

**Upper Gunnison River Water Conservancy District
Regular Board Meeting Minutes
Monday, February 28, 2022**

The Board of Directors of the Upper Gunnison River Water Conservancy District (UGRWCD) conducted a regular meeting on Monday, February 28, 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, Joellen Fonken, Rebie Hazard, Stacy McPhail, John Perusek, Don Sabrowski and Andy Spann.

Board members absent: Julie Nania, Bill Nesbitt and Michelle Pierce

Others present:

Cheryl Cwelich, UGRWCD Watershed Programs Coordinator

Sonja Chavez, UGRWCD General Manager

Janna Hansen, Town of Crested Butte Director of Parks

John McClow, UGRWCD Legal Counsel

Beverly Richards, UGRWCD Water Resource Specialist

Jill Steele, UGRWCD Accountant

Sue Uerling, UGRWCD Administrative Assistant/Communications Support Specialist

1. CALL TO ORDER

Board Vice President Stacy McPhail called the meeting to order at 5:30 p.m.

2. AGENDA APPROVAL

Director Rebie Hazard moved and Director John Perusek seconded approval of the agenda as circulated. The motion carried.

3. CHANGES TO FINANCIAL REPORTS

Vice President Stacy McPhail referred to the memo provided by Accountant Jill Steele regarding changes to the financial reports due to the streamlining of the District's QuickBooks records. Stacy asked if any Directors had questions for Jill and none were raised..

4. CONSENT AGENDA ITEMS

Director Joellen Fonken noted that the minutes had a reference to the Gunnison River “Festival” spreadsheet and that this should have just read “Gunnison River Spreadsheet.”

Director Sara Bergstrom moved and Director Joellen Fonken seconded approval of the consent agenda, with the correction to the minutes noted. The motion carried.

5. LEGAL MATTERS

Legal Counsel John McClow referred to the summary of legislative bills included in the Board packet. John reported that no new bills of interest to the District have been introduced since the packet was distributed. He asked if there were any questions about the bills. Director McPhail noted that bill SB22-029 on water speculation was very complicated and John noted that the District is opposed to this bill as there is already substantial anti-speculation law in statute and case law. General Manager Sonja Chavez said that if SB22-029 would pass, it would open a whole new can of worms and could actually be beneficial to speculators.

Counselor McClow also referred to the Court of Appeals decision included in the packet about a case involving “navigable water” that could go to the state Supreme Court for review. Director Perusek asked how this case might affect the District. John McClow said that in the case, the plaintiff is making the argument that “Because the river was navigable at statehood, then the riverbed is public land owned by the state of Colorado” and therefore, he was not trespassing when he was wading on the riverbed. John McClow noted that the criterion for navigability at statehood is whether this reach of the river was used for commerce. Director Joellen Fonken asked if an angler who does not have an angling business is considered “commerce” or is he just an angler? John McClow answered that he would be “just an angler.” John said that the Colorado Water Congress is supporting the landowner because the fisherman is asserting the public trust doctrine should exist in Colorado. The District opposes the public trust doctrine.

6. DINNER BREAK

7. GOTHIC RAW WATER PROJECT PRESENTATION.

Town of Crested Butte Director of Parks, Recreation, Open Space and Trails Janna Hansen gave a presentation about Crested Butte’s “Gothic Raw Water Project” which was partially funded by the District. Janna reviewed the components of the project and said that the benefits are: (1) Water Savings; (2) Cost Savings; (3) System Reliability; and (4) Meeting Non-consumptive Goals. She said the total cost⁶ for Phase I and II of the project were \$216,539.63 and that the District provided grant funding in the amount of \$13,150 for Phase I and \$50,000 for Phase II. Director Rosemary Carroll asked if this will be the first summer raw water will be used to irrigate Gothic Park. Janna said that yes, ditch water will be run through the headgate on Coal

Creek to prime the system. Janna noted that the “irrigation smart clock system” is designed to save water through its monitoring capabilities. Janna showed a photo of the ballfield and Director Joellen Fonken noted that the fence around the ballfield would look good with banners highlighting the logos of the partners who gave financial support for the Gothic Raw Water Project. Janna said she would look into having these banners made for the outfield fence. Janna concluded that the Town of Crested Butte has submitted a grant for improvements to the Slate River Bridge and that she appreciates working collaboratively with the Basin communities on such projects.

