

**Upper Gunnison River Water Conservancy District
Meeting Minutes of the Board of Directors
Monday, August 26, 2024**

The Board of Directors of the Upper Gunnison River Water Conservancy District (UGRWCD) conducted a regular Board meeting on Monday, August 26, 2024 at 5:30 p.m. at the Upper Gunnison River Water Conservancy District, 210 West Spencer, Suite A, Gunnison, Colorado and via Zoom video/teleconference.

Board members present: Joellen Fonken, Rebie Hazard, Stacy McPhail, Julie Nania, Mike Rogers, Rosemary Carroll, Don Sabrowski, John Perusek, and Brooke Zanetell.

Board members absent: Andy Spann

Others present:

Sonja Chavez, UGRWCD General Manager
Jonathan Houck, Gunnison County Commissioner
Greg Levine, Hinsdale County Commissioner
John McClow, UGRWCD General Counsel
Luke Mecklenburg, Colorado Attorney General's Office (via Zoom)
Alana Nichols, UGRWCD Fellow
Beverly Richards, UGRWCD Office/Senior Program Manager
Robert Sakata, Ag Water Policy Advisor, Colorado Department of Agriculture (via Zoom)
Sue Uerling, UGRWCD Administrative Asst./Communications Specialist
Ari Yamaguchi, Water Resources Technician

1. CALL TO ORDER

Vice President Stacy McPhail called the meeting to order at 5:30 p.m. She noted that agenda was revised to include consideration of the election of a new Board President and a fourth Executive Committee member due to the email from former Board President Michelle Pierce announcing her resignation from the Board, effective immediately. Both Director McPhail and General Manager Chavez expressed their appreciation for Michelle's leadership of the Board since 2017. It was suggested that a card for Michelle be circulated and a Board resolution presented at the next meeting.

Staff will advertise for a Board vacancy for Division 1, Hinsdale County once the process has been reviewed with the new Judge Kellie Starritt.

Vice President McPhail said that she would entertain any nominations or volunteers from the floor who would like to be considered for the Presidency. None were brought forward. Director Joellen Fonken asked if Vice President McPhail would consider stepping up to fill the Presidency and Director McPhail said she would but wanted to give others who might be interested the opportunity.

General Manager Sonja Chavez noted that this also leaves a vacancy on the Executive Committee. She said the committee typically only meets two to three times a year primarily for review of senior staff and preliminary budget discussions or personnel matters. Director Rosemary Carroll offered to serve on the Executive Committee. The Committee will make recommendations on officer roles at a future meeting.

Director Joellen Fonken moved and Director Julie Nania seconded the election of Director Stacy McPhail as Board President and Director Rosemary Carroll as a member of the Executive Committee. The motion carried.

2. AGENDA APPROVAL

Director Rosemary Carroll moved and Director John Perusek seconded approval of the agenda as revised. The motion carried.

3. CONSENT AGENDA ITEMS

Director Joellen Fonken moved and Director Julie Nania seconded approval of the consent agenda as presented. The motion carried.

4. 2025 BUDGET

General Manager Sonja Chavez presented a very preliminary draft 2025 budget for review. She went line by line through the Watershed Management Planning (WMP) comprehensive plan and briefly explained each. Director Brooke Zanetell asked for further explanation of Jesse Kruthaupt's role in the WMP. General Manager Chavez and President McPhail explained that he provides extensive consultation on infrastructure, works with water rights holders and assists ag producers with funding acquisition through the District Grant Program and other granting entities.

Ms. Chavez also reviewed the Engineering/Consulting, Water Quality and Quantity Monitoring and Regional Water Supply Improvement items. She noted that although the Wet Meadows program is a large budget item, the cash required from the District is relatively low as there are several other partners who provide funding for the program. President McPhail explained for Director Zanetell that the program was initially started by The Nature Conservancy primarily to protect threatened Gunnison sage grouse but has now grown to include many partners and grantors with the goal of sustaining wet meadows and riparian areas because of the benefits the work provides to water users, wildlife and livestock. Ms. Chavez noted that the non-operating budget currently comes in at \$1.675 million and noted that a more detailed budget which will include program revenue from outside funding sources will be presented at the next meeting and will continue to be revised and refined until the final draft is presented at the public hearing in November.

