

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

The Board of Directors of the Upper Gunnison River Water Conservancy District (UGRWCD) conducted a regular Board meeting on Monday, April 22, 2024 at 5:30 p.m. in the District office, 210 West Spencer Avenue, Suite A, Gunnison, CO, 81230 and via Zoom video/teleconferencing.

Board members present: Joellen Fonken, Rebie Hazard, Stacy McPhail, Julie Nania, Bill Nesbitt, John Perusek, Michelle Pierce, Mike Rogers (via Zoom), Don Sabrowski and Andy Spann

Board members absent: Rosemary Carroll

Others present:

Sonja Chavez, UGRWCD General Manager

John McClow, UGRWCD General Counsel (via Zoom)

Alana Nichols, UGRWCD Fellow

Beverly Richards, UGRWCD Office/Senior Program Manager

Tom Rozman, Colorado Division of Water Resources

Sue Uerling, UGRWCD Admin. Asst/Communications Specialist

Liz With, Assistant State Conservationist for Partnerships, Natural Resources Conservation Service

Ari Yamaguchi, UGRWCD Water Resources Technician

1. CALL TO ORDER

President Michelle Pierce called the meeting to order at 5:30 p.m. President Pierce announced that by now all of the Board members should have received a copy of the letter of resignation from Director Bill Nesbitt noting his intent to not seek re-appointment at the end of his term in June 2024. He was first appointed in 2008. She noted that the District is very appreciative of Director Nesbitt's services as Treasurer for the past 10 years.

2. AGENDA APPROVAL

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

3. CONSENT AGENDA ITEMS

Director Joellen Fonken moved and Director Bill Nesbitt seconded approval of the consent agenda. The motion carried.

4. TREASURER'S REPORT

Treasurer Bill Nesbitt reported that the Federal Reserve elected not to drop interest rates even though the Personal Consumption Expenditures Index and Consumer Price Index showed improvement. Treasurer Nesbitt reported that there may not be any interest rate cuts through the end of the year. He said that 12 percent of credit card debt is uncollectible. He noted that the District has a Sallie Mae note that will come due in the summer that we will have to decide how to reinvest. Director Don Sabrowski asked about FDIC insurance on the District's bank CD's. Treasurer Nesbitt said the FDIC coverage is up to \$250,000 per bank and that the District's CD's at the banks are all protected accordingly.

5. GENERAL COUNSEL'S UPDATE: LEGAL AND LEGISLATIVE

General Counsel John McClow referred to the Legislative Update included in the packet and noted that the "Dredge and Fill" bill (HB24-1379) continues to be debated and that it passed in the House Agriculture, Water & Natural Resources Committee 9-4 on a party-line vote. He noted that there were more amendments released today and that the bill is scheduled to go to the House Appropriations Committee tomorrow. The District's Legislative Committee has not taken a formal position as it is awaiting review of all of the proposed amendments. Counselor McClow noted that with the correlating Senate bill, Senator Roberts introduced a last-minute change to toss the jurisdiction to the CDPHE and moved it out of the hands of the Department of Natural Resources. Counselor McClow believes that the House Bill will ultimately pass in an amended form and that the Senate's version will remain in limbo. The biggest concern with both is that there is not enough time to review the amendments and get stakeholder input before the session ends in two weeks.

Counselor McClow reported that Senate Bill 24-197, concerning implementing the proposal of the Colorado River Drought Task Force includes a provision allowing the owner of a decreed storage water right to loan water to the Colorado Water Conservation Board (Board) for a stream reach for which the Board does not hold a decreed instream flow water right. He said, because of this provision, the Colorado Water Congress State Affairs Committee is deadlocked on this legislation and again, there are concerns that time is running out to review any proposed changes.

General Manager Sonja Chavez noted that the "Dredge and Fill" bill continues to be a yo-yo battle and that the biggest concerns she heard on the legislative call-in was that the groups and individuals who have suggested proposed amendments to the current wording have complained that Representative McCluskie has not made time to meet with them so that they can fully explain their position in suggesting the amendments and that there will not be enough time to for stakeholder engagement.

On a positive note, Counselor McClow noted that the Attorney General's office had submitted a helpful amendment to HB24-1379 which would extend the final rulemaking process to the end of year 2025, instead of May, 2025, because it is a involved and tedious process. General Manager Chavez said at the recent Colorado River District meeting, the group agreed that since much of the water quality policy work is conducted by their consultants, that it might be prudent to hire an outside technical consultant to ensure that west slope interests are represented in the rulemaking.

