

**Upper Gunnison River Water Conservancy District
Meeting Minutes of the Board of Directors
Monday, January 22, 2024**

The Board of Directors of the Upper Gunnison River Water Conservancy District (UGRWCD) conducted a regular Board meeting on Monday, January 22, 2024 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, Joellen Fonken, Rebie Hazard, Stacy McPhail, Julie Nania, Bill Nesbitt, John Perusek, Don Sabrowski, Mike Rogers and Andy Spann.

Board members absent: Michelle Pierce

Others present:

Sonja Chavez, UGRWCD General Manager
Cheryl Cwelich, UGRWCD Water Resource Specialist
Jesse Kruthaupt, Trout Unlimited (via Zoom)
John McClow, UGRWCD General Counsel
Luke Mecklenburg, Colorado Attorney General's Office (via Zoom)
Beverly Richards, UGRWCD Office/Senior Program Manager
Sue Uerling, UGRWCD Admin. Asst/Communications Specialist
Ari Yamaguchi, UGRWCD Water Resources Technician

1. CALL TO ORDER

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

2. AGENDA APPROVAL

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

3. CONSENT AGENDA ITEMS

Director Rebie Hazard moved and Director Andy Spann seconded approval of the consent agenda with the amended budget as presented. The motion carried.

4. LEGAL AND LEGISLATIVE MATTERS

General Counsel John McClow reported that the 2024 legislative session has convened and at this time, there have been about 340 bills introduced so far with not many in the water area. Currently, there are only three pieces of water legislation of interest to the District and these will continue to be monitored through the Legislative Committee. John said that the legislation that was introduced last year regarding a landowner's liability if someone was hurt while recreating on their property has been reintroduced, this time with the stipulation that if a landowner posts a warning sign no legal action could be taken by people recreating on the property.

Director Bill Nesbitt asked John if there was any word on Arizona's water use as he had heard from a client that individuals from the middle east were purchasing property with water rights and drilling as deep as 2,000 feet to get to water which was causing the water table to drop. John replied that he understood the state of Arizona had cancelled leases to Saudi Arabian owners but that nothing has come up in the legislature.

John referred to the information in the packet about the Northern Arizona Water Tour and said he was invited to attend in February.

John referred to Resolution 2024-04 to Set the Posting Place for District meeting details. Director Rebie Hazard asked if this would be any change to the meeting notices being placed in the *Gunnison Country Times*, *Crested Butte News*, *SilverWorld* and *Saguache Crescent*. John said this resolution does not affect the requirement of advertising meeting notices in the area papers but that "Setting the Posting Place" is required by statute.

Director Joellen Fonken moved and Director Rosemary Carroll seconded approval of Resolution 2024-04 to set the posting place for meetings for the District. The motion carried.

5. DINNER BREAK AND BASIN WATER SUPPLY UPDATE

There was a brief break in the meeting while dinner was served and then Program Manager Beverly Richards gave an update on basin water conditions. She noted that while the snow in early January was a boost to the snowpack and resulted in the basin being just above the historical average for this time period, forecasters are predicting a return of dry conditions with minimal snow in the near term. Some of Gunnison County has even returned to drought conditions on the drought monitor. All three counties in the District now have portions that are either in the severe or extreme drought categories. As of January 22, 2024, the Upper Gunnison Basin is at 105 percent of the median for snow water equivalency for the 2024 water year.

Director Rosemary Carroll asked if Bev had heard anything about why the Snotel site at Schofield Pass never recorded above 100 percent of average, when several of the others in the basin were recording well above 100 percent at the same time? Bev replied that during the Aspinall operations meeting, this same thing was noted and they suspected it was because the storm ended up tracking more southerly than initially anticipated. It was also noted that the winds were very different during the early January storm.

Rosemary also noted that on January 11th, NCAR and the BOR did a presentation on the weather modification hypotheticals and said it was a great presentation. She said the presentation presented hypothetical models showing what might happen if generators were placed in the Taylor basin. Rosemary recommended that the District contact NCAR or the BOR to see if they would be willing to give a condensed version of their report to the District Board.