5. BASIN WATER SUPPLY REPORT

Beverly Richards reported that she did not have a lot to add to her water supply memorandum in the packet and noted that at the drought monitoring webinar she attended this week, staff from the National Weather

Service reported that the weather pattern is currently moving to a more neutral pattern and then is expected to move to an La Niña pattern, which typically results in drier, warmer conditions in the southwest. She joked that this was the same person who at their last webinar said that the monsoonal rains were over and that August would likely be hot and dry. Ms. Richards noted that to date, the Gunnison basin is well over its average precipitation for the month, although there are still some small areas in the region that are registering as “abnormally dry.”

Director Rosemary Carroll asked if the new Doppler gap weather radar is up and operating in hopes that it might be able to provide data for more accurate forecasts in the area. General Manager Chavez replied that the radar unit has not yet been installed because they have not found an electrician yet who can put in the meter on Big Mesa. It is scheduled for installation in September. Then, she said the challenge will be to get the National Weather Service to include the data collected from the radar for local weather forecasting.

6. TREASURER’S REPORT

Treasurer John Perusek reported that the District will have some US Treasuries that either have or will reach maturity soon. He noted that the District’s investment representative Rob Casacelli has advised the District to hold off reinvesting them for now as he didn’t like what he was seeing in the market. The cash will earn around five percent interest in ColoTrust.

General Manager Chavez said that there were some items in the 2023 Audit that she and Tom Stoeber want to review with Auditor Paul Miller and that she will then finish her Management letter to accompany the audit. This will be completed by the end of September.

Director Joellen Fonken asked if there is a District financial policy that recommends that District funds are invested locally. Ms. Chavez said there is no such policy but that the procedure is to regularly check rates at banks in the basin to see how they compare.

7. GENERAL MANAGER’S REPORT

Projects & Fundraising: Ms. Chavez reported that the District has prepared a draft request for a cooperative agreement with the BLM as part of the Colorado Aquatic Resource Management plan for \$125,000. In addition, a response was sent with respect to the Good Neighbor Authority (GNA) opportunity for \$260,000. General Counsel John McClow has GNA and has no concerns at this time. This would result in funding of \$385,000 over a period of three to five years.

Staffing: Ms. Chavez announced two important hires for the District including Amanda Aulenbach as the new Wet Meadows Program Coordinator. Ms. Aulenbach’s official start date is August 29. She has worked at Western Colorado University and was on the Wet Meadows crew in the past, so she will bring a lot of experience in fieldwork and knowledge of the area. She will be introduced at the next Board meeting.

Bailey Friedman has been hired as the new Water Resources Project Manager. She is from California, worked for the American Bird Conservancy primarily under contract with NRCS. She was fortunate to find a place to rent in the valley and will start her duties on September 30, 2024.

Water Quality & Quantity: Water Resources Technician Ari Yamaguchi provided an educational memo for the Board packet regarding Aquatic Nuisance Species, namely zebra mussels, detected in the Colorado River Basin near Grand Junction. It was explained that although the adult mussels have not been found elsewhere in the river, their veligers (larval stage) have. Adults can attach to nearly any surface and really “bug up” infrastructure. Ms. Chavez would like to see inspections in the basin beefed up by Colorado Parks and Wildlife (CPW), Bureau of Reclamation, Gunnison County and other partners.

Director Stacy McPhail said she is a huge proponent of public outreach and education as she doesn’t feel the public truly understands the implications of an infestation in the river.

Director Rosemary Carroll noted that so far Taylor Reservoir and Spring Creek Reservoir are okay since the mussels don’t travel upstream, but mussel introduction in those waters would represent a threat to Blue Mesa as well; the risk of introduction by human activity is present in all waters. Manager Chavez reported that there is evidence that the mussels could settle below the layers of ice that typically form in the winter in our basin, which protects them from freezing, so Gunnison’s colder temperatures are not a reliable mechanism to stop infestation.