Director Joellen Fonken had a question about SB24-005 Concerning the Conservation of Water in the State through the Prohibition of Certain Landscaping practices. She asked if it would be the county or the state who would be responsible for the enforcement of these practices. Counselor McClow explained that this legislation is already in force and that SB24-005 just expands the definition of properties under the bill.

Director Bill Nesbitt asked if under the “Dredge and Fill” bill if there was a turf battle between the CDHPE and the Division of Natural Resources due to the differing language of the Senate and House bills proposed. General Manager Sonja Chavez said that there is no friction between the two agencies at all and that the differences in the language in the bills are what was proposed by their sponsors.

On a different note, Counselor McClow reported that the renewal of the Taylor Park Reservoir Operation and Storage Exchange Agreement executed in August 1975 and due for renewal in 2025 is finally moving forward. He said after five years of no movement from the Bureau of Reclamation, we’ve had forward momentum after they were given a nudge from Senator Hickenlooper’s office. There have now been two meetings to negotiate a an updated agreement. The next step will be that each of the Four Parties will be responsible for appointing a negotiating team by summer for the final draft review. The next meeting will be on May 9th. Counselor McClow noted that this is remarkable progress after no action for so long.

6. PRESENTATION BY LIZ WITH, Assistant State Conservationist for Partnerships with the Natural Resources Conservation Services (NRCS)

Ms. With introduced herself and explained that the NRCS has two funding programs available through the Department of Agriculture. The Technical Assistance (TA) program provides farmers, ranchers and forestland owners with resources to conserve, maintain, and restore the natural resources on their lands and improve the health of their operations for the future. The Financial Assistance (FA) program provides financial incentives to implement conservation projects to conserve, maintain, and restore the natural resources on their lands. Ms. With explained that under the FA program, there were two funding opportunities including the Environmental Quality Incentives Program (EQIP), which assists producers in addressing natural resource concerns and delivering environmental benefits; and the Conservation Stewardship Program (CSP), which is designed to compensate agricultural and forest producers who agree to increase their level of conservation by adopting additional conservation activities and maintaining their baseline level of conservation. Ms. With noted that this program is underutilized.

Ms. With shared statistics of NRCS program results within the state of Colorado and explained that the NRCS believes that community stakeholders are best suited to identify and resolve local natural resource problems and that their programs require neighbors, both urban and rural, to work together.

Ms. With explained the NRCS’s Conservation Easements program and results, stating that in fiscal year 2023, new easement obligations totaled over \$10.2 million for approximately 880 acres. She commended Director Stacy McPhail for her efforts in the Upper Gunnison Basin as Executive Director of Gunnison Ranchland Conservation Legacy. She noted that protection of source water following some of the larger wildfires in the state has become one of the more locally-lead conservation programs.

Ms. With reported that in early April, it was announced that the US Department of Agriculture would make \$1.5 billion available to help ag producers advance conservation measures and climate-smart agriculture under President Biden's "Investing in America" agenda through the NRCS. She said that on April 23 and May 30, 2024, interested producers are invited to attend an Applicant Outreach Webinar, which will provide general information for applicants considering submitting proposals.

Ms. With distributed a handout of identified activities associated with agricultural production that could qualify for funding under the Inflation Reduction Act (within the latest Farm Bill) and said these activities must directly improve soil carbon, reduce nitrogen losses, or reduce, capture, avoid, or sequester carbon dioxide, methane, or nitrous oxide emissions. She noted that NRCS staff are available to help brainstorm ideas for producers, as well as hire assistants to implement these programs.

She concluded by providing her contact information as follows: Liz With, Assistant State Conservationist for Partnerships, elizabeth.with@usda.gov, phone number 970-261-8709.

Director Bill Nesbitt asked if NRCS knows what dollar amount is allocated for Colorado projects. Ms. With replied that projects all across the nation are reviewed equally and that the top-rated projects get funded, regardless of where they are located. General Manager Sonja Chavez noted that Colorado has been successful with NRCS RCPP grant awards including two awards to the Colorado River and one to Jesse Kruthaupt with Trout Unlimited for projects in the Tomichi Creek sub-basin.