8. BASIN WATER SUPPLY REPORT

Water Resource Specialist Beverly Richards referred to the report included in the packet and said that not much has changed in spite of Crested Butte receiving 22 inches of snow last week. Bev said that while Lake City’s snowpack has improved with this last storm, they are still at 81 percent of normal and this is dragging down the average. As of the meeting time, Bev said the Basin’s total snowpack was at 106 percent of normal for this date.

9. TREASURER’S REPORT

In his absence, Treasurer Bill Nesbitt sent an email for the Treasurer’s report. General Manager Sonja Chavez asked if there were any questions about it and none were raised.

10 A. DISCUSSION: Coordinated Emergency Response Planning

General Manager Sonja Chavez noted that the recent wildfires have been very hot, fast-burning fires and that Colorado is suffering from the worst drought in 1200 years. In her memo in the Board packet, Sonja outlined steps the District is taking related to pre-wildfire mitigation planning efforts within the basin. With respect to ponds in the basin that can be used for fire suppression, she noted that only a third of them have water rights associated with them. She said the County Commissioners could require that these ponds not be drained at the end of the season, particularly since there is no definite end to wildfire season any longer.

Sonja noted that Jamie Gomez, executive director of the West Region Wildfire Council, will be making a presentation to Gunnison County on March 9 about efforts in this area. Sonja offered to share the details of this presentation with the Board. Sonja said that historically, the District has not had much interaction with emergency response teams and she would like to see the District become more involved in emergency planning for wildfires. She would like to research what other watersheds have done. Sonja noted that the Colorado Department of Public Health and Environment (CDPHE) have grant funding available that might help the District move forward with next steps. Director Stacy McPhail noted that insurance companies are refusing to

cover some private homeowners due to wildfire risk and that those living in rural areas are paying much higher premiums for coverage. Stacy thinks the District should raise awareness to this fact and wondered how the District can support homeowners in the basin. Director Rebie Hazard reported that Saguache County does not have any emergency response plans in place with respect to wildfires. Sonja offered that with the Board's blessing, she will move forward with contacting emergency response personnel in the Basin and offer to be a resource for municipalities and counties to help develop wildfire mitigation plans.

10 B. DISCUSSION: Demand Management Market Concept

General Manager Sonja Chavez referred to a memo included in the packet from the Colorado River District General Manager, Andy Mueller, regarding the Demand Management Conceptual Market Structure. Sonja noted that the comments in red were the responses they received during their public comment period. Sonja said the report was just informational at this time and she encouraged Board members to share this with their constituents, such as stockgrowers and municipalities. Sonja feels it is important that we stay informed and share it with people who may be affected during an emergency response. Director Stacy McPhail gave kudos to the River District for starting this conversation now so that we can be prepared should action be needed through an emergency response.

11. GENERAL MANAGER AND STAFF REPORTS

A. Homestake Pitch Uranium

General Manager Sonja Chavez reported that at the last Board meeting, she was charged with writing a letter to the Water Quality Control Commission to express the Board's concerns about removing the drinking water standard from Homestake Mine's mitigation requirements. As it turns out, Homestake's proposal did not include a request to remove drinking water standards from Marshall Creek and instead included a request to have their temporary modification extended, which is better than having no drinking water standard at all. Therefore, staff decided to hold off on submitting a letter to the Saguache County Commissioners.

Sonja was approached by the CDPHE about considering serving on the water quality control board for the Western slope. Sonja did submit her letter of interest and had a follow-up interview but has not yet received word about an appointment. Director Stacy McPhail said that on behalf of the Executive Committee, "of course you have our support, Sonja, and it will be good to have more engagement at that level."