6. PRESENTATION BY DR. ROSEMARY CARROLL ON SCIENTIFIC ENDEAVORS IN THE BASIN

Director Rosemary Carroll provided a Power Point presentation showing an Overview of Scientific Endeavors in the area. Rosemary gave a brief explanation of what a Science Focus Area is and what has been collected in the past three years through her studies and others. Rosemary said the primary question is “How do mountainous watersheds retain and release water, nutrients, carbon and metals over various timeframes?” Rosemary noted that predicting water quantity and quality in response to a major disturbance is a major challenge. She said there are or have recently been three national laboratories, six federal and state agencies; three local stakeholders; 28 universities and six small businesses working on such research in the basin involving over 150 investigators, including staff, students and post-doctoral students.

Rosemary noted that studies have been conducted on the impacts to water resources during low-to-no-snow winters in the western United States. In the Upper Colorado Basin, persistent low-to-no snow conditions are predicted to emerge by end of 21st century (this is defined as 10 sequential years with peak snow being less than 30 percent of the historical average over fifty percent of the basin.)

Rosemary said in her study, she found at the Schofield SNOTEL site that annually there has been an increase of .4C per decade in temperature (4C in 100 years) and while there were no observed trends in precipitation in the East River Basin, they are no longer seeing multiple wet years in a row, leading to a “whiplash effect” of alternating dry and wet years; the fall season is warming twice as fast as the previous annual average. Dry years are getting dryer.

Rosemary reported impacts of less snowpack and warmer/dryer conditions are already evident in Watershed hydrobiogeochemistry, including declines in forest productivity and river exports.

Rosemary said the experimental testbed for Phase 3 will be the Taylor River, where they will study the impacts of prescribed burns and wildfires, insect herbivory and floodplain restoration.

During the question-and-answer portion, Rosemary said that in the East River basin, snowpack accounts for 80 percent of its water, while 20 percent comes from monsoon rains. She said that due to poor monsoon seasons in the past few years, there has not been enough rain to prime the system and therefore, even during higher snowpack seasons, some of the snow melt is just replenishing the low soil moisture and not reaching the streams.

When asked if the beaver dams are causing issues, Rosemary said that they basically push water out into the flood plain area causing the water storage to go deeper and last longer in the area. She said in the short term it could reduce some water flow for the downstream water right holder but have long term benefits for storage and runoff duration.

7. GENERAL MANAGER'S, COMMITTEE AND STAFF REPORTS

Treasurer's Report:

Treasurer Bill Nesbitt reported that he had checked with Gunnison Bank and Trust and Gunnison Savings and Loan and they are both offering a five-year certificate of deposit with a yield of 4.08 percent. He has also been talking to the District's investment advisor Rob Casacelli about other investment options. Bill mentioned some concerns with investing to build reserves for the Water Activity Enterprise (WAE) and John McCloy reminded him that this is an agenda item for the WAE meeting. Bill reported that the District is doing well and should earn approximately \$82,000 in interest this year. He said the current debt in the US is over \$39 trillion; gross domestic product is at \$27.8 trillion and credit card debt is at \$1.3 trillion. He recommends that the district keep cash available and remain liquid to be able to take advantage of some products with better returns. He said the Federal Reserve will meet again on January 30th and there is talk of them possibly lowering rates by 25 basis points.

General Manager's Report:

General Manager Sonja Chavez shared a Power Point presentation to report on some items that have come up since she put together her General Manager's report a couple of weeks ago as well as agenda items and discussion outcomes from the Colorado River District where she serves as Director for Gunnison County.

A. Upper Gunnison Basin ASO Partnership: Staff is pleased to inform the Board that the UGRWCD was successful in securing funding in 2024 for airborne snow flights in the East and Taylor River Basins (2 per basin). Sonja shared a table summarizing estimated program costs over next three years, funding partners, and funding shortfall as follows:

Source	2024	2025	2026
UGRWCD	\$ 50,000	\$ 60,000	\$ 65,000
CWCB Projects Bill	\$ 155,230	\$ 67,500	\$ 67,500
CWCB UCRC	\$ 54,940	\$ 54,940	\$ 55,940
DOE LBNL	\$ 35,000	\$ 35,000	\$ 31,500
GCEA Taylor Hydro	\$ 1,000	\$ -	\$ -
FUNDING SECURED:	\$ 296,170	\$ 217,440	\$ 219,940
PROGRAM COST:	\$ 296,170	\$ 308,017	\$ 320,337
REMAINING NEED:	\$ -	\$ 90,577	\$ 100,397

Sonja expressed her appreciation to the Colorado Water Conservation Board, Erik Skeie, for stepping in and helping us fill our additional funding gap in 2024. Staff is continuing to reach out to other potential partners for 2025 and 2026. Those may include WAPA, USGS, USBR, Vail Resorts/Crested Butte Ski Area Resort, and CRWCD, for example.