General Manager Sonja Chavez noted that she wanted to make the Board aware of the various programs offered by the NRCS as the District moves forward in exploring a potential cooperative agreement with NRCS for funding to support building capacity for utilization of Farm Bill Programs. The initial year will likely focus on supporting Wet Meadow Restoration projects on state or private lands.

7. BASIN WATER SUPPLY REPORT

Senior Program Manager Beverly Richards referred to her report included in the packet. She noted that current snowpack totals for this date in the basin are a little below average in the lower basin and a little above average for the upper part of the basin. She said the precipitation was pretty good during March, but that April is currently at 68 percent of normal for precipitation. She reported that another ASO flight was scheduled for May 23rd over the East and Taylor basins, but that David Gochis with ASO said they would like to move that to an earlier date with the recent warmer and dryer conditions and the forecast for a warmer, dryer month of May. The average soil moisture content for the basin is currently 44 percent. There has been a couple of substantial dust on snow events recently, so as temperatures warm up, this could accelerate the runoff. Ms. Richards shared the results of the cloud seeding period noting that there were nine storms in March. Director Joellen Fonken asked if the District was still seeking more funding for the program and what kind of amounts were they pursuing. Bev explained that the amounts range from \$500 up to \$10,000 depending on the contributor. When asked about the success of the program, General Manager Chavez said she recently participated in a meeting where a research team explored cloudseeding effects. The good news is that 2 out of 3 generator sites are ideally located and 1 site may be releasing most of the precipitation outside the basin. She said that next season they would explore ways this might be prevented.

Both Director Don Sabrowski and Director Andy Spann said that the snowpack has really declined the past several days and they are not seeing much runoff yet.

8. GENERAL MANAGER AND STAFF REPORTS

Executive Committee – President Michelle Pierce reported that the committee met on April 8th and discussed strategic planning with District Manager Chavez who summarized high-priority action items for the District over the next 3-5 years, including wildfire response planning, the irrigation return flow study, drought planning, water-quality compliance and source water protection.

There was also discussion about finding a Wet Meadows Program Coordinator who would dedicate 100 percent of staff time to Wet Meadows activities rather than a split position between UGRWCD and Wet Meadows Partners. General manager partners were informed that they would need to fully fund the annual salary and the District could provide fringe benefits, such as a retirement, health insurance, home loan assistance program, etc. General Manager Chavez also suggested that the District would benefit from a Grant Administrator on staff to handle day-to-day grant activities, funds acquisition and serving as the fiscal agent and grant administrator for cooperative funding opportunities. Down the road, if funds are available, Ms. Chavez also feels the District could benefit from another water resource specialist staff member with broad water and natural resource expertise. Director Rebie Hazard noted that there have been people upset in the past by lack of advertising for positions. District Manager Sonja Chavez replied that while the District is not required to do so, that there will be a statewide search. She said for the Grant Administrator position, she felt there could be prospects locally. If and when the District would decide to hire a Water Resource Specialist, General Manager Chavez said the District would definitely look statewide and advertise accordingly. Director Julie Nania asked about the timeline for filling the Wet Meadows Program Coordinator position. Water Resources Technician Ari Yamaguchi replied that the Wet Meadows partners have a meeting tomorrow to discuss the position further and craft a revised job description. Director Nania offered that when the job description is ready, it could be forwarded to the Board members who can help distribute the notice further. Director Bill Nesbitt asked if the Grant Administrator position would include the expectation that the candidate would be expected to meet a threshold of grants awarded to the District as part of the job requirements. Ms. Chavez replied that the position would be heavily weighted towards the administration of existing grants and that the grant administrator, staff and partners would work together as a technical team to prepare grant requests.

President Pierce reported that the Executive Committee discussed that the makeup of the committee will need to be reorganized upon Director Nesbitt's departure in June. According to the District bylaws, the secretary and/or treasurer positions could potentially be filled by a staff member. President Pierce reported that the executive Committee felt strongly that all officer positions should be filled by Board members.

President Pierce also reported that the Executive Committee approved her signing a letter to Gunnison County to have General Manager Sonja Chavez formally re-appointed to the STOR Committee.

General Manger's Report:

GAP Weather Radar – General Manager Sonja Chavez reported that she had heard back from the Western Water Weather Intelligence (W3IC) in response to her letter to them outlining the District’s concerns about delays in the deployment of gap radar equipment. She was told that W3IC will be bringing the gap weather radar unit on a trailer to the basin by June 1, 2024. They are working with a basin partner to operate at a temporary location until the sage grouse closures on Big Mesa are lifted on July 15th. The President of W3IC offered to come speak to the Board about the operations prior to the equipment being deployed.