General Manager Chavez said that she is considering setting aside some funds in the 2025 budget, perhaps \$20,000, to help with increasing inspections and mitigation of aquatic nuisance species. Director Mike Rogers said he would be supportive of setting aside funds for this purpose. Director Julie Nania asked who will lead the efforts for the Upper Gunnison basin and Ms. Chavez replied that it would likely be the CPW. Director Nania said she is comfortable with setting aside funding but would like more information on specifically who will be receiving the District’s funding and some details on specifically how the funding would be used.

Education and Outreach Committee: Director/Chairman Mike Rogers reported that the committee met on August 13th and heard a presentation from Director Julie Nania (representing Coldharbour Institute) and Katya Schlosser of Cooperative Institute for Research in Environmental Science (CIRES) about some potential cooperative education programs for the future. A few of the Board members were especially pleased to learn about their idea for a “Restoration Certificate” which would include workshops and training modules to build technical capacity for watershed restoration, assessment and monitoring to further career/professional opportunities for students in the District. Director Rosemary Carroll noted that the Rocky Mountain Biological Laboratory (RMBL) Education Program has a Research Experience for Undergraduates (REU) program funded by the National Science Foundation. She wondered if Coldharbour and CIRES might want to see if there could be some cooperation with RMBL on a certificate. Director Brooke Zanetell successfully completed RMBL’s REU program and liked the idea of cooperating. General Manager Chavez reported that she is pleased to have Ms. Schlosser involved in the planning since she has a good working relationship with the area schoolteachers.

Director Rogers also reported that the committee discussed the possibility of having a book written and illustrated about the Upper Gunnison Basin watershed that would be distributed to area elementary students. It was suggested that the book could also be translated into Spanish and/or Cora languages.

Education Committee Program Administrator Sue Uerling said that since the meeting, she had learned from Gunnison Elementary School Principal Robin Wilkinson that there may be an issue in having enough bus drivers to drive third and fifth-grade students to RMBL for the upcoming fall field trips. Director Joellen Fonken noted that Scenic River Tours has a bus and a staff bus driver who might be willing to drive the students for their field trips with some compensation. Ms. Uerling will contact Scenic River Tours to check on this possibility.

Taylor Local Users Group (TLUG) Update: Director/Chairman TLUG, Don Sabrowski reported that the group met on August 8th and so far, TLUG has been able to proceed with using the Bureau of Reclamation's recommended release schedule. He said that the summer flows have been relatively easy to manage to date thanks to some good precipitation and runoff. The group is hopeful that the next report from the Colorado Basin River Forecast Center will result in the October 1st storage level in Taylor Reservoir being projected at or above the 70,000 acre-feet year-end storage objective so there will be some good winter flows. The next meeting will be on September 9th at 8:30 a.m.

Scientific Endeavors: Director Rosemary Carroll noted that 2018 was not an easy year for TLUG and that during that year an organization known as NEON (National Ecological Observation Network) funded some observation flights over the upper portion of the East River watershed and has been providing some great data to scientists in the area from these flights. They are scheduled to come back for follow-up flights in 2025 over the same area and will even be expanding their flights to include some of the Taylor watershed. She said they are currently discussing what areas to focus on with respect to vegetation response over the last six years, of which several have had low snowpack and minimal monsoonal moisture. Ms. Carroll noted that the data collected during the flights will be combined with other data collected on the ground to gather some results on forest health and how it relates to watershed health and vegetation response to such conditions. She said it should provide some interesting overlap. Ms. Carroll said that once the instrumentation is in place and the studies are up and going, it would be interesting for the group to go up for a tour. General Manager Chavez asked if the NEON flight radar equipment is the same as airborne radar equipment. Ms Carroll replied that unfortunately they are different and the NEON flights provide the highest resolution of hyperspectral data.

Director Sabrowski said he has observed that the beetle kill in the Taylor basin has really exploded in the past year. He said that he thought the spread was slowing down a bit and then in this last year it has spread phenomenally across Fossil Ridge and that there is real concern that the Taylor basin could lose all of its Lodgepole pines. Director McPhail said she was recently in the area and agreed that conditions have really gotten worse in the last year and she will be interested in hearing the outcomes of the NEON flights. Director Carroll said the usual outcomes of scientific research is that it provides answers to some questions and then generates a whole bunch of new questions. She is hopeful that there will be some valuable insights provided by this study.