B. Colorado River Water Conservation District (1st Q Meeting Update): - Sonja shared the CRWCD PSA about Shoshone Water Right Preservation. She noted that the Shoshone right is the largest and most senior non-consumptive water right on the Colorado River providing 1,250 cfs with a 1902 right and 158 cfs with a 1929 right for a total of 1,408 cfs. The purchase and sale agreement was for \$98.5 Million (\$20M from CFP; \$20M request to CWCB; \$10M from the West Slope Coalition; Balance from other planned fundraising)

What does the water right purchase do? It will preserve Shoshone's historic and commanding flows on the Colorado.

Why should Upper Gunnison River Basin water users support the Shoshone water right purchase? It will provide:

- Water security for current and future generations.
- Clean, reliable drinking water for West Slope communities.
- Sustains Colorado's billion-dollar recreational and agricultural economy.
- Maintaining adequate flows under the Colorado River Endangered Fish Recovery Program or "Recovery Program" is critical to endangered fish utilizing both the Gunnison River (at around Delta) and the Colorado River in Colorado as critical habitat. The Recovery Program:
 - o Works to provide adequate flows, address barriers to fish migration, and eradication of non-native species that prey on endangered river fish.
 - o It streamlines critical ESA compliance processes so that water projects on the Western Slope and state-wide can continue.
 - o UGRWCD has been a Recovery Program member since inception because of its direct nexus to fish recovery via the Aspinall Unit Re-Operations Record of Decision (ROD) which also provides flows supportive of endangered river fish species; and
 - o All Gunnison Basin irrigation water users are subject to the ROD's Federal Selenium Management Program which is a mitigation requirement to avoid a "jeopardy opinion" from the Fish & Wildlife Service due to on-going selenium mobilization that occurs with irrigation practices and is harmful to aquatic species above concentrations of 4.6 parts per billion.

D. Conservation Program Approval - Slater Park Land & Livestock Proposal for Partial Year Fallowing (Colorado Water Trust & Western Resource Advocates). Slater Creek is in Division 6 and is tributary to the Little Snake River. This Conservation Program request was brought to the CRWCD Board for approval because it involves one of the larger program requests that the CRWCD has seen over the past few years (680 acres and 4.56 cfs in July and 1.99 cfs in August) from a single water right holder and

because the applicants' also intend to apply to the CWCB In-Stream Flow Short-Term Lease Program which also has a 5 out of 10 year limitation.

Purpose of Conservation Programs: To protect water rights enrolled in a Conservation Program from the diminution of historical consumptive use and simply to protect the water right holder from any negative consequences that may result from not diverting water under their right.

The applicable language from C.R.S. § 37-92-305(3)(c)(II)(A) states:

(c) In determining the amount of historical consumptive use for a water right in division 1,2, 3, 4, 5, or 6, the water judge shall not consider any decrease in use resulting from the following:

(II) The nonuse or decrease in use of the water from the water right by its owner for a maximum of five years in any consecutive ten-year period as a result of participation in:

(A) A water conservation program, including a pilot program, approved in advance by a water conservation district, water district, water authority, or water conservancy district for lands that are within the entity's jurisdictional boundaries or by a state agency with explicit statutory jurisdiction over water conservation or water rights;

The CRWCD Board approved the Slater Creek Project for one year.

E. Community Funding Partnership Program Grants

1. Important: Because a \$20M CFP award was given to the Middle Colorado Counties for purchase of the Shoshone water rights, the CRWCD is encouraging applications from Gunnison and Yampa/White/Green Basins to apply to bring the funding equity between basins more in-line with each other.

2. Funding Awards

- Gunnison County (Applicant - City of Gunnison) - Funding to support engineering and design of new Domestic Water Treatment Plant (\$150,000) (Gunnison Mainstem).
- Garfield County (Applicant - Trout Unlimited) – Funding to support agricultural infrastructure upgrades for improved irrigation water management and fish passage in Elk Creek and Canyon Creek (\$150,000) (Middle Colorado).

3. Potential On-Farm CFP Project Awards:

- Not in favor of supporting projects that expand previously unirrigated lands.
- Not in favor of funding projects that increase historical consumptive use (e.g., sprinkler systems)
- Received clarification that projects do not need to involve multiple water right holders, but they still want to see multiple benefits (i.e., making more water available by reducing seepage, ability to send more water directly to the stream when needed for water quality purposes or making more water available for the next downstream water user).