B. Gunnison Headwaters Mitigation Bank

Watershed Program Coordinator Cheryl Cwelich referred to her update included in the packet and said she is excited for the season as the schedule is now all planned out. Cheryl noted that she and Sonja have been in contact with the Colorado Natural Heritage Program and Colorado State University to discuss negotiating their indirect cost rate for vegetation monitoring. Staff feels their rate of 52 percent is too high. Cheryl will have more to report at the next Board meeting.

(2.) Grant Program

Water Resource Specialist Beverly Richards reported that the District received 15 applications for grant funding for a total of \$346,516. The Grant Committee will meet on March 2nd to review the applications.

Director Andy Spann disclosed that Spann Ranches has applied for a grant under the program and that he will recuse himself from this application review. He also said that having gone through the process, he has some suggestions for the next grant application process.

Bev also reported that Mountain Roots is requesting a second extension to complete their grant requirements.

Director Andy Spann moved and Director Rosemary Carroll seconded a motion to approve a second extension for Mountain Roots to complete their grant requirements.

(3.) Education and Outreach

Communications Support Specialist Sue Uerling referred to her update included in the packet and said any Board members interested in handing out “Drop” books to Gunnison Elementary School first graders on March 21 at 2:50 p.m., to please let her know. She also asked if there were any Board members interested in being on a two-person team to represent the District in the Rotary Club Fishing Tournament on May 7 and 8, to please let her know.

F. Miscellaneous Reports

(1.) Gunnison River Festival (GRF) Update

Director Joellen Fonken said festival plans were coming along and that the schedule was similar to pre-Covid festivals with the addition of more interest in activities at Lake San Cristobal. She reported that the GRF Board is reconsidering the prize monies involved. Joellen said she would have more specific details on the schedule following their March 17th Board meeting.

(2.) Scientific Endeavors Update

Director Rosemary Carroll presented a Power Point from an ongoing research study by her colleague Nicola Falco. The study is being conducted in the upper portion of the East River and is looking at the link between snow drought and its effects on water quality.

(3.) Colorado Water Congress Review

Director Stacy McPhail said she really enjoyed being at the Colorado Water Congress Conference in person and that it was valuable to sit across the table from people who disagree with you. She said it was a good lesson about the crucial issues revolving around water. She said she especially enjoyed the fireside chat between the attorney generals from Colorado and Wyoming. She also commended Legal Counsel John McClow for his role in serving on the panel discussing the 100 year anniversary of the Colorado River Compact. She encouraged Board members to attend future conferences if they are able.

(4.) Standard Monthly Reports – Solar Panels, Gunnison River Spreadsheet, News Articles

There was some discussion about a few of the news articles included in the packet, including questions about what the county and state are considering in terms of “reservoir storage” to meet emergency needs.

Taylor Local Users Group

Director Don Sabrowski asked whether the group should consider adjusting releases to meet the year-end maximum fill target for Taylor Reservoir, as has been suggested by Ernie Cockrell. Legal Counsel John McClow said that negotiations went on for years in developing the Stipulation which establishes the minimum target and that target controls. Director Sabrowski said that he worries that if TLUG tries to base releases to maintain the maximum year-end level, then they will be choking users downstream. Director Andy Spann said he felt the TLUG representatives did a good job of considering everyone’s preferences for releases this last season during a very dry year. He said this is especially challenging because the forecasts are not always correct. He hopes everyone will be as conservative as possible with their requests this year. There were discussions about how ASO and additional gauges might help with a more accurate forecast. There were also discussions about how the refill of Spring Creek Reservoir could affect the availability of water this summer. Dan Brauch of Colorado Parks and Wildlife has said that he wants to refill the reservoir over the winter. There were also questions about whether or not the District could work in cooperation with CPW in supplementing releases. John McClow said that the refill will occur in priority and that we can again try negotiating with the CPW. In the past, they have not been willing to talk about it.

