conservancy are excited to be involved again this year and will roll out activities on the Lake San Cristobal peninsula property that they purchased last year. The events schedule will be set at the February meeting and will again focus on education.

## **6. BREAK**

## **7. MISCELLANEOUS MATTERS:**

### **A. Infrastructure Bill**

General Manager Chavez reported that Colorado's portion of the Infrastructure Bill funding passed by the federal government has designated \$6.15 billion for water projects and will be distributed over a five-year period. Projects that are designed to improve water treatment or water quality (e.g., PFAS or lead pipe replacement) have a separate funding designation of \$688 million and must have their project on the State Revolving Fund "Project List". Sonja said she will reach out to the municipalities in the basin to be sure that they are aware of the requirements for project submission. Reclamation will be handling the distribution of most of the \$6.15 billion and details are to be determined. None of this funding will be going through the CWCB.

### **B. Gunnison Headwater Mitigation Bank**

General Manager Sonja Chavez reported that she and Travis Moore were not able to connect prior to the Board meeting, so this report will be tabled until the next meeting.

### **C. Spencer Business Park Condo Association Meeting**

General Manager Sonja Chavez referred to the January 6<sup>th</sup> meeting minutes included in the Board packet and said the primary outcome was that the consensus was not to delay the roof repair. Director Nesbitt also indicated that the District should not delay in seeking repayment from B.A.M.P. LLC immediately.

#### **D. Saguache County Public Hearing on Homestake Mine Mitigation Proposal**

General Manager Chavez reported she and Directors Hazard, Nania, and McPhail were in attendance at the public hearing where the draft ordinance was reviewed by the Saguache Board of County Commissioners. Sonja was surprised that before discussing the ordinance that the public was not given much background information around Homestake's proposal to remove drinking water standards from Marshall Creek along with the proposal to drill potentially affected wells deeper into bedrock. Director Nania said that the potential for contamination is certainly a concern for the District but that she's also very concerned that this action could set a precedence for mining companies in general to get out of their responsibilities to meet EPA mitigation standards for water quality, especially as Homestake is already operating under a "Temporary Modification." Homestake also said the water quality is better now than it was in the 70's. The District has not had the opportunity to review the water-quality data Homestake is referring to but plans to do so.

There was a lot of discussion about how far the District should go in expressing our concerns to Saguache County Commissioners. While the decision around an ordinance lies with Saguache County, Director Andy Spann expressed that he does not think the District should be concerned about any political fallout from expressing our concerns about contamination within the District's boundaries and we should move forward with any action we feel best protects the water and the basin. Board members agreed. Director Hazard said that if the District elects to send a letter outlining concerns it should be addressed to all three of the commissioners.

For next steps, Sonja reported that she will draft a letter and can ask for "Active Party Status" on the matter with the Water Quality Control Commission so that the District can provide formal comment or testimony. It was also agreed that the Board should continue to monitor the issue closely and research any other potential sources for data on water quality in this area.

#### **E. Office Renovation Update for Watershed Program Coordinator**

General Manager Chavez reported that Bobby Overturf was contracted to remove the cabinetry from the former copy room and install it in the lobby area. This has been completed and the cabinetry works well for Sue Uerling to prepare Board packets. Bobby also repaired the drywall, painted all of the former copy room and installed a sliding barn door since there was no door previously on the copy room. Sonja said the final costs would probably exceed her original estimate and come in around approximately \$1500 with the need to also replace the carpet.

## **F. Gunnison River Spreadsheet**

Director Rebie Hazard asked if the spreadsheet could be enlarged for easier reading.

Director Don Sabrowski asked if there was any progress on the new Doppler gap radar site near Blue Mesa. General Manager Chavez said that due to the Gunnison sage grouse mating season between March 15 and July 15<sup>th</sup> in the area, it was recommended that the installation of the radar be moved back until after July 15<sup>th</sup>. Sonja said this means that we may lose out on some of the federal funding that we were expecting to help cover the cost of the data but she looks forward to receiving data next year.

## **G. Newspaper Articles**

Director Bill Nesbitt noted that he recently read an article from the Gilbert, AZ newspaper where they tout their sustained water yield from the Colorado River. Bill said this article raised concerns for him, specifically “how at risk are we?” and whether the Board should take steps now to be prepared. For instance, should the District set aside funds to buy blocks of water for shortages or set aside funds for litigation if necessary.

General Counsel John McClow noted that the Colorado Attorney General is responsible for litigating issues related to the Colorado River Compact, not the District, so setting aside funds for that potential litigation is not necessary. John said the Attorney General has a team preparing for compact compliance issues. Measuring water and how to administer any possible curtailment is the responsibility of the State Engineer. Currently, the State Engineer is developing Measurement Rules for the Yampa River, and when that is complete he will proceed to other basins. Once Measurement Rules are completed the State Engineer will begin the process for developing Compact Curtailment Rules. That process will be contentious, will likely take years, and will involve significant attorney time. So long as the District employs full-time legal counsel no special funding needs to be set aside for legal fees. John said that discussions about compact compliance will continue to happen frequently and that right now, there is not a way to know exactly what shortages we may possibly face basin to basin or state to state.

**8. CITIZEN COIMMENTS** - No citizens were present for comments.

**9. FUTURE MEETINGS** - A listing of meetings was provided in the Board Packet.

## **10. SUMMARY OF MEETING ACTION ITEMS**

**General Manager Sonja Chavez will follow up on checking into CD rates in Lake City and discussing with the District’s bond dealer on possible investments to replace the US Treasury note that comes due on February 15, 2022.**

**Sonja will send an email out to local municipalities within the basin to make sure they understand the process to make their projects eligible for Infrastructure Bill funding.**



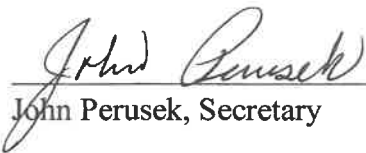
**Sonja will follow-up on writing a memo to outline the District’s concerns for the Homestake Mine ordinance to share with the Saguache Board of County Commissioners and to request “Active Party Status” with the Water Quality Control Commission on the issue. She will also reach out water quality entities to see what data might be available related to uranium measurements.**

**District Staff will work on enlarging the Gunnison River Spreadsheet for the packet.**


**11. ADJOURNMENT**

Board President Michelle Pierce adjourned the regular District Board meeting for January 2022 at 7:20 p.m.

Respectfully Submitted,

  
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John Perusek, Secretary

APPROVED:

  
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Michelle Pierce, President