- CRWCD staff agreed to work with our congressional delegates to bring attention to the problems within our local NRCS offices with regard to planning and engineering staff.
- Seemed to have support for assisting with engineering if that helps applicants not lose their contracts or so they don't have to wait years to complete their projects.

Sonja asked the Board to direct the General Manager and General Counsel to submit a letter of support to the CWCB and Attorney General Phil Weiser in support of the Shoshone Water Right purchase and sale agreement.

Director Julie Nania moved and Director Mike Rogers seconded approval to direct the General Manager and General Counsel to submit a letter of support for the Shoshone Water Right purchase and sale agreement as outlined above. The motion carried.

F. West Divide Water Conservation District Augmentation Program for Crystal River basin in Gunnison County.

Sonja reported that the West Divide Water Conservation District will be entering into an intergovernmental agreement with the Colorado River District to provide augmentation water well in the Crystal River Basin in Gunnison County. Sonja noted that the Upper Gunnison District gets a handful of calls from landowners requesting augmentation water for that area and the District has to relay that it does not provide augmentation water in that area. Sonja sought John's counsel and both feel that this agreement will be a good thing for Gunnison County water users in the Crystal.

G. State Drought Task Force.

On December 15, the State of Colorado Drought Task Force (TF) submitted their final report to the Legislature. The General Assembly charged the TF to provide recommendations for legislation to address drought in the Colorado River Basin and also ensure that the State is meeting its interstate obligations. The final report highlights eight recommendations from the TF and four recommendations from the Tribal Affairs Sub-Task Force. Sonja provided the link to the report as follows: [chrome-extension://efaidnbmnnnibpcajpcglclefindmkaj/https://crrdroughttaskforce.com/Content/Docs/CRDTF_Final_Report_15December2023_FINAL.pdf](https://efaidnbmnnnibpcajpcglclefindmkaj/https://crrdroughttaskforce.com/Content/Docs/CRDTF_Final_Report_15December2023_FINAL.pdf)

H. Aspinall Subordination Report

Sonja noted that the 2022 Aspinall Subordination Report has been submitted to the U.S. Bureau of Reclamation. She pointed out that the data is from 2022 because all data submitted must be reviewed and verified before by the Division of Water Resources before the report can be prepared.

I. State Water Quality Matters.

On December 4 and 5th, the Water Quality Control Commission (WQCC) had an Adjudicatory Hearing for consideration of an appeal by Mesa County regarding the Water Quality Control Division's Total Maximum Daily Load (TMDL) Assessment (for Selenium, E.coli, Iron). The County was not successful in its appeal and Sonja cast the lone vote in favor of the appeal. Sonja reported that the District has been involved in the

Selenium Management Program because of its nexus to the Aspinall Unit Re-Operations ROD and has provided funding in the past (\$100k) for selenium water-quality monitoring in the Lower Gunnison Basin.

J. State of Colorado Permit Backlog.

Sonja referred to an article in *Freshwater News* reporting on the backlog in its processing of Clean Water Act permits. Director Mike Rogers said this backlog has affected the City of Gunnison who were told that they would have to wait for up to a year to obtain the permits necessary for the wastewater treatment plant.

K. Joint Meeting of the Water Quality Control Commission and CWCB Board.

A joint Meeting of the WQCC and Colorado Water Conservation Board is scheduled for January 30th, 2024, just prior to the 2024 Colorado Water Congress Convention. Potential items of discussion include topics around the Colorado Water Plan, Waters of the United States and protection of state gap waters and water quality perspectives.

L. Upper Gunnison Basin Water Budget & Irrigation Return Flow Study.

The District should be receiving a second draft on the scope of work for the return flow study from the USGS soon. There is a scheduled and she asked invited Board members to please respond to her Zoom meeting request so that the meeting can be legally noticed if three or more Board members will be in attendance.

M. Spencer Avenue Building Update.

The roofing project continues although it's been difficult with the weather. Sonja and John met with the contractor to discuss delays. An amendment to his contract was drafted, extending the completion date but does stipulate that additional payments will only be made as work is completed.

N. Watershed Management Program.

A report was included in the packet and there were no questions about the report. Sonja did commend Cheryl and Beverly for their work on the ranking tool for projects to assess their value and risk. She said this will be a big help to both short-term and long-term range planning for the District.