12. DIRECTOR UPDATES

Director Stacy McPhail: Stacy said in her district, there is a lot of concern about grazing on public lands and how the environmental group that filed the lawsuit might affect such grazing. She just hopes the court's decision is good for the sage grouse, but based on safe, sound science. She feels these public grazing issues are going to be raised all over the western states.

Director Rebie Hazard: Rebie said at her ranch, it has been warmer at night than in the town of Saguache and this has rarely been the case in the past. She is also concerned about the lack of snow in her area, but was happy to see that the mountain peaks looked good today on her drive in. She also said she has had some questions from constituents about the additional personnel the District has hired. There was discussion that we need to be sure our public outreach is showing that we are taking on many more projects and responsibilities than in the past, and thus, there is a need for additional personnel to meet all of our needs.

Director Rosemary Carroll: Rosemary said with the data she is collecting for her work projects; she is concerned to see a significant drop in the amount of water in the snow. She has also noted that there have been fewer, but bigger storms during this season with a lot of water loss due to vapor transport. She said the most recent snows have all been "sugar" with very little water content.

Director Andy Spann: Andy said that with his grandfather, Lee, and his father, Ken, serving on the District Board for many years, he feels there has been an increase of ag producers paying attention to what the District is doing with a lot more questions about Demand Management. They are all hoping that Blue Mesa fills this spring.

Director John Perusek: John said that as a member of the City Planning and Zoning Commission, there is concern about how to get water to the upper reaches of the new Gunnison Rising project. General Manager Sonja Chavez noted that this is one of the issues that was discussed on a recent meeting with the City, herself and Applegate Engineering. She said Applegate is looking into possible improvements/replacement of city water pipe lines and improvements to the city ditches and how to appropriate all of the needs of the users together into the best solution.

Director Stacy McPhail: Stacy noted that she thought it was a very good exercise for her and Sonja to help the Town of CB develop their core values for their Community Compass project.

13. CITIZEN UPDATES

Guest presenter Janna Hansen announced Mt. Emmons Mining Company is holding an Open House at Crested Butte Town Hall on Wednesday, March 2 from 2 to 4 p.m. primarily regarding the exchange of land around Long Lake through the CB Land Trust and the US Forest Service. She said the public is invited to provide input about conservation easements.

14. FUTURE MEETINGS

A listing of upcoming meetings was included in the Board packet.

During this segment of the meeting, Director Rebie Hazard asked if any of the other Directors had been approached about mining for rare metals on their property. Discussion followed about the need for better infrastructure and practices for recycling lithium batteries and the blades used by wind turbines.

General Manager Sonja Chavez asked if the Board would be in favor of the District coordinating with the area newspapers about providing a monthly or quarterly Q&A segment on issues affecting District water users, such as Demand Management or the public's perception on new District hirings. The overall consensus was in favor of this with Director Joellen Fonken noting that she felt this should be included at no additional cost to the District since we already pay for advertising.

15. SUMMARY OF ACTION ITEMS

General Manager Sonja Chavez will coordinate with Gunnison County to get more information to bring back to the District on their plans to move forward with hiring a full-time Cheatgrass Coordinator.

Sonja will draft a letter to Saguache County Commissioners regarding Homestake Mine's recent proposal to the Water Quality Commission with respect to their removal of the drinking water quality standard.

Legal Counsel John McClow will reach out again to Dan Brauch/Colorado Parks and Wildlife about the possibility of collaborating on supplemental water from Spring Creek Reservoir.


Sonja will develop a plan of how best to work with the area newspapers to have a regular monthly or quarterly article, perhaps in a Q&A format, about issues affecting District water users.

for the District to reach out to Mr. Lovato and the County to be sure they were fully aware of what Homestake's proposal entails and possible outcomes.

9. ADJOURNMENT

Board Vice President Stacy McPhail adjourned the December 8, 2021 meeting at 5:56 p.m.

Respectfully Submitted,



John Perusek, Secretary

APPROVED:



Stacy McPhail, Vice President