8. GENERAL COUNSEL UPDATE

General Counsel John McClow reported that he filed the “Application for Finding of Reasonable Diligence and to make Absolute in Part” the District’s refill right for Lake San Cristobal. Letters regarding the process were sent to all landowners along Lake San Cristobal via certified mail, return receipt requested. The District did get some inquiries about the process but there has been no formal opposition. The landowners will have 60 days to file any formal opposition but Counselor McClow does not expect any issues. He noted that Applegate Group helped ascertain the actual acre-feet of water for the refill right and determined that an increase of 101 acre-feet beyond the current absolute amount of 143 acre-feet should become absolute and the remaining 706 acre-feet of the refill water should continue as conditional.

Counselor McClow reported that a similar filing will be due for Meridian Lake Reservoir by the end of November and that it is more complicated as there will be a critical review of storage tables since the previous filing. He said he was hoping that the Mount Crested Butte Water and Sanitation Department would have been ready to move forward with their project and then the District and them could have jointly filed for a new water right. Since they are not ready, the District will proceed with the Due Diligence process.

Counselor McClow also reported that the Upper Colorado River Commission directed staff last week to prepare an MOU with the Bureau of Reclamation to enable tracking of any water presumed to be saved as part of the System Conservation Pilot Project or other conservation projects in the Upper Colorado River basin. He noted that nearly \$30 million went towards projects to improve measuring and tracking water this past year.

GPLI Request for Letter of Support: Counselor McClow introduced Gunnison County Commissioner Jonathan Houck who provided a presentation on the Gunnison Public Lands Initiative (GPLI) and the resulting Gunnison Outdoor Resources Protection Act (GORP), which will result in legislation to be proposed in the Congress by Senator Michael Bennett on September 17, 2024. Mr. Houck said GORP represents 10 years of work by a locally-driven stakeholder group that includes representatives from all land users groups, including Gunnison Stockgrowers, motorized and non-motorized recreationists, conservation groups like HCCA and the UGRWCD, which earlier in the process provided a letter of support to Senator Bennett’s office. Mr. Houck projected a map that showed existing wilderness area designations versus Protection Areas, Recreation Management Areas (RMA), RMA in discussion, Special Management Areas (SMA), SMA in discussion, Scientific Research and Education Areas, new proposed Wilderness Areas and new Wilderness areas in discussion. He noted that all existing uses in every area would be protected. All areas designated as wilderness would be managed as if it is wilderness under current management practices. The total land area in this proposal represents over a half million acres with approximately 80,000 acres being proposed as wilderness. Mr. Houck said the first few years of the stakeholder process were used to identify, inventory and assess the impact of any proposed land designation changes to users, which included looking at where headgates and ditches are located and other existing uses like trails and grazing permits. From a water users’ perspective, Mr. Houck said the group wanted to ensure that all water rights and uses were protected.

Mr. Houck pointed out that much of the area falls under “Special Management Area” designation and that the public lands in these areas have hit their carrying capacity and that any additional trails or recreational

infrastructure will really start to tip the balance of the ecological function in these areas. In terms of water implications, Mr. Houck said the group made sure that the proposed act does not limit changes to or deny access to any current water infrastructure and will continue to support the water rights and any existing permits for these areas. He noted that the act even allows for the issuing of new permits as determined appropriate by the US Forest Service.

Mr. Houck reported that they have worked with all of the surrounding counties on this measure and have the full support of Delta, Chaffee, Saguache, Hinsdale and Ouray Counties. Through Senator Bennett's office, they also worked with the timber industry, which has taken a neutral position on the act. The group also continues to work with the Ute Mountain Ute Tribe and has their full support for the project. The ranch that the Ute Mountain Utes own will be converted to trust land, with two conditions that the parties have agreed to, including that the tribe will not develop any gaming or casinos on the trust land and the county road that dissects the ranch will continue to be maintained by the county. Mr. Houck noted that they also have the full support of the municipalities within the area.

Mr. Houck explained that they are now seeking letters of support for the GORP as a whole and from each of the individual members of the GPLI prior to the legislation being introduced on September 17th. He said first the act will go before the Senate Natural Resources Committee.