Renovations - Ms. Chavez reported that the renovation of Suite A is nearly finished. The majority of the painting is done, including the Board Room, and the area is ready for carpet cleaning, stretching and installation. She also conducted a walk-through with the roofing company and pointed out final work items that need to be completed, including cleaning up the grounds, before final payment will be made. One potential change order is the addition of an awning over the back entrance since this will be where most of the staff will enter Suite A for work and the need to prevent water from falling and ice from forming on the back step.

Home Ditch Letter of Support – The Home Ditch headgate is located on the Gunnison River about 4.3 miles north of Gunnison and decreed for 6 cfs. The primary water right owner and grant applicant is Goddard Ranch. Ms. Chavez explained the headgate is damaged and is often above water level elevation making diversion of water not possible during much of the year. In 2023, Goddard Ranch applied for a grant for construction of the project but the UGRWCD Grant Committee determined the applicant was not yet ready for construction and steered the applicant toward preparation of an engineered design. There was discussion about Colorado Parks and Wildlife having assisted with fish passage design but concerns about long-term maintenance in this difficult section, comment from engineer about not making a design improvement recommended by UGRWCD engineer over budgetary concerns, need for outreach to boaters, and uncertainty related to the Corps permit determination. The Board agreed that while the board is very supportive of its water rights holders, the project could benefit from a bit more outreach, possible fundraising, and the Manager’s follow-up with the Corps before the Board would be comfortable submitting a letter of support.

Watershed Management Planning (WMP) – Senior Program Manager Beverly Richards referred to her memo in the packet and reported that she and Director Stacy McPhail had met to review outstanding activities for WMP. Director McPhail said with Ms. Cwelich’s resignation, they felt a need to take a pause and figure out where the District stands on remaining tasks and not wanting to put it all on Ms. Richards’ shoulders. As per the memo, once the Geo-fluvial Assessment Phase 2 Final Report and Wetlands Assessment Final Report are complete, the District can continue with outreach and preparation of final deliverable. There is still plenty of time under the existing purchase order. In 2024, there are plans to coordinate with WMP consultants to develop outreach information to support public presentations, implement stakeholder outreach across all water user groups, and finalize the Upper Gunnison Basin Watershed Management Plan Document and administer the grant requirements. Director McPhail noted that the District is still ahead of schedule even with the loss of a staff team member.

Wet Meadows Program – Water Resource Technician Ari Yamaguchi said the partners would be meeting tomorrow to discuss the Wet Meadows Coordinator job description and funding arrangements. In addition, he reported that the partners have already met to review project sites, grant opportunities and grant

administration. He noted that efforts are currently underway to enter into a cooperative agreement with the NRCS (\$15,000-\$20,000 in 2024) for wet meadow program coordination support, as well as a new cooperative agreement with BLM for \$385,000 for planning, design, materials, and implementation. The primary focus for the 2024 crew will be maintenance of existing structures and site assessment for planning future work. The site assessments are only those that were not completed last year, mostly on USFS land.

Wildfire Ready Planning – Technician Yamaguchi reported that the District met with Gunnison County Emergency Management, USFS, CSFS, NRCS, and affected private landowners to discuss the Lowline Wildfire and possible follow-up, which could include geo-fluvial assessments, invasive species control and/or native plant reseeding and water quality testing, as well as possible support with funding acquisition and management dependent upon potential water resource issues identified during the site visit.

In addition, Mr. Yamaguchi reported that in response to a prospective lithium mine on Quartz Creek near Ohio City, he has begun compiling publicly available data (from USGS and CDPHE/WQCD) to establish a repository of baseline information, including both water quality and biological communities which could be affected by the mine. Mr. Yamaguchi has reached out to United Lithium to establish a line of communication for monitoring efforts and data transparency.

Education and Outreach Committee – Administrative Assistant/Communications Specialist Sue Uerling referred to her report in the Board packet and noted that a big portion of her time has been spent preparing for the 65th Anniversary Celebration on Monday evening, June 24th. She reported that just that afternoon, she had received a confirmation back from Gunnison Elementary School Principal Robin Wilkinson that the first-grade teachers would like the Board and staff to distribute copies of the book *Drop: An Adventure in the Water Cycle* on Wednesday, April 24, 2024 at 1:30 p.m. Ms. Uerling said she would email the Board to solicit volunteers to help on Wednesday and would outline arrangements for distribution of the books to first graders at the Crested Butte Community School and Lake City School in May.