O. Grant Committee.:

Program Manager Beverly Richards noted that there was a report included in the packet and said since the report was completed, the District heard from Anders Ranch on the East River that they are not ready to commence their river improvement project so they are declining their \$16,000 award. New 2024 grant applications will be reviewed early in March.

P. Education and Outreach Committee.

A report was included in the packet. Sonja noted that the District has been planning a glossy 65th Anniversary Report and that new radio spots are being recorded this week.

Q. Wet Meadows Program.

Water Resource Specialist Cheryl Cwelich welcomed Ari Yamaguchi officially to the UGRWCD full-time staff and asked him to provide brief update of what he'll be working on. Ari introduced himself and said he has been working with Cheryl since joining the Wet Meadows crew back in May 2023. He has been working on reviewing and assessing the data collected by the crew to provide reports for grants and to help plan for the 2024 Wet Meadows field season. Sonja mentioned that Ari will also be involved in collecting data for the USGS Water Budget & Irrigation Return Flow Study and will assist her with the Gunnison County Community Wildfire Protection Planning and agency response and preparedness. Cheryl said the next 2024 Planning meeting will be tomorrow morning at 8 a.m. (Tuesday, January 23, 2024).

R. Drought Contingency Plan.

General Manager Chavez referred to the report included in the packet and no questions were asked.

S. Gunnison Basin Roundtable (GBRT) Update.

Sonja reported that the meeting was cancelled and rescheduled for Monday, January 29th at 3 p.m. She has a conflict, but John McClow will be attending via Zoom.

T. Gunnison River Festival (GRF) Update.

GRF Director Cheryl Cwelich reported that the GRF had their first meeting of 2024 last week and have tentatively scheduled the Taylor Down River Race for Friday, June 21 and the Surf Jam at the Whitewater Park for Saturday, June 22nd. She said they will be looking for vendors, musicians and have contacted Western Colorado University about developing a poster for this year's festival.

8. CITIZENS COMMENTS

There were no citizen comments.

9. FUTURE MEETINGS

Information on future meetings was included in the Board packet.

10. APPOINTMENT OF REPRESENTATIVES FOR TAYLOR LOCAL USERS GROUP

Director Andy Spann pointed out that this matter had been skipped in the reporting process. Taylor Local Users Group (TLUG) Chair Don Sabrowski reported that letters of interest for reappointment had been received from Mark Schumacher on behalf of rafting/boating interests and Ryan Birdsey on behalf of flatwater recreation interests. Don said that both of these representatives have been steadfast about attending meetings, are long-term members and are active in and knowledgeable about issues on the Taylor.

Director Don Sabrowski moved to reappoint Mark Schumacher as the TLUG representative for rafting/boating interests and Ryan Birdsey as the TLUG representative for flat water recreation interest for two-year terms commencing January, 23, 2024. The motion carried.

11. MISCELLANEOUS MATTERS

Director Don Sabrowski asked if Sonja had any updated information for the Stockgrowers Association as to when the Doppler radar might be installed in the area. Sonja said that \$1 million has been committed to the project but that Advanced Radar Company has yet to the equipment which is also a frustration to Vern Tharp of Western Water & Weather Intelligence who's non profit provided the funding for the Gunnison radar. Sonja is planning on sending a letter expressing the District's frustration that our community has been waiting over four years now for the radar system.

11. SUMMARY OF MEETING ACTION ITEMS

General Manager Sonja Chavez will contact NCAR and the Bureau of Reclamation to request a presentation on their cloud seeding study at a future board meeting.

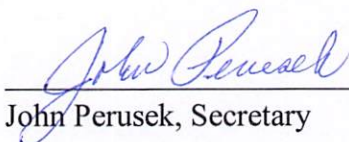
General Manager Chavez and General Counsel McClow will submit a letter of support in favor of the Shoshone Water Right Purchase & Sale Agreement.

General Manager Chavez will write a letter to Advanced Radar Company expressing the District's frustration and disappointment that the Doppler radar has still not been installed in the basin. She will also encourage Gunnison County to do the same.

14. ADJOURNMENT


Vice President Stacy McPhail adjourned the January 22, 2024 Board meeting at 8:35 p.m.

Respectfully Submitted,



John Perusek, Secretary

APPROVED:



Stacy McPhail, Vice President