President Stacy McPhail asked Mr. Houck if the District Board agrees to submit a letter of support, is there specific issues he would like to see addressed or should it be more of a general letter of support. He replied that it is more of a general letter of support but that he felt it should note that water has been a keystone piece of the act from the beginning and that the District, like the act itself, represents this cross section of users.

Director Don Sabrowski asked Mr. Houck to explain the differences between SMA and Wilderness Areas. He replied that SMAs can include either a detailed management plan or more of an open-ended management plan but do not allow for additional development of trails or roads or anything that would affect the vegetation in those areas. He said that in the Wildlife Conservation areas, the management plan is specific to preserving habitat for wildlife. He noted that ranchers have stated that what is good for wildlife habitat is also good for ranching. Mr. Houck noted that General Counsel McClow has reviewed the bill line by line. Director Sabrowski also asked if Mr. Houck could alleviate his concerns about bringing in more wilderness areas where there can be no water management and no special treatments, for instance for beetle kill. Mr. Houck replied that while the wilderness designation does limit some tools for treatments, there are still some hand treatments that can take place. He also noted that much of this territory is very remote, with no access and very steep terrain, which naturally limits what can be done there anyway. Director Sabrowski said that for the past four years he has worked with a group to try to control beetle kill in his area and that all work they did was required to stop at the wilderness border. He said now the beetles have exploded in this wilderness area and much of it is now dead which provides fuel for wildfires, so he is very concerned about adding any more wilderness areas. He said he would be much more in favor of designating them as SMAs so that treatments can occur instead of just letting nature take its course. Mr. Houck replied that the Wilderness designation does not completely prohibit vegetation management treatments and that the bill will move forward with the specific designations as noted on the map. Mr. Houck said that the Gunnison County

representatives did not vote on the specific designations because they wanted to present the bill to Senator Bennett and say this is what the stakeholders wanted and not necessarily the county.

Greg Levine, Hinsdale County Commissioner, said that Hinsdale County is totally in support of the GORP Act as it was completely appropriate to add the small piece of the map as wilderness since it is totally wilderness.

Director Rebie Hazard said while she understands the GPLI has a deadline to meet, she just wishes that the District Board would have had more time to review the final designations with the changes that were made in the last two year and discuss the letter of support. She said that in Saguache County, there were two commissioners that were in favor of the act but that the majority of the general public were not. She asked Mr. Houck what designations were made in Saguache County and he replied that the area included is designated as Wildlife Management Area which focuses on preserving the habitat for the benefit of wildlife and does not allow for any additional trails or roads. Director Hazard asked if there were any changes for Saguache County in the past two years and Mr. Houch replied, “no.” Director Hazard noted that Saguache County already had management plans in place for that area. Mr. Houck said that as long as they were compatible with the benefits to wildlife habitat, they could still be used.

Mr. Houck acknowledged Director Hazard’s comment that not everyone in Saguache County is 100 percent happy with the bill. Likewise, he said not everyone in Gunnison County is happy with it either. In fact, no set group is 100 percent happy with the bill as nobody is getting everything they wanted. However, he said they have come to a consensus that this is the best compromise to protect public lands for the future.

Director Julie Nania said that she was part of the process at the very beginning as a conservation advocate and the fact that no one is 100 percent happy with the bill shows that there is good balance to the package. She said that she believes all of the concerns brought up tonight are legitimate but that she truly believes this is a better package for the District than any management plan put forth by a single agency. She thinks it does allow for some uses that were requested while still putting conservation at the forefront.

Director Hazard said she wanted to point out that Saguache County was not part of the process early on even though there were a couple of commissioners who had some involvement in the planning. She said it was not until Commissioner Houck started coming to the meetings that most of the county learned about the plan so she feels it does not represent input from most of Saguache County. She said, “You all have had 10 years to consider this plan, while we (Saguache County) have not.”

Mr. Houck replied that these designations do not put a fence around an area and say “you can” or “you can’t.” He explained that for any proposed project for an area, it will still go through a formal process of approval which will include tons of public input, but that with the designation of the area in place, the use for that area is prioritized by the designation. He also explained that while Saguache County was not initially included in the stakeholders’ group, it was Colorado Parks and Wildlife who proposed bringing them into the discussion because the area designated on the border of Gunnison and Saguache Counties as a Wildlife Management Area is incredibly important to big game migration and therefore it made sense to include them.