She also noted the upcoming River Clean-Up Day on May 4th and the Rotary Fishing Tournament on May 4th and 5th, as well as a handful of other outreach opportunities coming up as outlined in the report. Director Bill Nesbitt wanted to be sure that the District would be sponsoring the Free Swimming Lessons at the Gunnison Rec Center this year. The District has not received the formal funding request yet for the swim lessons, but there is an allocation of \$750 for the lessons included in the 2024 Education and Outreach budget.

Taylor Local User's Group Report – Chair Don Sabrowski shared that the TLUG representatives met on April 9th and that so far, the forecast is still on target. He noted that the consensus of the group was to perhaps lower the releases scheduled for May to hold back a little more water in case it turns out to be a very dry summer and we lose soil moisture content rapidly. General Manager Chavez reported that Erik Knight of the Bureau of Reclamation hinted at the last meeting of wanting to keep the May releases as is or even increase them to reduce the possibility that the reservoir level might reach or go over the spillway, but she was not in favor of this. Director Sabrowski said the group will be anxious to hear the May forecast from the BOR and to see how it lines up with the data provided by David Gochis of Airborne Snow Observatories

since neither he nor Director Andy Spann have noted much runoff yet and had the same concerns about additional releases in May.

General Manager Chavez reported that she had been in contact with other members of the Four Parties and has received assurance that there will be personnel at the U.S. Bureau of Reclamation and the Uncompahgre Valley Water Users Association who can serve as backup authorized representatives to approve changes in flows when the primary representatives are unavailable.

Scientific Endeavors – No report as Director Rosemary Carroll was absent.

Drought Contingency Planning (DCP) – UGRWCD Fellow Alana Nichols reported that the District had a great turnout of over 50 attendees for the DCP Stakeholders Meeting at the end of March and received a lot of helpful input and suggestions. She noted that task force and super group interviews are continuing and that the task force is beginning discussion on developing a public communications plan and mitigation response activities. General Manager Chavez noted that the DCP would try to find another time to solicit input from the Gunnison Stockgrowers Association since ranchers were in the midst of calving.

Gunnison River Festival (GRF) – GRF Co-Director Alana Nichols reported that the GRF Board has elected to return to the traditional format of a two-day festival instead of a summer-long series of water-related events. She reported that the Taylor Down River Race will take place on Friday, June 21st in Almont with the awards party to follow at Three Rivers Resort. On Saturday, June 22nd, the festival will be held at the Gunnison Whitewater Park with boating, surfing, live music, family activities and vendor booths. She and Cheryl Cwelich continue to work on soliciting sponsors.

9. MISCELLANEOUS MATTERS

President Pierce referred to the details in the packet about upcoming vacancies on the Board and Director Don Sabrowski was reminded to send his letter of interest for reappointment to Judge Patrick. Director Bill Nesbitt noted that he has talked to a couple of residents who might be interested in applying for his City seat.

General Manager Chavez announced that the 2024 Colorado Water Congress Summer Conference will be August 20-22, 2024 and in Colorado Springs at Cheyenne Mountain Resort. She requested that Board members let staff know as soon as possible of their desire to attend.

10. CITIZEN COMMENTS

There were no citizen comments.

11. FUTURE MEETINGS

A listing of meetings was included in the Board packet. The Board was reminded that the next meeting will be on TUESDAY, May 21, 2024 at the Lake City Firehall. Lunch will be served at noon with the meetings to follow.

12. SUMMARY OF MEETING ACTION ITEMS


General Manager Chavez will:

- Send the NCRS presentation by Liz With to the Board.
- Contact Goddard Ranch to outline the concerns of the Board about the Home Ditch project.
- Instruct staff to reach out to the Gunnison Rec Center regarding funds available for the Free Swimming Lessons.
- Contact Jon Kaminsky about Wet Meadow Restoration potential on BLM lands behind Dos Rios.

13. ADJOURNMENT


President Michelle Pierce adjourned the April 22, 2024 Board meeting at 7:54 p.m.

Respectfully Submitted,



John Perusek, Secretary

APPROVED:



Michelle Pierce, President