President Stacy McPhail asked if the bill passes, after it has passed, will there still be an opportunity for Saguache County to offer input for the area designated “in discussion?” He said that the designations will be

final but that there will always be opportunity for public input on new proposed uses for a designated area as long as they are consistent with the designated priority.

After some discussion and questions about SMAs and Scientific Research and Education Areas, it was explained that within the plan, each of these areas has language associated with it to manage the area for the goal that has been designated with the overarching goal of not putting any more pressure on overused areas.

Director Joellen Fonken noted that she, too, was part of the stakeholders' group for a couple of years and she feels this is a good blanket approach to better management of public lands. She said "kudos" to the group for being at the forefront of this approach to land management and that she believes this can be a template for others in the state to consider. She did ask if the bill passes, can there be any amendments to the map? Commissioner Houck replied that he believes it is in final form and that although he talks to groups all the time who make comments about tweaking a particular area, overall, they have all agreed they can live with the proposal as it is.

Director Brooke Zanetell asked if Commissioner Houck could briefly give an overview of where Mesa, Montrose and Chaffee Counties stand on this proposal. He replied that Mesa County is basically ambivalent to the proposal since it is such a small area of their county that touches Gunnison County. He said Montrose County is known to oppose any type of public land designations and that they do not have a consensus with their commissioners. Because GORP took out the Black Mesa from the designated areas on the map, they will not oppose the proposal. As for Chaffee County, he said they are not opposed to the proposal but were unable to come together in a timely fashion to address some adjacent areas that they would like to address for management.

Director John Perusek asked about a couple areas where private lands are completely surrounded by wilderness, like Steuben Creek. Mr. Houck replied that Steuben Creek is already being managed as a wilderness area since there is no public access to that area. He also said that this proposal will in no way affect private property owners or cause them to change the way they manage their property or have any negative impacts on access to their property. Any nexus between public lands and private landowners where they need access to a headgate or infrastructure, their private rights will not be infringed upon, said Mr. Houck.

Director Rosemary Carroll moved and Director Joellen Fonken seconded approval of writing a letter of support from the District in favor of the GORP Act. Director Don Sabrowski opposed the motion and Director Rebie Hazard abstained. The motion carried.

It was noted that senior staff will compose the letter of support and forward it to the Board members for comment. Once finalized, President McPhail will sign the letter of support on behalf of the District.

8. MISCELLANEOUS MATTERS

General Manager Chavez reported that the Colorado Water Congress convention just concluded last week. She said the new venue, Cheyenne Mountain Resort, was very nice, but that everyone was more spread out than in the past. She thought the sessions giving further explanation on recent Supreme Court Rulings, the national focus on irrigated agriculture to provide food security, and the session covering dredge and fill

legislation were very helpful. She noted that the next Colorado Water Congress convention will be in January 2025 on the front range.

She also reminded the Board of the Colorado River Water Conservation District Annual Seminar on September 20th in Grand Junction and the C9 Summit in Crested Butte on October 1 and 2nd, with most of the business meetings taking place on October 2.

9. CITIZEN COMMENTS

No citizen comments were brought forth.

10. FUTURE MEETINGS

A list of meetings was included in the Board packet.

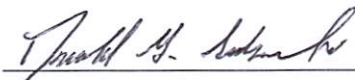
11. SUMMARY OF MEETING ACTION ITEMS

- Senior staff will write a letter of support for the GORP Act and submit it to the Board for comment.
- Staff will contact Richard Belt to discuss the Endangered Species Recovery program at a future Board meeting
- Staff will contact Jean Vieux to come to a future Board meeting to discuss use of Doppler radar for measuring Snow Water Equivalent
- General Manager Chavez will explore options to sponsor a luncheon or something at the C9 Summit
- Staff will follow up with the County Extension Office about alternative crops for drought management

12. ADJOURNMENT

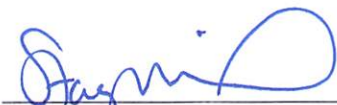
President Stacy McPhail adjourned the August 26, 2024 Board meeting at 7:26 p.m.

Respectfully Submitted,



Don Sabrowski, Secretary

APPROVED:



Stacy McPhail, President